

**Wake County Transit Panel 2013**  
**November 12, 2013**  
Marbles Kids Museum  
Wake County Staff Notes - Full Discussion

**Introduction**

Chairman Joe Bryan called the work session to order and thanked everyone for attending. Mr. Bryan reviewed the Board of Commissioner's request to the transit panel:

1. Consider and respond to the transit questions and their intent - related to feasibility, financing, and governance.
2. Review and consider the growth characteristics and demographics for Wake County and the region.
3. Review existing documentation, work products and draft plans in Wake County and the Region.
4. Offer, without recommending a transit solution(s), an assessment/observation and recommendation for:
  - a. Criteria and metrics for evaluating the feasibility (merits and costs/benefits) of different transit strategies.
  - b. Best practices to finance different transit strategies.
  - c. Best practices and governance models for county-wide and regional transit systems/strategies.
  - d. Any other advice for the Board of Commissioners as they develop and consider different transit strategies as well as consider a plan for Wake County citizens.

Mr. Bryan noted that there would be an afternoon session with the panelists and the region's transit stakeholders, Triangle Transit, CAMPO, Regional Transportation Alliance, and others would be participating in this meeting. Mr. Bryan noted that the county citizens had recently approved a school bond. Mr. Bryan noted a quote from Pablo Picasso, "Our goals can only be reached through a vehicle of a plan, in which we must fervently believe, and upon which we must vigorously act. There is no other route to success", as objective to the work session. Mr. Bryan stated the goal of the meeting was to evaluate whether the current draft plan was the right one, determine whether the community had asked the right questions, and address whether the commissioners had the vehicle for the route to success.

County Manager David Cooke addressed why these three panelists were selected. Mr. Cooke noted he solicited lists of the best potential transit panelists from various local transit agencies, local transportation advocates, local business groups, and others. Mr. Cooke noted he contacted the majority of the candidates recommended to discuss transit, participation on the panel and asked these individuals who they would recommend to serve on a transit panel. Mr. Cooke noted that through these conversations a number of names nationally continued to be mentioned. Mr. Cooke stated he selected the three panelists from these "consensus" names that were recommended by various national transit experts. Mr. Cooke noted that the panelists each come at the problem from a little bit different perspective which should be a strength of the panel.

Mr. Cooke noted that after being selected each of the panel members had requested specific information about the area and planning efforts. Mr. Cooke noted that Wake County staff had provided information as requested for the panelists to review. Mr. Cooke stated that panelists had agreed that the most important issue to take on first was the governance piece. Mr. Cooke introduced the three panelists:

Mr. Steve Polzin, PHD is currently the Transit Research Program Director at the Center for Urban Transportation Research housed at the University of South Florida in Tampa. Mr. Polzin has work experience in Transportation and Transit Planning in varied areas nationally including Cleveland and Dallas. Mr. Polzin has extensive hands on experience in transit planning – including bus and rail planning. Mr. Polzin has focused on researching the transit systems across the country asking questions like the Board of Commissioners are asking – how does this actually work? Mr. Polzin has evaluated the economic aspects of transit, as well as organizational and coordination issues. In his spare time, Mr. Polzin is a member of the local Transit Board in Tampa where he attempts to take things from the world of academics to day to day operations.

Mr. Sam Staley, PHD is an economist by training. Mr. Staley is currently the Managing Director of the DeVoe L. Moore Center at Florida State University in Tallahassee. Mr. Staley serves as a Senior Research Fellow for the Reason Foundation – with a focus on land use and mobility issues. Mr. Staley has published multiple works on transportation, land use, congestion and economic development that provided case studies and solutions from areas nationally and internationally. Mr. Staley has organized multiple national conferences focused on reframing discussions, public private partnerships and working with the markets to achieve more. Mr. Staley is continually asking questions like the Board of Commissioners are asking – Is there another way we should be looking at this? Mr. Staley has evaluated transit and roadway investments and made important connections to land use impacts.

Mr. Cal Marsella is a public administrator by training. Mr. Marsella is currently retired and operating as an independent consultant, he previously served as the General Manager of the Denver Regional Transportation District. Mr. Marsella has experience running and operating transit in Denver, Connecticut and Florida. In Denver, Mr. Marsella worked with the Denver Regional Transportation District's eight county elected governing board to implement the plan approved by voters. Mr. Marsella helped the Denver area successfully receive approval for four separate full funding agreements from the federal government based on community wide vision of transit and by focusing on creating an agency that was "worthy of investment". Mr. Marsella also helped Denver explore new ways of funding and structuring projects to speed service delivery and save on overall costs. Mr. Marsella has strong feelings on where certain types of service make sense and this will help the Board of Commissioners' answer the question – What makes sense for our market?

### **Panelist Introduction Presentations**

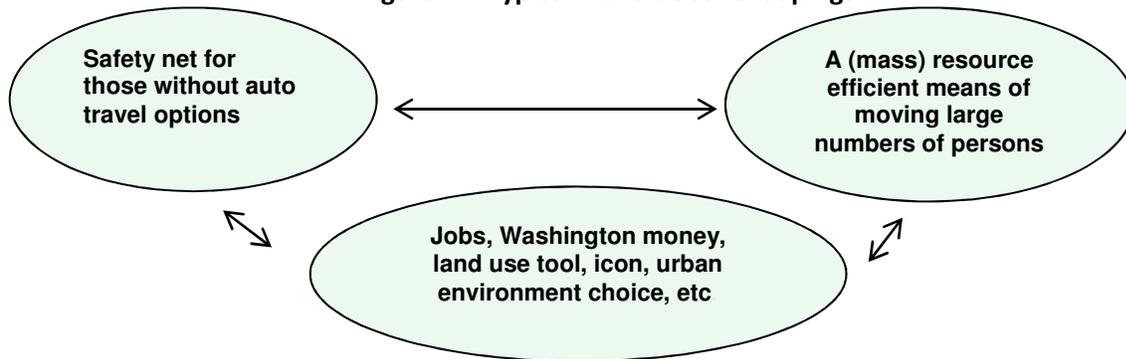
*[Beginning of Mr. Polzin's presentation]*

Mr. Polzin noted the various goals of the Wake County Transit Plan as documented in the Staff response to the Regional Transportation Alliance's questions. Mr. Polzin stated that mobility and transportation goals are noted but other goals such as land use, economic development, and community building are also listed. Mr. Polzin noted these types of varied goals are very typical for contemporary transit and transportation projects. Mr. Polzin noted older transit projects were justified mostly by capacity, cost, and safety. Mr. Polzin noted that this more comprehensive approach to goals is appropriate given the importance and size of the investment.

Mr. Polzin introduced Figure 1.1 where he separated normal transit goals into three categories – provide options for people without cars, address a need for moving a large number of people, other (community building, image, funding). Mr. Polzin noted most everyone tends to support the need to provide options for those without cars as many have a family member or acquaintance in that circumstance. Mr. Polzin stated that the need to move a large number of people is also well supported and this has historically been the reason for a shift from bus to rail (i.e. the existing bus service is at or over capacity and the rail service will provide additional seats). Mr. Polzin noted the other category in its various forms can be less straight forward and more controversial. Mr. Polzin noted that each of these categories when analyzed appropriately can help

determine the right project for an area. Mr. Polzin cautioned that these categories can also be used incorrectly to justify favored projects.

**Figure 1.1 Typical Transit Goal Groupings**



Mr. Polzin stated that as one of an area’s most expensive and visionary investments, transit projects deserve the level of scrutiny and controversy they receive in most communities.

