



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved TRANSIT AND PARKING COMMISSION

*PLEASE NOTE: This meeting can be viewed in a live webcast of Madison City Channel at
www.madisoncitychannel.com.*

Wednesday, October 10, 2012

5:00 PM

215 Martin Luther King, Jr. Blvd.
Room 260 (Madison Municipal Building)

A. CALL TO ORDER/ROLL CALL

The meeting was called to order at 5:03 PM.

Present: 8 -

Chris Schmidt; David E. Tolmie; Gary L. Poulson; Margaret Bergamini;
Susan M. Schmitz; Kenneth M. Streit; Kenneth Golden and Ann E. Kovich

Excused: 3 -

Bridget R. Maniaci; Lisa Subeck and Amanda F. White

Please note: Schmidt arrived at 5:04 PM and Golden arrived at 5:06 PM, after
action was taken on the Minutes.

B. APPROVAL OF MINUTES

A motion was made by Tolmie, seconded by Bergamini, to Approve the
Minutes of the September 12, 2012 meeting. The motion passed by voice
vote/other.

C. PUBLIC APPEARANCES - None.

D. DISCLOSURES AND RECUSALS - None.

E. TRANSIT AND PARKING MONTHLY REPORTS

E.1. [27933](#)

Parking: September 2012 Activity Report, 2013 Capital and Operating Budgets,
August Revenue/Expense/Occupancy Report - TPC 10.10.12

Parking Operations Manager Tom Woznick highlighted some items in the
reports and answered questions.

- The Parking Utility's 2013 Capital and Operating Budgets had been included in the reports.
- Woznick had been talking with Orange Schroeder and Alder Ellingson about the possibility of installing multi-space meters in the 1700, 1800 and 1900 blocks of Monroe Street (with the potential to install them on other blocks as well, as requested by the business community).
- To do so, the hourly rate on those blocks would need to be increased from \$1.20 to \$1.50, to cover the cost of installing the multi-space machines. After checking with businesses in the area about this, Parking would come back to the TPC with a proposal. It wasn't necessary to raise the rate to \$1.75/hour (like multi-space meters elsewhere in the city), because \$1.50 would be enough to cover the cost.

- Re: the replacement of Gov East and progress on the Judge Doyle Square (JDS) project, the City Team had been meeting every other week for quite a while, and the first meeting of the JDS Committee had just been held.
- Woznick looked forward to the start of the RFQ/RFP process to begin construction on the new garage. Gov East had had some serious degradation this year; one huge slab was needing to be replaced, and other major repairs would likely need to be done in the near future.
- Discussions about the project included how much parking was going underground, and who would be paying for it.

As the TPC rep on the JDSC, Kovich said she would make sure that TPC members received minutes from the JDS Committee meetings. Golden wondered what it would cost Parking to build the new garage, if it weren't part of the Judge Doyle Square project; whether being part of the project was going to cost Parking more per space, and if Parking was in part subsidizing the project. He suggested that Woznick might prepare some info related to this. Kovich noted and Woznick agreed that he would have to make certain assumptions to come up with this number.

Schmitz/Kovich made a motion to receive the report. The motion passed by voice vote/other.

- E.2. [27934](#) Metro: YTD Performance Indicators, Financial Report and Performance Measures, and Ridership-Revenue-Fare Type Reports - TPC 10.10.12

Kovich/Schmidt made a motion to receive the report. The motion passed by voice vote/other.

F. NEW BUSINESS ITEMS

- F.1. [27659](#) Relating to Michaelroll's Pedicab application for a Pedal Cab operator license.

The application (attached) contained a description of the area that the pedicab would cover. A motion was made by Schmitz, seconded by Tolmie, to **RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER**. The motion passed by voice vote/other.

- F.2. [27935](#) Proposed 2013 Transit and Parking Commission Meeting Schedule - TPC 10.10.12

Schmitz/Streit made a motion to approve the 2013 meeting schedule. The motion passed by voice vote/other.

Please note: A Roll Call is shown here to reflect that White arrived at 5:19 PM during discussion of Agenda Item F.3., and before action was taken on Agenda Items F.3., F.4. and F.6.

Present: 9 -

Chris Schmidt; David E. Tolmie; Amanda F. White; Gary L. Poulson; Margaret Bergamini; Susan M. Schmitz; Kenneth M. Streit; Kenneth Golden and Ann E. Kovich

Excused: 2 -

Bridget R. Maniaci and Lisa Subeck

- F.3. [27936](#) Metro Transit Advertising Rate Card - TPC 10.10.12

Metro Marketing and Customer Service Manager Mick Rusch distributed the proposed 2013 Advertising Rate Card (attached), and discussed implementation of the in-house ad program.

