



September 21, 2012

To: Fox Cities Transit Commission

From: Deborah Wetter
General Manager

Subject: Expansion of the Transit Commission

Based on comments from several municipalities about the importance of permanent representation on the Transit Commission and the desire to begin to move toward a regional transit authority structure for Valley Transit decision-making, Valley Transit staff and the Mayor have been looking at ways to change the membership of the Transit Commission. We looked at various ways to add seats on the commission for funding partners that have a three year agreement with Valley Transit without making the number of commissioners so large that the Commission would have difficulty accomplishing its business.

At the present time there are

9 Seats

5 Appleton (2 alderpersons, 3 citizens)

1 Grand Chute/Town of Menasha (rotate every 3 years)

1 Neenah/Menasha (rotate every three years)

1 Kaukauna, Kimberly, Little Chute* and Buchanan (rotate every three years. Each municipality could potentially have someone on the Commission every 12 years)

1 County (rotate every three years but they have not been on the Commission since 1998 because they don't have a three year agreement with Valley Transit so their seat has been vacant)

*Little Chute only has a 180 day termination clause, not a three year agreement so isn't eligible for a seat on the Commission.

Several other options are listed for your consideration:

- 1) Every municipality gets one seat, unrelated to size or payment into the system:
9 Seats
1 each for Appleton, Grand Chute, Neenah, Menasha, Town of Menasha, Kaukauna, Kimberly, Buchanan, Harrison

This option assumes that every municipality is equal in terms of their relationship to Valley Transit. Again, Little Chute would not have representation until the agreement was extended to three years from 180 days.

2) Seats based on Payment into the system

15 Seats

- 9 Appleton
- 2 Grand Chute
- 1 Neenah
- 1 Menasha
- 1 Town of Menasha
- 1 Kaukauna, Kimberly, Little Chute*, Buchanan
*if agreement made for three years

The benefit of this scenario is that those who contribute more to the system have proportionately more seats. The problem with this scenario is that the number of seats could potentially change yearly depending on the level of service provided to each municipality. The other issue is that there are still communities that do not have a permanent seat on the Commission.

3) Population

15 Seats

- 6 Appleton
- 2 Grand Chute
- 2 Neenah
- 1 Menasha
- 1 Town of Menasha
- 1 Kaukauna
- 1 Kimberly/Little Chute
- 1 Buchanan/ Harrison (rotate every three years)

The population numbers officially change every 10 years so the make up the Commission under this scenario would be relatively stable. Since Little Chute's agreement is only 180 day termination, at this time they are not eligible to serve on the Commission. An advantage of this scenario is that most municipalities have at least one permanent seat on the Commission, but not all do.

4) Population + All Represented

19 Seats

- 6 Appleton
- 2 Grand Chute
- 2 Neenah
- 2 Menasha
- 2 Town of Menasha
- 1 Kaukauna

- 1 Kimberly
- 1 Buchanan
- 1 Harrison
- 1 Little Chute (if agreement is changed to three years)

An advantage is that every municipality has at least one permanent seat and the scenario takes into account the greater size (and potentially needs) of the larger communities. A disadvantage is that the Commission is very large which could make action difficult.

We are presenting these scenarios for discussion. There are probably others that we have not yet considered, but are happy to do so. We would like to have the Commission act on an expanded Transit Commission soon so that we can take it to the Appleton Common Council for approval and then implement the expansion prior to the end of 2012.

MINUTES—FOX CITIES TRANSIT COMMISSION
September 26, 2012

Commissioners present

Chuck Rundquist (Chairperson)
Carolyn Mewhorter (Vice-Chair)
Aldersperson Curt Konetzke
Aldersperson Jeff Jirschele
Kevin Vonck
Lynn Erickson

Commissioners absent

Carol Kasimor

Valley Transit Staff

Sal La Puma, Assistant General Manager
Debra Ebben, Administrative Services Manager
Nikki Voelzke, Community Relations Specialist
Amy Erickson, Operations Assistant

Others Present

Chris Behrens, Assistant City Attorney
John Hoft-March, Budget Analyst

Chairman Rundquist called the meeting to order at 3:03 p.m.

APPROVAL OF MINUTES

There being no questions or corrections to the minutes of the August 22, 2012 meeting, the minutes were approved (6/0).

APPEARANCES

There were no public appearances.