Mr. Polzin provided a list of “sound bites” used for and against transit in areas where major investments are considered. Mr. Polzin noted proponents for transit might state: Its multimodal, it will shape land use, get our fair share of federal dollars, every world class city has one, “What’s the alternative?”, it’s visionary, I don’t want to be the next LA!, global warming, sustainability, progressive, smart growth, livability, chicken or egg dilemma - we need to start sometime, balanced transportation, offers choice, do it for our kids, but the public wants it, the critics work for the highway lobby, the media editorials support it, time to stop studying and start building, not moving ahead is a sign of dysfunctional government. Mr. Polzin noted the opponents of transit might state: Symptom of groupthink or railigion, “rail” spelled backwards is “liar”, it won’t pay for itself, with automated cars we won’t need it, more big government. Mr. Polzin noted that when he worked in Dallas the need to make progress seemed to be a goal in itself. Mr. Polzin noted that recent announcements in automated cars have reinforced some people’s opinions against transit even though the technology will not be widespread anytime soon.

Mr. Polzin noted that the future of transit is a “different world” and it is not likely to look like past years or decades. Mr. Polzin noted that economic activity is slower and travel patterns have been altered (decreased overall). Mr. Polzin noted that although the “millennial” generation is acting differently today it is likely too early to tell how they will act in future years. Mr. Polzin stated the demographic trends and employment location decisions are also different. Mr. Polzin stated that not many office towers are being built in downtowns and the towers of today tend to be residential. Mr. Polzin stated that federal funding levels are also changed and should be expected to remain competitive.

Mr. Polzin noted that new technologies will and should have an effect on transit decisions. Mr. Polzin stated that within the planning horizon of transportation investments vehicle automation will have an effect on capacity. Mr. Polzin noted that changes in private passenger vehicle emissions means that trips via a private passenger vehicle may be more efficient and less polluting than the average trip on a transit line (total all day emissions / total all day passengers).

Mr. Polzin noted advances in transit vehicle design and service design have allowed many vehicle types to offer more amenities and features and offer car competitive trips. Mr. Polzin noted advances in bus systems, bus in managed lanes and urban Bus Rapid Transit (time consistency) as well as changes in rail technologies, diesel-electric regional vehicles (safety, energy efficiency). Mr. Polzin stated changes in communication technology may reduce the importance of fixed routes since fixed routes use physical presence to communicate where it goes and how it can be used. Mr. Polzin noted that smart phone software applications that show users where

the vehicle is and provide information on when it will arrive and where it goes decrease the advantage of fixed modes.

Mr. Polzin stated that Wake County doesn't have a transit crisis it has a transit opportunity. Mr. Polzin noted he made this judgment by looking at the transportation and transit data available. Mr. Polzin noted Wake County's roadway network works effectively without a lot of regular congestion and with relatively short commute times. Mr. Polzin noted that the area does very well on national surveys of congestion. Mr. Polzin stated the area's transit use is very modest [low]. Mr. Polzin noted that transit use is low in absolute numbers [approximately Wake County 44,000 in 2012] and a fraction of the daily riders compared to areas that have typically initiated rail projects (federal new starts). Mr. Polzin noted that systems considering rail typically have 100,000+, sometimes 200,000+, daily riders on their transit networks.

Mr. Polzin noted that efficient use of our area's proposed transit network would require "unprecedented" changes in transit use. Mr. Polzin noted "need" riders represent one half to three quarters of the transit riders on the existing system. Mr. Polzin noted these "need" riders may ride more with a better system but will not generate the riders needed to make the current projections. Mr. Polzin stated that to make the rider projections would mean a 5x increase in the number of choice riders. Mr. Polzin noted the system would need to turn many auto-users into transit users to meet the ridership expectations.

Mr. Polzin stated "congestion is the situation where someone with the freedom, resources, and desire to travel gets in the way of someone else with the freedom, resources, and desire to travel. Take care in how this problem is solved." Mr. Polzin noted that transit investment required careful consideration of "trade-offs".

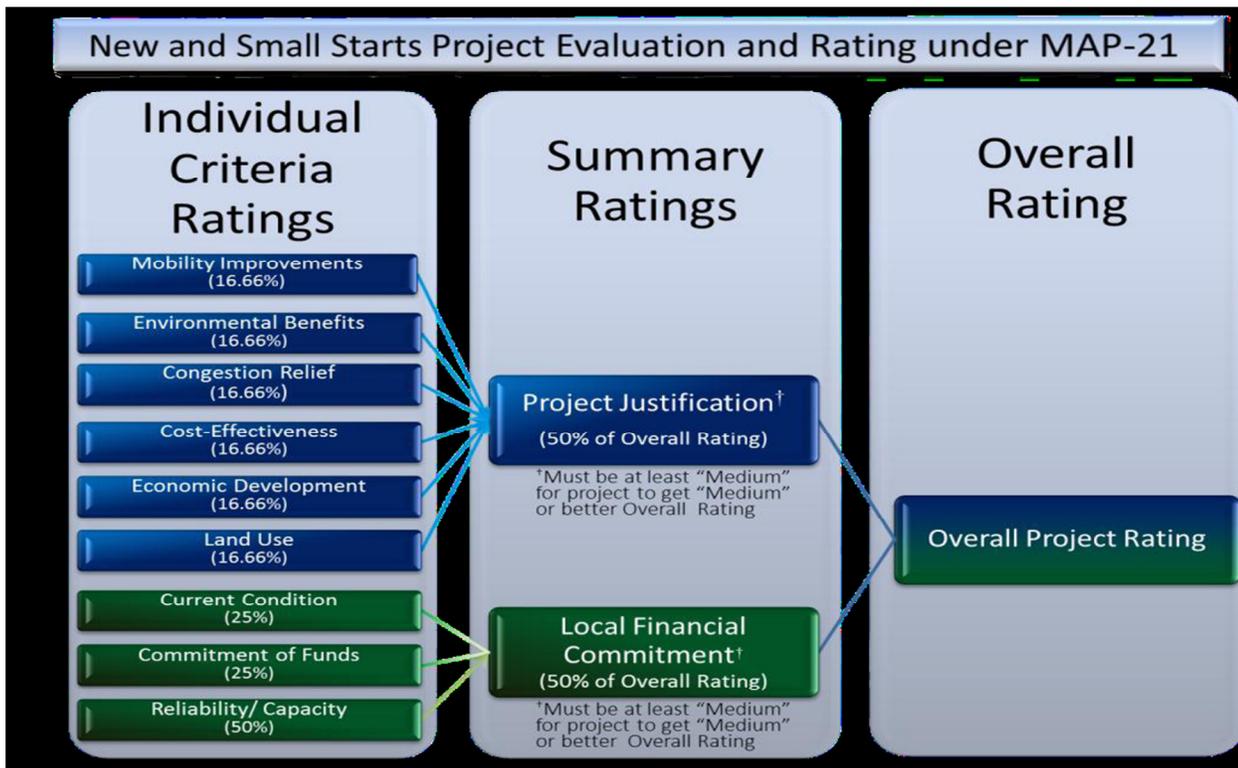
Mr. Polzin introduced Figure 1.2 that shows the criteria for the recently adopted Federal New and Small Starts money. Mr. Polzin stated that the new criteria places an emphasis on existing performance of a transit network. Mr. Polzin noted the expected characteristics of future use are still looked at by the Federal process but are looked at parallel to existing numbers. Mr. Polzin noted this change was put in place for "risk management" reasons, the Federal Government preferring to invest in solutions that are likely to be successful immediately rather than those that may be successful at some point in the future. Mr. Polzin stated that the percentage of Federal participation is also declining with only 20% to 30% of the total system cost being covered by Federal New Starts money.