- The new Sales position had been offered to Peg Anthony, who had worked with Metro Commute Card program for three years and who had spent a year researching other transit systems with in-house ad programs. Anthony had previously sold radio advertising for 15 years, and had added 50 new accounts in the first year of the Commute Card program.
- To be competitive, the salary for the position had been set higher, with an 8% commission on sales, so as not to encourage sales "at all costs". Having had some issues with ads that were running now, staff wanted to make sure they ran an ad program that was acceptable to the citizens of Madison. With the salary/commission and her enthusiasm, Anthony would likely do very well driving up Metro's revenue.
- Staff was in the middle of reviewing bids for printing and installation services. To address a common rider concern that they be able to see through the windows, staff was holding product demonstrations of wrap materials, which were being put on bus windows and compared. Staff had found one product that they thought would improve visibility for passengers, which was what the vendors were bidding on.
- Jennifer Bacon at Metro had put together the Rate Card, based on a lengthy review of the process for developing an internal ad sales program. The rates were based on other transit systems of comparable size, ridership, miles traveled, fleet size; and on radio, TV, print, and outdoor rates here in the Madison, to be competitive and stay within what the market could support.
- Some rates remained the same, and some rates that were a little underpriced were increased (for paratransit, ads on transfers and on tails). But the majority of the rates were a bit less than before, in order to "spark" sales.
- They also wanted to be able to discount rates; say for example, in the first quarter (something that radio did).
- Ten new businesses were all ready to sign up. So staff was eager to get going and hoped that the Commission would approve the Rate Card.

Metro General Manager Chuck Kamp and Rusch answered questions.

- Re: certain wraps on buses that had created controversy in the community, a big advantage of having an in-house program was that staff would not have to triangulate but could talk directly to a company and make it clear about what was going to work best. While the law said they could never refuse something, there was an art in building a relationship and having a discussion. Given the current ad content and wrap policy, over the next two years, they would see how they might avoid some of the issues raised previously, and still be able to increase revenues and produce ads that were more in keeping with community values.
- The issue of ads and community values was threaded throughout the interviews with candidates for the Sales position. Even before the interviews, one of the supplemental questions asked applicants to write an essay to describe how they would handle a situation where a client's proposed creative message was not in line with the City of Madison's mission and values. Staff also advised candidates that though (for reasons of freedom of speech) they couldn't refuse a client that approached them, they would have control over the client lists they themselves created and where they focused their attention. Having talked to Anthony about this issue on a daily basis, she had a really good grasp of the issue.
- Per an APM, Metro could not advertise on its website. However, other

systems advertised on fare cards, and Metro was already putting ads on transfers. So they were looking at different things like that to raise revenues. But their big focus would be on the buses; they had ads on only 40-50% of the buses, and they wanted to fill this empty inventory.

Streit/Kovich made a motion to approve the Advertising Rate Card as presented. The motion passed by voice vote/other.

F.4. [27241](#)

Authorizing the Metro Transit General Manager to enter into agreements with businesses and organizations for transit advertising.

Kamp said that they wanted agreements for the ad program to work like the authorization they had for Commute Cards (with 90+ businesses), where Metro would use a boiler plate contract and allow Kamp to enter into ad agreements without bringing them all through the resolution process. Rusch added that the size of ad agreements would have a much higher dollar value than those for Commute Cards, and Metro wanted to be able to get businesses signed up and confirmed right away without the wait involved in going through the approval process. Kamp noted that the item had been reviewed by Rusch's staff and the City Attorney's staff because it was a little different than the normal way of doing business. They had found a way to make it work.

Kovich confirmed that Monona Terrace currently had a commissioned sales person, and had had no problems with that. In creating the position, the Monona Terrace Board was concerned about compensating people fairly and competitively; and the arrangement had worked out really well. Rusch said his staff had worked closely with Monona Terrace staff on this. He also mentioned that Anthony would continue on as the Commute Card person and as the ad Sales person.

A motion was made by Streit, seconded by Tolmie, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by voice vote/other.

Please note: A Roll Call is shown here to reflect that Maniaci arrived at 5:38 PM, during discussion of Agenda Item F.5., and before action was taken on Agenda Item F.6.