ACTION ITEMS

Review of Payments

Administrative Services Manager Deb Ebben provided a brief summary of the check register covering 08/11/12 through 09/14/12. Aldersperson Konetzke inquired about the payment to Ed Huck. Community Relations Specialist Nikki Voelzke stated Mr. Huck was hired last year as a legislative consultant to assist Valley Transit with State Legislature issues related to the RTA efforts, and the current payment was for his attendance at a state transit meeting where those efforts were discussed. Chairman Rundquist asked about the payment to WXMM FM. Nikki Voelzke stated that it is a new country station, but will check into why the charge is only \$25. A motion to approve the payments 08/11/12 through 09/14/12 was approved (6/0).

REVISED CONTINGENCY POLICY

After the Commission approved the Contingency Policy, staff was instructed to meet with each of the municipal funding partners to determine how they felt about Valley Transit establishing a contingency fund. Based on those conversations, Deb Ebben added a section to the contingency policy to handle refunds should one of the municipal partners decide to end their agreement with Valley Transit. The added section reads, "In the event a local government provides proper and timely notice of its intent to withdraw from Valley Transit, contingency funds will be refunded using the same basis of allocation used in calculating that year's local funding requirements, not to exceed the amount that was paid in by the entity withdrawing". This means money refunded would be based on each partner's allocation. Currently, any contributing partner must provide a

three year notice of their intent to withdraw. Alderperson Konetzke asked if there would be sub-ledgers maintained with individual tallies. Budget Analyst John Hoft-March believes it would be more effective to keep the money within one account and track it with a spreadsheet because contributions will vary over a period of years based on any payments that are made according to the breakdown of each of the municipalities. Any withdrawals that are made from the contingency fund would be spread across all of the contributors, to be able to get to a balance of that fund by each municipality. Chairman Rundquist asked how the contributions to the account will be handled. Ms. Ebben stated the contributions would come from the difference in what Valley Transit has asked them to budget versus what the actual budget is. If there is excess, the amount deposited into the contingency fund will be based on their percent of allocation into fixed route. Chairman Rundquist asked where the percentage is taken from. Ms. Ebben explained the percentage of each municipality's allocation is based on the hours and miles in that respective municipality. Ms. Ebben stated the only funds available are those left after what was budgeted but not used. Ms. Ebben stated Valley Transit must now go back to each funding partner for approval of the contingency fund policy, and that if one municipality does not approve it, then the fund will not be established. Commissioner Vonck asked what the refund projection for this year might be for the funding partners. Ms. Ebben stated Valley Transit is currently operating very close to budget, and at this point it is too early to tell. Commissioner Vonck asked if the establishment of the contingency fund would take place in 2012 or 2014. Ms. Ebben stated if all approvals can be made before the end of the year, the desire would be to establish it in 2012. Commissioner Vonck asked if the fund would not be established until 2014, and will then take five years at least to get the fund built up, what would happen to the accounting process during the transition of Valley Transit if an RTA was to be formed, and the possibility of funding partners leaving, or new ones coming on board. Alderperson Jirschele stated Valley Transit may not be around in a year, and asked about the three year notification process before a funding partner can withdraw. Ms. Voelzke commented the current legislation for Valley Transit to continue running is good for two years. When Congress addresses the next surface transportation bill prior to the end of 2014, they would actually have to remove the language that was added to MAP-21 to take away federal operating funds from Valley Transit. The establishment of a RTA would provide stability of funding for Valley Transit. Commissioner Mewhorter commented on some of the local efforts to support the establishment of a RTA.

A motion to approve the revised contingency policy which would establish a contingency fund for Valley Transit with the uses and restrictions as delineated in the attached policy was approved (5/1 Vonck).

INFORMATION ITEMS

Expansion of Fox Cities Transit Commission

Ms. Voelzke stated as Valley Transit looks forward to the possible formation of a RTA, one of the recommendations is to look at the makeup of the Commission, and consider the possibility of adding more seats. After meeting with Mayor Hanna, General Manager Deborah Wetter put together a few options, with which Ms. Voelzke believes there might be a slight preference in option #3 or #4. Mr. Vonck asked why each municipality is not just assigned one seat. Chairman Rundquist talked about actual representation versus virtual representation and is very leery of a huge commission and how much could actually be accomplished in one hour. Alderperson Konetzke pointed out there are currently nine seats on the commission but the county is currently not participating, and only 7 seats are filled. Alderperson Konetzke asked if the Mayor has any