Mr. Polzin noted that there are numerous areas from which Wake County can learn the good and the bad about of transit. Mr. Polzin stated it is important to look at the bad as well as the good since there are many systems that are not performing as well as expected and others that benefited from funding or demographic trends that are no longer anticipated.

Mr. Polzin stated that Bus Rapid Transit (BRT) systems should be considered and it might be helpful to have the study be conducted by someone not involved in the rail studies. Mr. Polzin noted that comparative studies can be influenced by a bias for a certain transit mode and studies where both modes are challenged to be "more creative" and can yield better results.

Mr. Polzin stated that doing something now and then doing more in the future is a viable approach for Wake County. Mr. Polzin noted the plan should focus on "what is pragmatic" and introduce flexibility, "go points" (a metric or measure when an action makes sense and should occur), and a tie to larger goals. Mr. Polzin noted that the tie between an "incremental strategy" and a master plan (larger goals) can be complex and difficult for voters to understand. Mr. Polzin stated that one of the reasons rail projects are popular, from a public standpoint, is that they get people excited about an investment. Mr. Polzin noted that an "incremental strategy" should aim to generate a similar excitement about the innovations and advancement proposed. Mr. Polzin cautioned that all plans should clearly communicate uncertainty where known.

Figure 1.2 New and Small Start Criteria und Map-21



Mr. Polzin stated that Wake County’s challenge is developing a “plan worth selling” rather than just “selling the plan”. Mr. Polzin noted that the public expects decision makers and staff to understand and vet the details prior to investment.

Mr. Polzin noted that regional equity concerns can “cripple a plan” with all decisions based on “equity” rather than actual numbers. Mr. Polzin stated these decisions can result in “lesser performing” routes being implemented and these routes can be very challenging especially in area with a smaller system like Wake County. Mr. Polzin noted that local areas should use other methods to manage land use rather than relying on transit investment. Mr. Polzin noted that transit’s ability to drive land use is based on many variables including overall congestion. Mr. Polzin noted that many land use changes (increased density) even with transit investment often have more to do with other policy changes (street network, zoning) than the transit investment.

*[Beginning of Mr. Staley’s presentation]*

Mr. Staley noted that the panelists had not compared notes on what to present. Mr. Staley noted that the news articles locally reflected that transit was a contentious issue as it is in many areas. Mr. Staley stated that as an economist he approaches the transit question from a different perspective. Mr. Staley noted he focuses on “what makes a city grow” and “what makes cities not grow”. Mr. Staley noted his was concern how the draft transit plan fits into those overarching questions.

Mr. Staley stated he had looked at the draft transit plan and the debate on transit in Wake County and found that it keyed on some points but missed other important points. Mr. Staley noted in his experience it was always beneficial to reframe issues to “ways we should look at the problem”. Mr. Staley stated he felt there were three ways Wake County should be looking at the transit question. Mr. Staley noted the first way to look at the problem was the one covered by most people; “What are the most effective solutions for transit, i.e. what should we invest in?” Mr. Staley noted a second way to look at the transit question is, “what is the goal

of the transit investment?" Mr. Staley referenced the varied goals of the Wake County Transit Plan as documented in the Staff response to the Regional Transportation Alliance's questions and noted that not all of these goals could be "maximized". Mr. Staley noted the community would have to decide which goals to prioritize. Mr. Staley noted a third way of looking at the transit question is, "why is the transit investment important or valuable?" Mr. Staley stated that all transportation investments are inherently valueless. Mr. Staley stated the value of any transportation project is generated by the use of the system to get from point A to point B (Mobility) and to access important destinations (Access).

Mr. Staley noted that nationally numerous transportation investment examples could be easily found where an investment did not align with the actual need or demand and the investment was underutilized. Mr. Staley stated these investments should be identified as "poor" or even "wasted" investments. Mr. Staley stated that need and demand for transportation options can be measured and, when correctly identified, monetized [fees collected for service]. Mr. Staley cautioned that "poorly" targeted investments can hurt better projects and investments by consuming valuable funding and resources.

Mr. Staley introduced Figure 2.1 that shows travel modes and the type of environments in which they tend to be most efficient. Mr. Staley noted that the transportation debate tends to be one travel mode versus another travel mode (bicycles versus automobiles for example) when the conversation should really be determining the most practical layering of modes for the environment. Mr. Staley noted that as general rule the efficiency of major transit investments tend to increase as population and density increases. Mr. Staley noted that walking and to lesser extent bicycles are important in every environment. Mr. Staley noted that automobiles work very well in the type of environments that make up much of Wake County, i.e. lower density areas where travelers want to reach varied, spread out destinations.

Mr. Staley stated the Raleigh area's growth from 1960 to 2013 was significant. Mr. Staley noted the area's leaders were right to be concerned about how to plan for the mobility and access needs of the additional people expected to move to the area in future years (1,000,000+ people). Mr. Staley noted even with the population growth from 1960, today the Raleigh area should be considered only a medium sized metropolitan area. Mr. Staley noted that area is unique because it is so polycentric, with important centers in Raleigh, Cary and the Research Triangle Park. Mr. Staley noted statistically the population of the area is shifting to the west geographically [into Cary, Apex, Holly Springs, Morrisville] and that travel in the region is very "dynamic" (people going to various destinations). Mr. Staley noted these trends are challenges to transit investment that tends to be corridor based.

Mr. Staley noted that the low level of congestion on area roadways presented another challenge to transit investment. Mr. Staley stated a trip by transit that might take 40 minutes was being judged against an automobile trip that takes 25 minutes. Mr. Staley questioned if it was a practical decision to offer travellers this choice.

Mr. Staley noted the positive trend of transit use increasing as the population increased. Mr. Staley noted that even with this increase, transit ridership accounted for less than 1% of the trips in the County [Wake County Staff generated numbers 2012 County Population Estimate 945,143 X 2012 Estimated Trips Per Person 3.79 = 3,582,092 Trips. 43,963 Transit Trips / 3,582,092 Total Trips = 1.2%]. Mr. Staley stated that the bus load ratios (passengers per seat) and fare recovery ratios (fare collected / annual operating cost) for the existing bus networks in Wake County were low. Mr. Staley stated these numbers suggest that there is "untapped" capacity in the existing system.

Mr. Staley stated that a "working" bus system is a key to most area's transition to rail service. Mr. Staley stated that this was not just to support the planned rail stops (as anticipated in the draft transit plan) but to build ridership over time. Mr. Staley stated that adding rail added new levels of complexity in the transit network and the system needed to be "ready" for additional stress. Mr. Staley stated a bus service's

performance (whether it is “working”) can be measured by how many riders it carries and how well it uses its capacity. Mr. Staley stated adding rail in an area where bus is not “working” could divert resources that could be used more efficiently to provide reliable and equitable service to more people.

**Figure 2.1 Travel Modes and Build Environmental Context**

<b>Symbol</b>	<b>Mode</b>	<b>Transportation efficiency characteristics</b>
	<b>Walking</b>	<b>Travel distances &lt; than one mile; appropriate in all land uses except very low densities</b>
	<b>Bicycles</b>	<b>Travel distances 2-3 miles</b>
	<b>Automobile</b>	<b>All travel distances in low to moderate densities</b>
	<b>Light Rail/Trolley</b>	<b>Corridors with medium densities and mixed uses at origins and destinations</b>
	<b>Bus</b>	<b>Travel distances &gt; 2 miles in urban areas with heavily traveled corridors</b>
	<b>Heavy Rail/Metro</b>	<b>Very high density urban areas</b>

Mr. Staley noted low congestion on area roadways will lead to a high level of automobile use continuing to persist in the area for many years. Mr. Staley noted automobile use would be a choice people would likely make based on the complexity of trips and the flexibility in time of travel. Mr. Staley stated that telecommuting was the fastest growing travel mode in the County and this could further demand for automobile trips since trips outside the home would be less frequent and diverse (varied destinations).