Present: 10 -

Bridget R. Maniaci; Chris Schmidt; David E. Tolmie; Amanda F. White; Gary L. Poulson; Margaret Bergamini; Susan M. Schmitz; Kenneth M. Streit; Kenneth Golden and Ann E. Kovich

Excused: 1 -

Lisa Subeck

F.5. [27937](#)

Metro: 2013 Capital and Operating Budgets, Supplemental Budget Items, and budget developments, proposals and options - TPC 10.10.12

Kamp discussed and answered questions about Metro's 2013 Capital Budget.

- The purchase of buses remained one of their focal points. Per the recent update about MAP-21 (the 2-year federal Reauthorization bill), they were confident that they would get the federal funding for 2013, but they were less confident for 2014. Fortunately, this was only a two-year bill, and staff would be working with the Mayor's Office and the State and Federal delegations in the next round, to have a more robust Transportation Reauthorization bill that recognized systems like Metro and their need for good capital funding for bus replacement.

- Metro had relied heavily in past years on discretionary funding, and most of the funding now was in formula. Metro did not fare well with formula funding because Wisconsin had lower population density than other states, which affected Metro's capital funding. Metro would be working to correct that.
- Also, under Capital Budget: With Executive approval, they had budgeted \$3.847 million for Building Expansion, to start the first phase to hopefully buy land next year for a satellite facility. They had been looking at a number of properties. The City had a coordinated long-range facility planning process looking at Fleet Services, Police, Fire and Metro, and opportunities for synergy where there could more than one City operation at a site.
- Re: the criteria being used to identify suitable locations for a bus facility, a process had been started with funding to do a site analysis study that would look at criteria. When completed, the criteria would be available for public review and put on the agenda.
- Re: Park and Ride Expansion at the NTP, Metro had evidence from observations of drivers, supervisors and staff that the people using the parking lots were in fact riding the buses. In terms of good locations for Park and Rides (where commuters used the buses), the NTP was one of their top priorities.
- Metro had an 1980's agreement to help maintain some portions of Dutch Mill, but they had not allotted any capital funding for that location. With the expansion of the Dutch Mill lot and given the number of buses from other companies that used it, Golden thought these companies might be asked to increase their rent to help maintain the facility.
- Re: NTP Park and Ride, Metro had been talking to folks at Oscar Mayer with an interest. The lot was packed and people were parking where they shouldn't be. So they knew the demand was there. This had been in Cap budgets for previous years because they hadn't received sufficient federal funding (though they had applied every year for discretionary funding). The item was ranked #5 because it was the least likely to receive federal funding. They would nonetheless look for every opportunity to find funding to do it.
- The NTP was on leased land. The initial improvement would be for additional parking. But long-term, if the need was such, they would look at redesigning the transfer point to expand the bus bays also.

Kamp then discussed and answered questions about Metro's 2013 Operating Budget, inc. Supplemental Budget Requests.

- The bus fare increase was driven by all City departments having a 5% tax levy reduction target. Each department submitted their basic budget to meet that target.
- Since Metro did not want to cut service, and with increased ridership and increased demand for transit and additional service, as part of their base budget, they decided to adjust the fares to the point where they could meet that 5% target (inc. \$2.25 cash fare and others).
- The service expansions were among Metro's supplemental requests and included in the Executive Budget. These focused on three priority areas, dealing with chronic scheduling issues, overcrowding on buses, and socio-economic issues, and included Owl Creek, Route 2, and Route 18.
- Service to Owl Creek would be added by extending Route 11 for additional AM and PM trips, and Saturday and Sunday service.
- Route 2 was the highest ridership route (after the Route 80's and dodgers), and was frequently overcrowded and frequently assigned extras. Additional service between WTP and the Square would create 15-minute peak headways.
- Route 18 between the South and West Transfer Points had chronic

scheduling problems. The minor fixes brought to the TPC in the past couple years hadn't worked. The route had a lot of ridership (as seen on the red dot map), a lot of strollers, and other things that required extra time. They were proposing a Route 16 to add service between the STP and WTP, and help bring more service to the Allied Drive area.

- That would add four more buses, which was all the buses they had room for in the garage; and all they had available, given they were in the midst of a 5-year bus procurement. (It was not likely that the next batch of buses would arrive until late 2013 or early 2014.)
- The new fixed rate for diesel fuel would save over \$500K in the 2013 budget, but was not considered part of the 5% reduction for 2013 (because the fuel agreement was set in place last summer before the 2012 budget).
- The budget included 1.0 FTE for the Sales Associate.
- With a net increase of \$5K (from \$20K in 2012), the new amount of \$25K was included for additional security at the transfer points; primarily for the South and West Transfer Points, but also for some spot coverage at the other transfer points as well.