intention of filling the one open Appleton position. Alderperson Konezke asked if we can allocate the open county seat to some other municipality like Buchanan or Harrison. Mr. LaPuma believes the Mayor is interested in having all or most of the communities represented as we move toward an RTA. Ms. Voelzke has heard repeatedly from the City and Town of Menasha, that they would like a regular seat on the Transit Commission. Alderperson Jirschele asked why we don't look at what the RTA representation would be. Commissioner Vonck asked about the possibility of getting some non-voting citizens on the Commission to participate. Alderperson Jirschele commented Valley Transit needs an RTA to survive, so why not head in that direction with the Commission, and then make the state aware of those intentions. He further asked if there were any guidelines to follow for the formation of the Commission based on a RTA. Ms. Voelzke said the options drafted came from suggestions of population or payment based membership. Commissioner Erickson asked how others have done it. Ms. Voelzke said there are a lot of other models to follow, but most of them are county-based RTA's. Alderperson Jirschele stated with an eye toward a taxing authority, he is leaning toward option #4 so that everyone is represented. The City of Appleton would have a big stake in the Commission because of their contribution. If you are going to impose a tax, then you have to work with your community members and represent them. Commissioner Vonck commented the maximum number of members would be the number of municipalities participating. If they chose not to participate, then the seat is left vacant. Commissioner Erickson thought the City of Appleton would need about six seats. Alderperson Jirschele would like to know how others have formed their commissions. Vice Chairperson asked if there are any written guidelines. Ms. Voelzke states the bill leaves it up to the RTA. Commissioner Vonck wonders if in the next Census cycle, the RTA might end up encompassing Oshkosh or even Green Bay as a region. Ms. Voelzke stated Valley Transit will be bringing back more research to the Commission.

August Ridership and Revenue

Assistant General Manager Sal La Puma stated overall rides were down 1.7% as compared to August 2011, but appear to be starting to level out. Year-to-Date ridership is up 2.9%. Route #12 Fox Valley Tech. is back on route, and ridership appears to be increasing again. Evening ridership continues to be very strong. Year-to-date cash revenue is up .7%.

August Financials

Ms. Ebben pointed out that the Holiday Pay issue has still not been fixed and is related to two software programs not talking to each other. Tech Services and Finance are working to resolve it. The financials show a large credit under insurance which was the budgeted surplus refund received from Transit Mutual Insurance. Miscellaneous equipment is over budget due to ordering some schedule holders but will be reimbursed 100% through the ARRA grant. Other Contracts and Obligations are high because of some arbitrations resulting from grievances, and a street light Valley Transit had to repair due to a bus accident. FMD charges and materials are always running a month behind but are at about 58%. Overall Valley Transit is at about 63%, and the usual for this time of year is 66%.

Preliminary Budget Discussion

Ms. Ebben reminded everyone budget Saturday is 11/3/12, that the public hearing will be held 11/7/12, and the budget gets approved on 11/14/12. Valley Transit is working very hard to make sure that the municipalities will be paying about the same as in 2012 with the exception of

Appleton which may see an increase of \$16,000-\$20,000 due to the increase of The Link service to Eagle Flats. Valley Transit will send out a copy of the proposed budget with the next packets. Valley Transit is not anticipating the need to make any significant service changes to balance the budget, but will continue to investigate changes to improve route efficiencies and on time performance.

Marketing Update

Ms. Voelzke state Octoberfest is this Saturday, September 29th, 2012. Valley Transit will once again be offering \$0.25 fare, and the usual Park-N-Ride locations of Valley Packaging on Roemer Road, Fox Valley Technical College, Goodwill in Menasha, and Appleton East High School. Octoberfest is the largest ridership day for Valley Transit each year. Last year 12,000 rides were provided.

Legislative Update

Mr. La Puma stated there is nothing new to report.

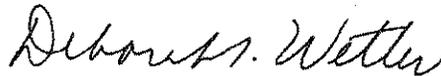
Pending Items

Mr. La Puma stated Valley Transit will be bringing budget information to the next Transit Commission meeting on October 10th, 2012.

ADJOURNMENT

The next scheduled meeting will be at 3:00 p.m. on Wednesday, October 10th, 2012. The meeting adjourned at 4:10 p.m.

Respectfully submitted,



Ms. Deborah Wetter
Secretary