Mr. Staley stated that bus transit is not a one size fits all. Mr. Staley noted tools exist to make buses reliable and efficient. Mr. Staley noted it is important not to just focus on local buses but look at buses with all service characteristics (long distance, local, commuter). Mr. Staley noted that in his research in Chicago the express bus service [commuter service] carried as many people as the rail service. Mr. Staley cautioned to carefully

consider investing in existing systems and capacity rather than shifting to a mode the area is not ready for “yet”.

*[Beginning of Mr. Marsella’s presentation]*

Mr. Marsella stated that he has been involved in transit services for many years at various agencies. Mr. Marsella stated the Miami area where he worked [1979-1992] provides examples of what not to do on major transit investment. Mr. Marsella stated the agency exaggerated factors that influenced the ridership expectations, including assuming gas would be \$6.50 a gallon in the near future [by the mid 1990’s], to meet the federal requirements and receive federal money. Mr. Marsella stated this was extremely short sighted and has had major implications in system operations and potential expansion. Mr. Marsella stated that the expected ridership was 102,000 people per day with each paying \$1.00 per ride and the actual was 35,000 people per day. Mr. Marsella stated the gap in fare revenue between the expected and the actual meant the local portion of operating expenses were much higher than expected. Mr. Marsella stated the need to find this operating revenue had a direct impact on the funding for other county and city departments. Mr. Marsella also stated the public lost trust in the agency and no longer has confidence that the agency can deliver on its promises.

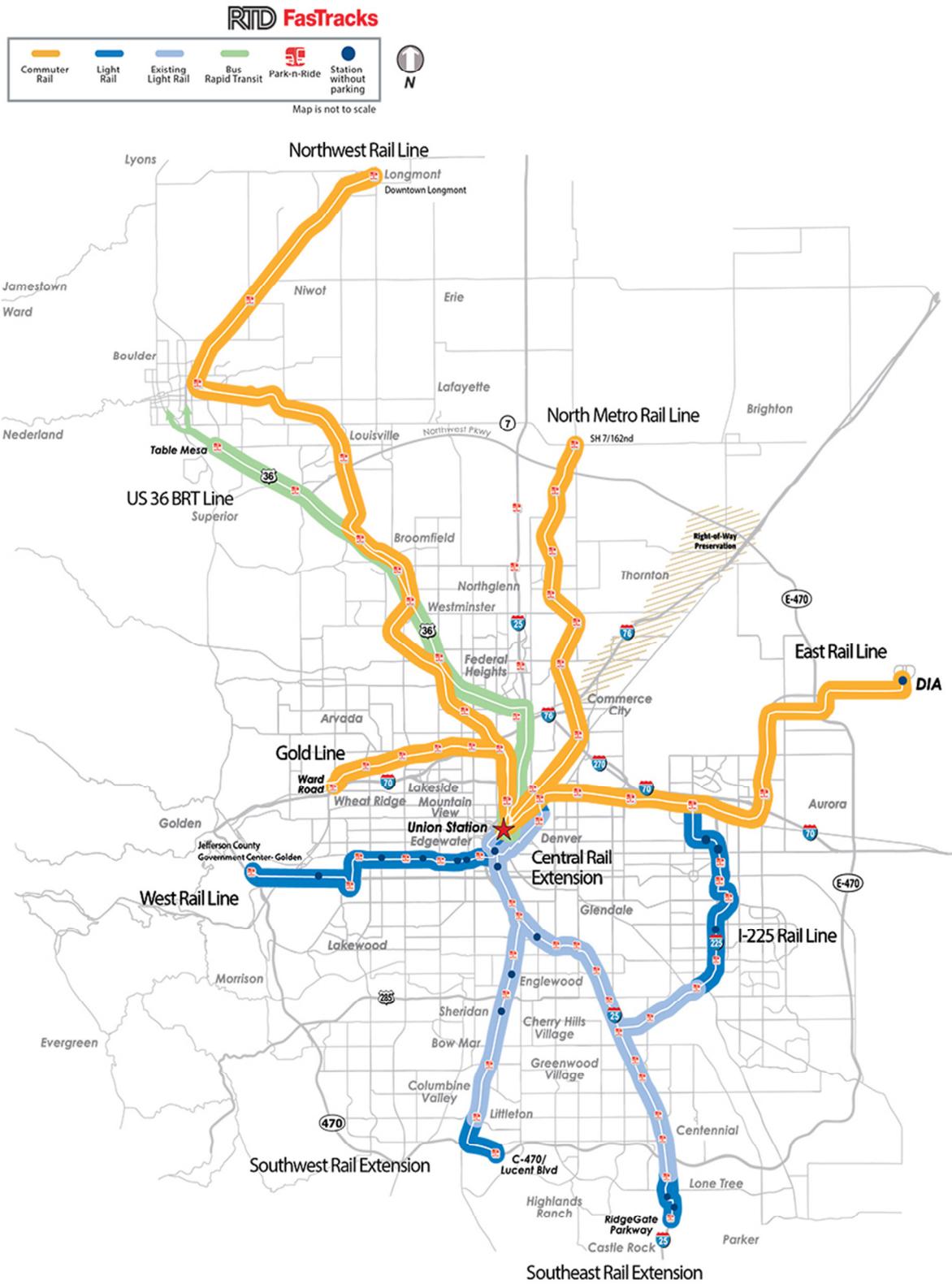
Mr. Marsella stated that when he started in Denver [1995] at the Regional Transportation District (“RTD”) he directed staff to be honest about all transit study numbers. Mr. Marsella stated the Denver Regional Transportation District asked the public to increase sales tax for transit in 1998. Mr. Marsella stated this vote failed 58% to 42%. Mr. Marsella noted one of the reasons for the failure was that many Denver Regional Transportation District Board members publically campaigned against the plan. Mr. Marsella stated these members also would not allow staff to publically clarify plan details.

Mr. Marsella noted the Denver Regional Transportation District Board is a 15 member elected board consisting of members who represent districts. Mr. Marsella noted the districts in the region cut across municipal lines and typically have residents from a city and rural areas in the same district. Mr. Marsella noted each board member has about 165,000 people in the district. Mr. Marsella noted the board members were diverse politically which was a strength since the plan had to match the various viewpoints of the community.

Mr. Marsella introduced Figure 3.1 that shows the map used to support the referendum on the FasTracks program. Mr. Marsella noted the map was key to the election because it clearly showed what (including length, expected cost and ridership) was proposed in each area. Mr. Marsella stated the FasTracks plan was favorably approved by voters in 2004. Mr. Marsella noted the plan called for commuter rail, light rail, and Bus Rapid Transit (BRT). Mr. Marsella noted one key to the plan success was that the diverse Denver Regional Transportation District board had voted 15 to 0 in favor of placing it on the ballot. Mr. Marsella also stated staff, including the general manager, were encouraged and had gone around the region explaining the plan. Mr. Marsella stated the elements of the plan were clear and practical enough that the plan was explainable and defensible to groups with different concerns.