The top of the Supplemental Request for Service Improvements showed the cost and the ridership for each of the three routes/areas where changes were being proposed. The total cost in 2013 (starting in Sept.) would be \$218K. The annualized cost would be \$435K. Metro Planning and Scheduling Manager Drew Beck described the pluses/minuses of the proposed changes.

- Route 18 operated between the South and West Transfer Points, with some trips dipping into the Coho neighborhood south of the Beltline and the Allied Drive neighborhood. (Another variation of Route 18 didn't cover the Coho area, but provided deeper service to the Allied area, Raymond Road and Whitney Way.)
- The problem was that the bus was being asked to traipse across the South and West parts of the city, which was a long distance with a lot of activity. People were missing their transfers at the South and West Transfer Points, sometimes by seconds.
- After having tried some minor fixes in the past, staff now thought the problem was having both Allied Drive and Coho on the same trip. If the Coho Loop were removed from that trip and applied to the new "Route 16 Extended", this would relieve the pressure on the existing Route 18 which wouldn't have to cover as much distance and would make the transfers more reliable. The new route would be another variation of the Route 18 but with a different name.
- With regard to Stage 1 of the Verona Road reconstruction starting in 2013, Beck wasn't certain if the buses that traveled across Verona Road at the intersection by Home Depot would be affected by Stage 1.

Poulson thought that Stage 1 dealt mainly with Beltline entrances and exits. Bergamini recalled that Stage 1 (starting Summer 2013) would impact the Frontage Road to the southeast of the Verona Road/Beltline interchange, affecting traffic going in/out of the Allied Drive area; and that some bike path upgrades in Stage 1 may impact the intersection at Hammersley and Raymond. She thought that area would be in a world of hurt by next summer in terms of dealing with construction, and how much time and funding this might take. Beck noted that Metro's Tim Sobota attended the design meetings for this project, and would sound the alarm if he spotted anything.

- Beck went on to describe the proposal for Owl Creek, and answered questions.
- It would involve two different services: for weekday and for

weekends/holidays.

- The weekday service would be a loop added to the east end of Route 11. It would travel from Dutch Mill down into Owl Creek and back to Dutch Mill; and in the morning, it would come inbound as a Route 12. It would do the reverse of that in the afternoon, coming into Dutch Mill and becoming the Owl Creek route, which would take a half hour to cover Owl Creek and return to Dutch Mill.
- There would be 5 AM trips and 4 PM trips to/from Owl Creek. It would give Owl Creek students good service to/from LaFollette/Sennett schools with a transfer to the Route 16, which would be timed to work well. It would give commuters from Owl Creek and the surrounding areas a quick commuter bus to the downtown.
- The new route would be "right across the street" from McFarland, and could be a foot in the door with McFarland to encourage discussions. But the route would operate on the Madison side of the street only.

Beck talked about enhancements to the Route 2 to address the long-standing, chronic overcrowding on all the routes in the University Avenue corridor (Routes 2, 14, 15, all the Middleton routes).

- Metro had been trying to handle the problem with a hodge-podge of gray-bar trips and extras that didn't show up on the public schedule, trying to add capacity inbound in the morning during AM peak, and then out from the Campus in the afternoon.
- Route 2 was Metro's busiest core route. By adding three buses in a standardized system operating in a cycle between WTP and the Square, they could create 15-minute headways on the Route 2, vs. the half-hour headways they now had. They would be able to offset this somewhat with unpublished extras on the route, to which people would gravitate and which would give passengers a direct shot to UWH rather than walking up Univ. Bay Drive to the hospital from Routes 14/15.

Bergamini had never understood in the budgeting and scheduling process, why Metro ran extras on certain corridors (Routes 2, 15, 28, etc.). Metro was factoring in those hours of service (in the budget calc's and other reports), but they were simply not publishing them. Given that the extras on the Route 28, for example, were providing 5-6 minute service, wouldn't it make sense to advertise this and put on the schedule as a regular run?

Beck said that between the time they made the changes and got the extras out on the street, from one semester to the next on the Campus, things might change. They might find they didn't need an extra in one location, but now found they needed it on a different corridor. It was good to have the flexibility to put a bus where it was really needed, where the most chronic crowding was. Once the info was published, it became a much larger process, to publish it in the Ride Guide and to get it into the database that ran the AVL system and Trapeze. Usually, those uploads were only done with new driver picks. And meanwhile, they might have that extra in a location where it wasn't needed. Staff tried to address this by publishing gray-bar trips as much as they could. But they received calls from drivers on a daily basis, saying they were "passing up on Sheboygan Avenue" and needed help. But at the same time, they might hear from the Route 3 that they had only 21 passengers. They liked to be able to focus on where service was needed.

Bergamini said she understood, but that if these buses were not showing up

on people's smartphones, on the website or Google Transit, then maybe it made less sense. Perhaps the reason ridership wasn't as high as one might think was because people didn't know what was out there. A group of people might get to know about extras on a certain route, but then these people moved (and this common knowledge was lost). Beck said they tried to schedule the extras right ahead of the regular runs, so people were sort of expecting the bus. Bergamini wondered if providing online info might not be a way to drive some additional rider revenue, esp. since people were relying on the web info more and more (vs. published schedules). White agreed with Bergamini; this could be a really powerful marketing tool. People sometimes said they didn't ride the bus because it didn't come fast enough or frequently enough; and they didn't know when to expect it. Bergamini said she wasn't suggesting this would cause a major budget change, but it might be something to consider, not as part of this Operating Budget process, but as they continued to fine-tune things.

When asked about dropping the Route 40 to hourly service, Beck said this would occur at mid-day, and that the new Route 16 Extension would pull down to Greenway and Coho neighborhood to provide service in the off-ticks when the Route 40 wasn't running. He agreed that the Route 40 was a productive and growing route, in an neighborhood that needed service for a variety of reasons.

Timewise, Kamp said they were looking to make the fare change in early 2013, and to make the service changes at the end of summer. They planned to bring updates with maps to future meetings, and would seek permission to hold a public hearing for the service changes in March/April, hold the public hearing in April/May, and have a decision around May/June, if the proposals would be approved in the budget by the Common Council.

Maniaci distributed a hand-out (attached) for a possible service expansion that she wanted to explore, that Metro had helped put together.

- With the Route 81 late-night service to the east Isthmus being cut, she was looking for some options. She wasn't sure if she would introduce the proposal as a budget amendment; it was not currently in the budget. It was sort of an exercise to find out if there was capacity, to understand what sort of cost this would bring and whether Metro could absorb it or not, and what steps needed to be taken.

- Metro put together a proposal for Thursday, Friday and Saturday nights, to try to connect neighborhoods around SASY (Schenk-Atwood-Starkweather-Yahara) with the Capitol Square and the east Isthmus neighborhoods.

- This was something she had been discussing with Metro for more than six months and had tried to bring up at the Commission. And now she was trying to have it prepared in the context of the budget, so they could be ready to have those conversations. Whether or not she would propose this as a budget amendment, this was something she wanted to work on and wanted to have pulled together in time to for the conversations about the budget.

- The group was talking about route expansions; and since the TPC was the committee to talk about route expansions, she wanted to make sure the group was aware of this.

Golden asked Metro staff if they could project ridership for this idea. Kamp said they would do their best; like Owl Creek, it would involve some educated

guessing. So if this were to be an amendment that went through, they would put together estimates. Re: projected rides/hour, Kamp said the part of him that would say it would be lower was because it was night; and the part of him that would say it would be higher was because it was in the densest part of their service area. They would look at those factors if they got to point of estimating ridership.

Whether or not the route would be a "winner", Kamp felt the proposal had as much to do with nighttime safety considerations and policy issues as it had to do with ridership. He didn't think it would be a Route 2, but they could do an estimation. Golden said that if the route were to be a real ridership winner, would help determine the degree to which the Commission might want to support it, depending on the funding issues the Council would have to deal with. Kamp said they would discuss ridership at a staff meeting, to provide guidelines for the TPC.

Maniaci answered questions about the proposal.

- It was budgeted as an 8-hour route, from about 8 PM to 3 AM. It was right in the middle of the bus barns so it would be quick and easy for the driver to get on the route.
- Her motivation was about looking at nighttime safety; and looking at what was not on the grid (not to overlap existing service), where we were not making connection points. There were no good options to get across the east Isthmus at night.
- She had started looking at this shortly after taking office. She went down to the Historical Society and pulled the old maps of the trolley routes, to figure out how the City got around and how it functioned before we had cars. Including the Baldwin Street crossing, the proposal pretty closely mirrored where streetcar routes had been in the City at different points.
- Many people in the city, including the Mayor, had concerns about the vitality of the Barrymore and connections at night between the Schenks Corners area and the downtown.
- The route would not travel down Jenifer Street, a residential area. The route was very much about being a late-night transportation option for a nighttime economy.
- She was interested in exploring with downtown and community partners the idea of cost-sharing.
- She wanted to bring the idea online, and felt people needed to be working on this.