Mr. Marsella stated the commuter rail line to the east of Denver was likely to be very successful because it is programed for 23 miles with only 6 stations [Wake Durham as proposed is 37 miles with 12 stations]. Mr. Marsella cautioned that many areas misapply commuter rail and create an inferior product that will not attract enough riders to justify the expense. Mr. Marsella stated the Dallas Fort Worth system is an example where a system, attractive by many measures, took a very long time to reach its destination. Mr. Marsella stated travellers will compare transit trips to automobile trips when they decide how to travel. Mr. Marsella stated that transit options must be able to be superior in terms of cost, speed and time to be competitive.

Figure 3.1 Denver Regional Transportation District / Denver Fastracks Program Map



Mr. Marsella stated the commuter rail line running toward Boulder was problematic. Mr. Marsella stated the line would compete with a Bus Rapid Transit system that was already in operation and would likely provide inferior service. Mr. Marsella stated this project was in the plan based on political concerns and the community dialogue about what to do with now, although potentially healthy, was very contentious. Mr. Marsella stated that the cost to get access from the freight railroad was very high (much higher than expected) and the base level of service (4 trains in the morning, 4 trains in the afternoon) was low.

Mr. Marsella cautioned that decision makers need to carefully look at transit metrics, importantly cost per rider, when making investment. Mr. Marsella provided a bus example where an increase in frequency from every 15 minutes to every 10 minutes yielded no additional riders but cost the system \$500,000.

Mr. Marsella stated that he had ridden the Bus Rapid Transit system on the northwest corridor almost every day when he had worked for Denver Regional Transportation District. Mr. Marsella stated this system worked very well and provided a very competitive trip versus driving.

Mr. Marsella stated the T-REX project (TRansportation EXpansion) that extends southeast of central Denver is a model of how to work with a state highway program to build rail and highways together. Mr. Marsella stated the DOT was not open to the idea of “giving away” right of way for transit but was open to parallel investment of highway and light rail. Mr. Marsella stated that through the joint project rail secured the right of way, shared bridge construction costs, and completed construction much faster, and the highway addressed major flooding concerns, developed additional capacity (1 to 2 lanes in each direction) and shared bridge construction costs. Mr. Marsella stated this project was let as one large design-build contract. Mr. Marsella stated this project is very popular (85%) with the public because it is how they expect government to operate and cooperate.

Mr. Marsella stated that the Denver Regional Transportation District plan had experimented with call and ride bus services as a way to save money and provide better service. Mr. Marsella stated that empty buses on fixed routes, especially “off-peak”, are very costly, generally inefficient and a source of community concern (citizens note that buses run empty). Mr. Marsella stated that Denver Regional Transportation District developed a number of local demand response systems (small buses or vans serving a specific area as requested by customers) and dual branded the service as part Denver Regional Transportation District and part the local community. Mr. Marsella stated the communities had reacted well to the service and had developed theme trip days ( i.e. grocery, hair appointments, medical) to make the service more efficient. Mr. Marsella stated this approach saved on ADA costs [services required to parallel fixed routes to meet special needs] by putting everyone on the ADA type services. Mr. Marsella noted Denver Regional Transportation District was able to suspend lower used fixed routes earlier in the day by investing in the call and ride services.

Mr. Marsella stated that the Denver Regional Transportation District is an independent regional agency that runs all of the transit services in the Denver area. Mr. Marsella stated the Denver Regional Transportation District” makes up 38 municipalities and eight counties. Mr. Marsella stated that he had to carefully consider the “business case” for any project when at the Denver Regional Transportation District. Mr. Marsella stated that the “business case” was defined by a projects ability to make a “profit” (defined monetarily but potentially accounting for outside community factors) and the cost per rider. Mr. Marsella stated it does not make sense to invest in any project where the cost per rider is too high. Mr. Marsella stated the most important thing the Denver Regional Transportation District can do is deliver on promises by meeting ridership expectations, cost estimates and schedule. Mr. Marsella stated that with this commitment it is very possible to get federal funding and noted that the Denver Regional Transportation District had received \$2.1 Billion.

Mr. Marsella stated the National Transit Database (NTD) numbers suggest that the bus programs (CAT, C-tran, TTA, Wolfline) in Wake County are well managed. Mr. Marsella stated the Wake County programs do what

they do well, the question is, “are they doing the best things they could do?” Mr. Marsella recommended looking at call and ride services.

Mr. Marsella stated that the planned ridership and cost recovery numbers used in the draft Wake County Transit Plan look low, particularly for the rail projects. Mr. Marsella stated the expectations for federal funding seem unrealistic, further noting that the Denver Regional Transportation District” had decided to construct projects that perform better than the Wake lines without using federal funding” (with the assumption that these projects would not compete well).

Mr. Marsella stated he would “not give up on rail” in this market but noted currently that the cost per rider is very high and the level of service is weak and not competitive. Mr. Marsella stated NCRRT is onboard for commuter rail and should be given the amount of money proposed to be spent on new tracks and sidings. Mr. Marsella stated very little money is programmed for grade separations which would limit speed in the future (weak product). Mr. Marsella stated sharing tracks with freight rail roads can be problematic since they [freight railroads] control dispatching and determine priority. Mr. Marsella recommended revisiting the proposal to determine if a better product could be developed. Mr. Marsella stated that the goal was to develop the right plan for the right circumstance – the numbers need to be there.

### **General Questions**

County Manager Cooke noted governance, finance and feasibility would be covered later but there was time for general questions.

Commissioner Coble asked for more specific information on the metrics for and methods of building a system that can transition and layer as markets grow and technology changes.

*[The panelists agreed that meaningfully focusing on building transit ridership over time and reserving right-of-way for planned investment are the central elements of a transitional plan. The panelists noted that integrating transit needs into the “managed lane” conversation in highway planning can be a very effective especially for commuter routes.]* Mr. Polzin stated that since strong demand is the key to transitioning to the next steps; focusing on policies and investments that build ridership overtime are essential. Mr. Polzin stated the best way to build a case for more is to have successful bus system that provides a strong base of riders. Mr. Polzin stated it also was important to consider reserving and purchasing right-of-way where future transit lines would go. Mr. Marsella stated that a good relationship with DOT was invaluable to preserving the ability to cost effectively build future investments. Mr. Staley stated that right-of-way was “cheap” compared to construction and typically sent the same type of signals to the private market (i.e. there is a better likelihood that this will occur). Mr. Staley stated that opportunity costs [costs of doing one thing rather than another] for construction are usually large and may limit a community’s options. Mr. Staley stated that multiple right-of-way corridors could be pursued and then only constructed if the market is there.

Mr. Polzin stated that the “managed lane” conversation in highway investment is a specific method that can be used. Mr. Polzin stated that a toll on these lanes is set to ensure that it is always flowing freely and buses can operate in these lanes. Mr. Polzin stated that the toll users help cover the cost of the lane construction while transit ridership increases in response to high-quality service. Mr. Marsella stated they had applied this method in Denver on an under-performing high occupancy vehicle (HOV) route. Mr. Marsella stated the toll on the route was set to be double to bus fare. Mr. Marsella stated the system is working and toll money goes to the transit agency to cover maintenance and some operations.

[A break was taken].

## Governance

Mr. Staley stated that the Triangle was a challenging environment to conduct regional governance in because of the multiple and relatively equal centers of importance (Wake, Durham, RTP) and the resulting varied goals and objectives. Mr. Staley stated there are standard ways of looking at a governance direction: 1) everyone agrees on a mission, 2) from that mission goals and objectives are developed, 3) metrics are established to determine progress and 4) policies are established to ensure that the agency stays on mission. Mr. Staley stated that the Triangle area, because of its complexity, does not seem to be able to even agree on a mission or specific goals and objectives.