White talked about attending Overture events and having trouble getting home by bus at 10:30 PM on a weekend. So she thought there was a need beyond the UW and student crowd. She said she also would be interested in what ridership projections might be. The route would need to be marketed, for sure, esp. to be successful. She thought the route looked a lot like the (daytime) Route 10, and she wondered if it might make sense to have the two routes seen as connected. Maniaci said that the similarity to the Route 10 had been discussed, though they ran at different times of the day; the question was whether there would be confusion if they called it Route 10 at night. They would certainly have to think about how the route would be branded and marketed. White said that the issue how we identify routes when we added routes and extension of routes, was probably a discussion for another time. Bergamini said that a big difference between the proposed route and the Route 10 was that the Route 10 bypassed the Capitol Square and used the

Jenifer/Spaight/Rogers alignment. It was pretty much a different route, and could be marketed as a nighttime, downtown route; i.e., the "Old Fashioned to the Anchor Inn". There were lots of possibilities. Kovich pointed out that perhaps Metro could look at Route 10 for the purpose of projecting ridership potential, as well as for marketing purposes.

Poulson noted that the item Metro brought to the group was an informational item, and anything Maniaci could do to add this to the other service changes, would be considered in the future. [Please note: Maniaci left briefly at this point in the meeting.]

Kamp referred to the last page of the budget materials that contained the matrix of the fare proposal.

- At the top of the list was the Adult Cash fare, which would go from \$2.00 to \$2.25 (up 12.5%), followed by the changes to tickets and all the other deep discount fare categories.
- These changes were proposed to reach the 5% tax levy target.
- They had been asked about the increase to the Senior/Disabled 31-day pass. About five years ago, Metro hadn't had this pass; and they had vastly underestimated how many people would shift to this. The shift had been huge and in fact, a lot of new ridership had been generated by this. Metro would still propose a deep discount to this pass, from the regular \$62/month to \$40/month, but the increase would help them stay on track with the revenues they lost in the shift (from the regular Adult 31-day pass).
- The next agenda item would be to seek permission to hold a public hearing in November, in order to make a decision in December, because the budget estimated an early 2013 implementation.

Golden asked about the loss of State revenues to the City, and whether the 5% target was applied evenly across all agencies. He also mentioned the idea of reconceiving the in-house advertising program as an enterprise within an enterprise. He wondered why the \$25K being allocated for the new sales position wasn't being treated as an enterprise investment, that could be borrowed from the reserves and paid back when ad revenues increased.

Kamp said that at the initial budget meeting, all City departments were given the 5% reduction target in order to fill a budget hole of \$10 million. From reading the newspaper, he knew that the percentages were different for every department, but he didn't know the exact numbers. As to whether Metro had been treated consistently, last year, Metro had lost \$1.4 million in State funding. Throughout the state, transit systems cut service and raised fares. They kept service and didn't touch fares. From that standpoint, he would say Metro had been treated fairly over the years.

As for the enterprise fund, Metro had been very cautious about getting into the advertising change. Not being from a marketing/sales background, when the in-house program was first proposed, Kamp and others had wondered "why fix something that ain't broke"? Their Marketing staff had pointed out the potential revenues and the potential for the program to some day be an enterprise. Now he was anxious to see how things would work out, because he thought some day they would look at this as an enterprise zone. Having anticipated just such a question, Rusch said he had discussed this possibility with Anthony, who said she wasn't comfortable about committing to something like that, so early in the program. But one analysis had shown a \$2.2 million potential, if they

were sold out and had ads on all the buses. And now instead of sharing revenue 60/40 (with Metro getting 40%), they would get all of the ad revenues. Given the rise in ridership and the general calls they had already received, and having such a good product, Rusch had a good feeling that revenues go up more than projected. But they were being cautious. Staff was planning to report quarterly on the ad sales.

Golden asked that staff prepare a report for the public hearing that would show fare changes since the start of the \$1.50 fare, as compared to inflation (which had impacted costs for Metro). He knew it had been a really long period between the time when the fare changed to \$1.50 and when it changed to \$2.00. His gut was telling him it was a little early to be increasing the fare again. He was genuinely ambivalent, being about half way to accepting the increase; but he wasn't all the way persuaded.