Mr. Staley stated that regional governance inherently deals with aspects of competition and aspects of coordination and cooperation. Mr. Staley stated that rail tends to be a regional investment that requires cooperation rather than competition. Mr. Staley noted that it is possible that the region is having difficulty with the rail question because it doesn't know what the agreed upon cooperation areas are. Mr. Staley stated that a better understanding of possible incremental investments and what is needed by the different areas might create a better starting point for addressing regional oversight [In this line of thinking the local areas are wary of regional proposals because they would consume resources but unsure of alternatives].

Mr. Staley stated that transit governance may benefit from members with a specific expertise in transit. Mr. Staley stated that a regional focus may cause an organization to lose accountability to specific areas and specific needs or may diffuse community goals and objectives [negative aspects]. Mr. Staley stated that a regional agency's clear focus on mobility and access can outweigh these negative aspects. Mr. Staley noted that a regional agency prioritizing other goals (land use, community development) can create concerns.

Mr. Staley stated the Triangle area needs to find areas of common agreement on mobility and access. Mr. Staley stated in his opinion a new form of governance needs to be developed.

Mr. Marsella stated he has worked in many areas with different government structures. Mr. Marsella stated in his opinion any structure can work if the governing groups understands what it wants to accomplish. Mr. Marsella stated the County Commissioners in Dade County Florida were the decision makers for the Miami transit program. Mr. Marsella stated that from his perspective this structure did not work well based on the Commissioners being pulled in multiple directions by other concerns (not able to allocate time to transit decisions) and transit issues being tied to non-transit related concerns.

Mr. Marsella reiterated that the make-up the Denver transit board; 1) 15 districts, 2) elected, 3) districts are proportional (population) but cross geographic and political boundaries. Mr. Marsella stated he would recommend against having the members elected because of who might run for the seat. Mr. Marsella stated he would recommend the Triangle area consider a district-based governance structure.

Mr. Polzin stated that there are logical reasons to separate "planning" governance from "operational" governance. Mr. Polzin stated that "planning" governance is most concerned with regional coordination and consensus. Mr. Polzin stated that, although it is his opinion that decision-making should be kept close to constituents, the research suggests that it is the policies that really effect how an agency operates. Mr. Polzin stated there are not a lot of economies of scale in transit [meaning there are so many routes that a staff member can manage effectively regardless of organization].

Mr. Polzin stated transit governance tied to a general government can allow funding and other decisions to be aligned with other investment. Mr. Polzin stated transit governance tied to a general government can lead to inconsistent and inadequate funding. Mr. Polzin stated dedicated transit governance is typically tied to a predictable funding budget. Mr. Polzin stated dedicated transit governance may become a biased advocate for transit funding and may not seriously consider cost saving items. Mr. Polzin stated transit governance could also be aligned with broader transportation agencies [NCDOT, MPO].

Mr. Polzin stated that a bigger regional constituency can broaden the challenges of and demand for equity. Mr. Polzin stated that equity, typically defined as spending per capita, can be very challenging in transit investment because costs and ridership vary greatly.

Mr. Polzin stated that regional governance used to be an effective way to better compete for federal funds because the larger area would be in or closer to more congressional districts. Mr. Polzin stated that as congressional “earmarks” have been reduced, this has lost importance as a criterion for governance selection.

Mr. Polzin stated that agency credibility as good stewards of funding is important. Mr. Polzin stated that some areas had instituted new governance with a funding vote because another existing agency did not have the credibility to implement the plan.

Mr. Polzin stated that competition between areas and agencies can be beneficial. Mr. Polzin noted in Tampa and the surrounding communities there are informal competitions to see who can boost ridership faster. Mr. Polzin stated the competition tends to produce creative solutions. Mr. Polzin noted technologies such as unified fare collection systems and unified rider information should make it less important which provider offers which service.

Commissioner Sullivan asked the panelists to speak specifically about the existing governance (Triangle Transit’s Board of Trustees). Ms. Sullivan noted that transit plans had already passed in Durham and Orange County.

*[The panelists agreed that the region at large seem to be conflicted about the overall transit mission and related goals and objectives. The panelists referenced the passage of plans, with potentially major implementation issues, in Durham and Orange County as a symptom of this conflict. The panelists stated that it would be difficult for any governance group to effectively operate with this conflict. The Panelist also provided information on board size and regular membership update processes that should be considered.]* Mr. Marsella stated the existing board setup could work but board leadership is very important. Mr. Marsella stated the board members need to understand what they intend to do and how they will do it. Mr. Staley stated that Wake County seems to have a different set of goals than Durham County and Orange County. Mr. Staley stated that although it may be appropriate for the areas to have different goals, the fundamental disagreement about how much “certainty” is required prior to moving forward will make governance difficult. Mr. Marsella stated that Durham and Orange Counties may have passed the sales tax increase, but there are questions about their plans by all of the panelists. Mr. Marsella stated that Durham and Orange counties may have acted on emotional support for progress, congestion, and quality, rather than on the merits and equity of a transit plan. Mr. Marsella stated the approach in Durham and Orange counties was significantly different than in Wake County.

Mr. Polzin stated that in Miami, Florida the board structure is updated over time as populations shift geographically. Mr. Polzin stated that the number of [local representative] board members is also important as more members can provide better understanding of varied community needs and issues. Mr. Staley stated the research suggests a board size of 9-15 members is optimal [The Triangle Transit Board of Trustees has 10 local appointees, with 3 NCDOT appointees]. Mr. Marsella stated the 15 member board in Denver worked well and statute required a “super-majority” vote (10 members) to approve capital investment decisions.

Mr. Polzin stated that decision-makers need to be concerned about balancing the need to develop a clear vision of what citizens can expect with the evolving options that advances in transit are likely to provide.

Commissioner Coble asked the panelists to address mistakes that static/unchanging boards in other areas have made.

*[The panelists agreed that all boards and static/ unchanging boards in particular tend to have a bias toward continuing questionable projects once a plan is adopted. The panelists stated that a board motivated by*

*making “real” progress is less likely to have this bias.]* Mr. Marsella stated the Denver Regional Transportation District was struggling with the commuter rail connection to Boulder even though the service was less competitive than the parallel Bus Rapid Transit system. Mr. Polzin stated all plans will have projects that are proposed mostly for equity reasons. Mr. Polzin stated the concern arose when these projects were not supported by very effective projects in other areas. Mr. Polzin stated that certain governance structures are better at staying focused on project effectiveness and metrics than others.

Commissioner West asked the panelists to expand on their concerns about the areas lack of a shared vision (transit mission) and recommend steps for solving the issue.

*[The panelists agreed that the lack of an agreed upon vision/mission makes transit decision-making very difficult. The panelists stated that the area (the transit agency) should focus on establishing a shared set of overall transit goals that are clearly tied to cost effectiveness and related metrics.]* Mr. Marsella stated a unified vision is essential and it will drive other decisions. Mr. Marsella stated that it takes a lot of effort to develop a vision that varied groups can buy into. Mr. Marsella stated that support and buy-in from the business community was particularly important in Denver and would be in Wake County also. Mr. Polzin stated in some areas the transit vision was a shared set of goals and in others it was a set of projects. Mr. Polzin recommended that Wake County focus on developing a shared set of goals with a clear relationship to cost effectiveness and related metrics. Mr. Polzin reiterated his concern with providing too many project specifics and promises too early.

Mr. Staley stated developing shared vision provides a legitimate process for dealing with those that are not on board with the plan.