Bergamini turned to the page in the budget info that showed the "Summary by Major Object of Expenditure". She observed that the 2013 budget had a total expenditure of about \$52 million; i.e., the operating cost for the entire system. After deducting interagency billings of about \$43 million, the net Operating budget was about \$8 million and represented the City of Madison's local share (property tax revenue to the system). Last year, the adopted budget was \$8.7, and Metro was coming in at that. For 2013, Metro had requested \$8.1 million, and the Mayor had increased it to \$8.3 million.

Bergamini noted that Inter-agency billings included money from state, federal, and partner shares, as well as all passenger fares. Finance Manager Wayne Block said that this represented all Metro's revenues, which included everything Bergamini mentioned as well as such other items as MA waiver money from the County, ad revenues, money from the sale of buses for scrap metal. Re: the way the ad program was budgeted, Block said they really didn't want to anticipate what would happen; they really didn't know what the costs would be (esp. for design work). This would be recorded as revenue and expenses. The \$400K they had budgeted in revenues would likely be higher; but they would also have expenses that were unbudgeted that would offset that.

Bergamini pointed out that 2013 net budget was lower than the actuals in 2011, and lower than 2012 by roughly what they would be saving in diesel fuel (\$8.8 in 2012 vs. \$8.3 in 2013); and that was with the fare increase and with increased service. Kamp said that from a staff perspective, Bergamini had described the budget accurately. He would only add that the \$218K difference between Metro's request of \$8.11 and the Mayor's budget of \$8.33 was the new service increment. Kamp said there had been informal discussions with partners about changes. But the changes they had outlined were only within the City of Madison (except for the bit of the new Route 16 to Coho that would slightly touch Fitchburg, which they would be discussing with them). [Please note: Maniaci rejoined the meeting here.]

Kovich asked about the drop of \$600K between 2012 and 2013 in Inter-Agency Billings for the Paratransit budget (as shown in the Service Summary). Block said that he would put together an analysis to show how these numbers were arrived at; but as he recalled, the drop had to do with accounting allocations (between Fixed and Paratransit) and didn't reflect a real reduction in Paratransit revenues or support. Kamp pointed out that the Service Summary

showed an increase of about \$1 million between 2012 and 2013 in Inter-Agency Billings for Fixed Route, which corresponded to what Block said about this being an accounting allocation issue.

Regarding fare increases and the effect on ridership, Kamp distributed two charts entitled: "Rides History and Projection" and "Impact of Fare Increase Proposal". (See both attached.) Staff discussed these and answered questions.

- Using a model from 2009, Metro looked at all the deep discounts and cash, and calculated through some of the trends. From this, they estimated an increase of 0.9% in ridership in 2013, taking into account the increase in fares and the increase in service.
- Metro would gather info about fares among peer transit systems.
- Related to the fare increase and the value of re-evaluating service esp. on low-producing routes, the Route 33-Hiestand Loop was slated for elimination as part of the Supplemental Request for Service Enhancements.
- The Route 33 was a "quarter bus", the tail end of the Route 9, which ended at the ETP. What they had tried to do with the Route 9 was to phase in between the Route 2 and Route 5 on the Johnson-Gorham corridor. This left the Route 9 with a 12-to 15-minute gap; so they had sent it out as the Route 33. It was meant to make the schedule fit with what they were trying to do further in on the Johnson-Gorham corridor. It also gave the driver a chance to take a break.
- When Metro came back to discuss a couple service adjustments (in the Spring), they would discuss service reductions, to help with the budget. The Route 33 was the only route that would be eliminated (because of its very low ridership).
- It was noted that an initiative in the County Exec.'s budget (targeted towards younger people taking trips to vocational situations) would affect Paratransit.
- 2011 was a banner year for ridership growth. It was the year of the protests. There had been increases since then, though at smaller rates, by virtue of being compared to 2011.
- 2008, another strong year, was the year when gas prices hit \$4.20/gal. Then gas prices came down in 2009.
- Growth (and fluctuations) in ridership seemed to depend on three factors: gas prices, youth ridership, family budget considerations; along with the expansion of unlimited rides passes.
- Metro's ridership had held onto its gains over the past few years. People were making public transit a habit.

Bergamini observed that growth in ridership and revenue had been very solid among unlimited ride programs. esp. UW Students/Employees and MATC. Because enrollment hadn't gone up much, she had expected ridership to plateau. She wondered why a mature program like the student program kept growing. This seemed true in other university towns as well. Perhaps it was due to the culture change among youth toward transit, which spoke to the need to focus on marketing and social media. [Please note: White and Kovich left at this point in the meeting, at 6:45 PM.]