Commissioner Ward asked the panelists to address the need for equity in Wake, Durham and Orange Counties since all are important to the overall health of the region.

*[The panelists agreed that a shared transit vision/mission would help address this concern. The panelists stated that a varied portfolio of transit solutions tied to performance standards would also be helpful. The panelists stated policies must honestly communicate that equitable does not mean the same in all areas.]* Mr. Polzin stated the area needs to develop goals and objectives to keep the cycles of politics from defining what “equity” means. Mr. Polzin stated it would also be beneficial to develop a “portfolio of transit products” so that there was something to offer different areas. Mr. Polzin stated the area needs to understand how different investments benefit the community overall. Mr. Marsella noted the community needs to be honest about the parameters and limits of “equity”. Mr. Marsella stated that the benefits of transit investment do not split well and the community needs to understand how the plan is reacting to need and demand.

Mr. Marsella stated the Commissioners were wise to question the draft Wake County Transit Plan numbers. Mr. Marsella stated it is very clear that the region wants to make progress on transit, the question is what are the right solutions. Mr. Marsella stated in his experience replacing a bus line with light rail will yield a 30% ridership bump. Mr. Marsella stated the problem is in Wake County if you look at the ridership on the existing bus route and add the 30% it still does not meet Federal expectations for funding.

Commissioner Matthews asked if it made sense to establish ways to “test” transit markets and experiment to see how well potential routes work.

*[The panelists agreed that testing markets and routes can be helpful. The panelists cautioned that the area needs to establish clear criteria that must be met for the service to continue prior to starting “test” routes.]* Mr. Marsella stated it was important to establish the criteria that would define success up front. Mr. Marsella stated the community would likely find the best results where they experiment with existing higher ridership routes rather than providing service to new areas. Mr. Staley stated that transit agencies should build quick response to the customer demand into their policies. Mr. Staley stated experimentation can help build

ridership which, as noted before, should be Wake County's priority. Mr. Polzin stated that other areas have instituted short term programs like free passes and discounted services that encourage people to try transit for specific trips. Mr. Polzin stated the City of Boulder's entire transit program was geared toward creatively matching services to demand. Mr. Marsella stated the Boulder area had experimented with a number of aspects including route branding (Hop, Skip and Jump instead of route numbers), bus paint scheme, driver uniforms, and music on the bus. Mr. Marsella stated the experimentation helped the local community boost ridership and it also helped sell the regional plan because it conveyed a focus on implementation, ridership, and good investment.

### **Finance and Feasibility**

Mr. Marsella suggested the financing assumptions in the draft Wake County Transit Plan need to be reviewed and revisited. Mr. Marsella stated all of panelists share concerns that the federal participation percentage assumptions are very problematic. Mr. Marsella stated that there were several projects in the Denver Plan on which the decision was made not to apply for Federal funding because the chances of receiving funds was very low. Mr. Marsella stated the ridership numbers on those Denver routes is higher than what is proposed in Wake County. Mr. Marsella noted the federal process is a very tough process.

Mr. Marsella stated he believes rail could work in the area in the future but the area is not ready for it yet. Mr. Marsella stated it makes sense for the three counties to be connected with high quality service but Bus Rapid Transit or other options, even those that could transition to rail, seem more feasible. Mr. Marsella stated the area should consider reserving right-of-way and other techniques to keep rail a possibility in the future.

Mr. Marsella stated there seems to be a huge leap in the baseline ridership (existing) to the expected ridership in the plan. Mr. Marsella stated the numbers are possible, but not likely, given the characteristics of the area and the numbers are not high enough to fill trains. Mr. Marsella stated there are a number of transit improvements the area should be looking at that will work well and build ridership for the future.

Mr. Polzin stated public transit unit costs in general tend to be very expensive. Mr. Polzin stated higher transit infrastructure investments typically come with even higher unit costs. Mr. Polzin stated unfortunately many of the components of transit infrastructure are unique features [specialized stations, specific track and utility work] and therefore do not have significant volume cost savings. Mr. Polzin stated costs of transit typically go up as major infrastructure is added.

Mr. Polzin stated the existing systems in Wake are very well run and cost efficient. Mr. Polzin stated as money is added to the system [sales tax money] it is very hard and requires great discipline to maintain these same efficiencies. Mr. Polzin stated the costs of major transit projects nationally are huge and stayed at the same high level even during the recession (the cost of some infrastructure, roads in particular decreased during the recession as the demand for labor and materials decreased). Mr. Polzin stated the costs for transit projects stayed high because it is small, less competitive and unique market.

Mr. Polzin stated that most cities implementing rail collect a one penny sales tax. Mr. Polzin stated this amount is generally required to maintain existing systems and allow for future projects and capital investment. Mr. Polzin noted as transit services are provided there is demand for more service, and funding for more investment can be very challenging. Mr. Polzin stated that some cities have deferred maintenance on existing systems to allow continued expansion and this will lead to more maintenance needs in future years.

Mr. Polzin stated the area must understand its costs going forward and have the discipline to manage costs and make hard decisions. Mr. Polzin stated the performance metrics [cost per rider] are essential to decision-making and developing an efficient system. Mr. Polzin stated that incremental improvements have advantages because of lower cost and construction stages. Mr. Polzin stated that large scale projects that are marginal

[expected funding very close to expected cost] become very difficult to deal with when a contingency occurs [funding source eliminated, ridership low, overall economic downturn].

Mr. Staley stated it was very important to think about “sustainable finance”. Mr. Staley stated a red flag in the existing draft Wake County Transit Plan was the amount of and reliance on Federal funding. Mr. Staley stated he was concerned about this for two reasons: 1) political; the feds have a lot of issues to figure out and is difficult to see how more transit money will result, 2) operational; communities that construct projects with federal funds tend to underestimate how much it will cost to operate the system year after year. Mr. Staley stated transit projects have gone over-budget and then ridership does not materialize resulting in more operation costs. Mr. Staley stated the operational revenue will come from somewhere and this usually impacts other service. Mr. Staley stated the County should carefully look at the costs of projects in the draft plan and the expected fare recovery.

Mr. Staley stated a realistic look at the numbers is key to developing legitimacy with the public and avoiding situations where the public is promised projects that cannot be implemented.

Mr. Staley stated the transit plan should also look closer at fare recovery ratios as the draft plan’s expectations seem to be low. Mr. Staley stated that the way to look at fare recovery in transit is evolving from a fixed rate for each trip to demand and service based fares. Mr. Staley noted the community should consider peak fare adjustments as well as higher fares for premium service. Mr. Staley stated that fares can be a very direct way to determine what the market wants and understanding market demand.

Commissioner Coble asked the panelists to address public/private funding opportunities as well as other funding sources.

*[The panelists agreed that there are very good public / private funding opportunities that should be considered. The panelists stated the area should think creatively but also carefully look at the numbers to ensure the agreement is a good deal for the public].* Mr. Marsella stated the commuter rail project to the west of Denver is being constructed as a turnkey consultant project. Mr. Marsella noted the transit agency had let a 34 year “concessionaire” contract where the vendor was responsible for construction, maintenance and operations. Mr. Marsella stated the vendor would receive a pre-agreed payment from the transit agency annually. Mr. Marsella noted the company was investing additional private money in the project which would be paid back over the life of the contract. Mr. Marsella noted the project is being constructed extremely quickly and the major benefits to the transit agency are the things it does not have to manage long term; staffing, retirement and construction. Mr. Marsella stated a well written contract with understood expectations was crucial to this initiative. Mr. Marsella stated that companies are interested in these contracts if the numbers make sense and the length of the contract is long enough for them to recover costs.