Maniaci noted that access to cars had been reduced, wholisitically. Student projects hadn't been building as much car parking. The goal of less cars was reaping rewards. Perhaps the cost of a car had hit a "break point", esp. when gas and insurance were added. When compounded with the geography, density and recent land use decisions, these trends were hard to quantify.

Bergamini said these issues made it complicated to do elasticity analysis. She

felt they were in uncharted territory here. Unlimited pass programs had consistently been the performers, and had been expanded as a result. Metro had taken hits when cash fares were raised. And though fare increases filtered down into the pass programs, it took longer for the increases to be reflected in the bottom line because the passes were on contracts. She was always nervous about that. Increases were a social justice issue, but they were a business issue as well: Would we really get as much out of the fare increase as we hoped?

Streit said that since the last major Parking increase (in 2009), it had been observed that the Lake/Frances ramps took a dive from which they had never recovered. Other locations had ebbed back up a bit. But it used to be that people had just as much difficulty finding a space at Lake/Frances after 9, as they had at Gov East. Now parkers could find a space any time. Apparently, parking rates got high enough that people who were regular parkers there said, "I'm on the bus". And these parkers never came back. And as a unified committee, the Commission sort of drove that shift (of people to the buses).

Maniaci asked about demographics and access to unlimited ridership. Though Metro had a 31-day pass, it didn't have an all-access pass for riders who were not a student or an employee. She wondered if creating such a pass might be worthwhile on the social justice side of the issue as well as the business side, because of the culture shift toward the expectation of having a pass to get on the bus and go, rather than having to acquire a 31-day pass every month. In terms of long-range picture of behavioral shifts, she wondered if making available a more established pass might not be in Metro's interest and bottom line.

Members discussed the trend toward building more high-rise student housing on Campus, which made it less necessary for students to have cars. Landlords were finding that parking built 10 years ago wasn't being used by tenants, and they were renting vacant stalls to commuters or neighbors. When asked about the Fixed Route Ridership and Revenue Comparison, Metro staff said that the Senior/Disabled, Low-Income and 31-Day passes were all combined in the "31-Day passes". For the purposes of a readable report, the data was summarized.

Kamp said that in response to questions at BOE and TPC, staff would compile a Q/A sheet for both groups. The next BOE meeting would be October 22nd. Because this was an information item, no action was needed.

F.6. [27938](#)

Metro: Request for a Public Hearing regarding a fare increase - TPC 10.10.12

Golden/Tolmie made a motion to approve Metro's request to hold a public hearing regarding a fare increase at the Commission's next regular meeting, on November 7, 2012. Per usual procedures, the hearing would start at 6 PM.

G. UNFINISHED BUSINESS ITEMS

G.1. [27594](#)

Metro: Update on the Final Report of the Long-Range Metro Transit Planning Ad Hoc Committee - TPC 09.12.12

By motion of Bergamini/Tolmie and unanimous voice vote/other, this item was deferred to the December meeting.

**H. REPORTS OF OTHER COMMITTEES - for information only
(Most recent meeting minutes attached, if available)**

[07828](#)

ADA Transit Subcommittee
Contracted Service Oversight Subcommittee
Parking Council for People with Disabilities
Long-Range Transportation Planning Commission
State Street Design Project Oversight Committee
Joint Southeast Campus Area Committee
Madison Area Transportation Planning Board (MPO)

No action was needed on this item.

I. ANNOUNCEMENTS AND FUTURE AGENDA ITEMS

I.1. General announcements by Chair (Verbal announcements, for information only)

Poulson read an article in a Milwaukee newspaper about a shocking event in Milwaukee related to Logisticare, where non-service to a person who had dire health issues had resulted in the person's death. He asked that Metro give an update about how things were going with Logisticare at the December meeting.

I.2. Commission member items for future agendas

With regard to the proposed service changes, Golden thought it might be useful to ask Mike Chevala from the MPO to give the Commission a brief overview of some of the things he was thinking, perhaps in December.

Maniaci noted that if others wanted to study former transit maps, the Geography Library on Campus had many old Metro maps and the Map Room at the Historical Society had most of the old streetcar maps. Kamp said when Metro moved their administrative offices down E. Washington, a Metro staff person noticed that the building off their parking lot looked like a rail building, did some research, and discovered that the old Madison Electric Street Railway Company was located at 10 S. Baldwin. People could still look inside this building and see the old stalls.

ADJOURNMENT

A motion was made by Schmidt, seconded by Maniaci, to Adjourn at 6:56 PM. The motion passed by voice vote/other.