Mr. Polzin stated that Mr. Marsella and Denver were national innovators on leveraging the private sector for transit services (competitive contracting). Mr. Polzin stated this innovation applied to regular bus operations as well as the larger capital projects. Mr. Polzin stated financing of transit is evolving and although there were many “horror stories” of agreements where the public was paying way too much for private involvement, there were also a growing number of deals that made sense for both sides.

Mr. Polzin stated that looking for partnership with business is essential for maintaining transit service. Mr. Polzin stated the public sector will always be financially involved since transit services will regularly lose money, the key is limiting the losses as much as possible. Mr. Polzin stated that there are other types of examples where the private sector was partnering to support transit. Mr. Polzin noted an arena set up where all ticket buyers were charged around 65¢ extra that went to the transit agency. Mr. Polzin noted that ticket holders that chose to could ride for free the night of the event but all ticket buyers were charged. Mr. Polzin also noted programs where employers (non-government) paid for employee bus passes.

Mr. Staley stated globally private investment in transit is more common. Mr. Staley stated as an example the City of London sets standards and expectations and then auctions off its bus routes to private companies. Mr. Staley stated that looking at international examples leads one to question. Is the typical United States transit funding model is the most efficient? Mr. Staley noted that jitney bus services (small privately owned buses that carry passengers on a regular route with flexible schedule) can be very efficient if properly managed for quality and service expectations. Mr. Staley stated jitney service could be set up very cheaply simply by letting contracts about who could operate (and expect regular payment) in certain areas and on certain routes.

Mr. Staley stated that cities tend to underestimate the number of people using informal transit systems, (private buses, taxis and cars) particularly low income individuals. Mr. Staley stated formalizing these systems, if done properly, could provide better service and boost transit overall ridership.

Mr. Marsella stated in Miami, jitneys had appeared overnight based on a legal loophole. Mr. Marsella stated the transit establishment opposed them but they did boost ridership on major corridors (3x) and operated at little or no cost to the public sector. Mr. Marsella stated these services could be regulated similar to taxi services.

Chairman Bryan asked if the panelist had any specific comments on the Durham and Orange County plans.

*[All of the panelists indicated that they had only reviewed Wake County's Transit Plan.]* Mr. Polzin noted he would have to review the other County plans to provide any appropriate insight.

Commissioner West asked the panelists to explain the differences between "incremental" implementation (potentially good) and "piece meal" implementation (potentially bad). Mr. West specifically asked how implementation would relate to "systems thinking" and a larger plan.

*[The panelists agreed that incremental implementation must be strategic and have an eye toward the "next step". The panelists stated the "next steps" would be informed by the reaction to the first implementation. The panelists disagreed on how much of a "vision plan" versus goals and objectives would be required for logical incremental implementation.]* Mr. Staley stated piece-meal is random, opportunistic and does not create long term change while incremental is deliberate and has expected outcomes. Mr. Staley stated that incremental projects are grounded in a vision of what the area wants to accomplish [higher speeds, quicker access] but small enough that they can be implemented quickly. Mr. Staley stated that the area would learn from the early implementation steps when developing later steps. Mr. Staley stated that flexibility and gradual, deliberate progress were keys to incremental implementation.

Mr. Marsella stated that the first light rail line in Denver was a small 5.2 mile system in downtown. Mr. Marsella stated exposure to and use of this first project, along with the bigger vision plan, was key to what Denver has been able to accomplish. Mr. Marsella stated the numbers are still the foundation of any investment.

Commissioner Sullivan asked the panelists to expand on why they felt the area should look to alternatives to the NCCR rail line for addressing the RTP/ Durham issues (potentially I-40).

*[The panelists continued to agree that other options in the I-40 should be considered.]* Mr. Polzin stated the presumption that the rail line would be "easy" to work with and DOT "impossible" to work with had led the community to only consider options (rail) the community is not ready for (based on existing ridership). Mr. Polzin noted the area may need to step back and ask "what creative options should we be looking at to meet our actual needs". Mr. Polzin noted that a Bus Rapid Transit system on managed lanes on I-40 could potentially offer better service than the commuter rail since it could potentially address the "last mile of travel issues". Mr. Polzin noted buses could circulate in local areas before a "long haul" in the managed lane network. Mr. Polzin stated many techniques exist and have been implemented to address negative feelings about bus vehicles.

Mr. Polzin stated traditional “standards” on commuter rail would suggest that they work best in employment centers with 250,000 or more jobs. Mr. Polzin stated although the standards of where rail can work are being redefined somewhat as non-work trips are considered the costs to implement and operate are very high. Mr. Marsella stated that the existing bus on shoulders program should be interpreted as an incremental step and the area should be monitoring the result. Mr. Marsella reiterated that in his opinion the commuter rail as proposed in the draft Wake County Transit Plan was an inferior product; trip takes too long [Garner to RTP ~30 minutes) and service is not frequent enough [every 30 minutes peak].

### **Closing Comments**

Mr. Polzin stated that transit plans can be evaluated like business plans and assessed for risk and uncertainty. Mr. Polzin stated there seems to be big risks and extensive uncertainty in the draft Wake County Transit Plan. Mr. Polzin stated that Wake County is not the traditional market for a rail project because it has a smaller population and does not have a large pool of existing transit riders. Mr. Polzin noted that as much as 60% of a traditional rail investment’s ridership typically comes from existing bus riders. Mr. Polzin noted that although today’s rail is being considered in smaller areas than was historically the case, there is no reason to disregard the fundamental ways ridership works. Mr. Polzin stated the area should plan ahead for what it wants to do in the future, but focus on incremental steps in the near term.

Mr. Polzin stated that although cost and cost effectiveness are important metrics they are certainly not the only reasons to make an investment. Mr. Polzin stated if a community wants to build rail [commuter or light rail] as an icon or specialized land use tool, this would be fine as long as the community is honest about it. Mr. Polzin stated lies and dishonesty can end the possibility of further transit investment for decades. Mr. Polzin stated the community would have to be very clear that ridership would likely be low for many years but the expectation would be the community would grow with the line. Mr. Polzin stated the community would also need to clearly communicate that major goal of a project was to provide a specific area in the community with an very high level of access to specifically attract dense development and provide specific lifestyle choice. Mr. Polzin stated it is likely the dialogue around whether a very expensive rail project was the “best way” to provide options and encourage dense development, even if the non-transportation goals were clearly expressed, would be helpful to the community. Mr. Polzin stated the research suggests rail can play a role in managing land use, but policy, planning and political will play a much larger role.

Mr. Polzin stated he would end his statements with a caution. Mr. Polzin stated many communities that invest in major capital investment become fixated on completing and supporting the new asset. Mr. Polzin stated that it is not uncommon for systems to open a new line and raise fares and cut service on other routes at the same time. Mr. Polzin stated these types of policy decisions hurt the people who most need transit (poor, those without cars). Mr. Polzin stated the goal of these types of policies seems to be “charging people who need to use transit to help coax people out of BMW’s”. Mr. Polzin stated the community should have enough understanding to see that not all utilization is the same and the discipline to not hurt need riders as new services are considered and constructed.

Mr. Marsella stated that the draft Wake County Transit Plan should be reopened and projects revisited. Mr. Marsella recommended involving a group of objective reviewers that are not tied to a specific vision in this review process. Mr. Marsella stated the area should carefully consider outside the box solutions that are appropriate to the area’s demographics including the aging population. Mr. Marsella stated the call and ride programs in Denver might provide insight into what could be considered. Mr. Marsella stated the reviewers should carefully consider the financing assumptions in the draft plan, specifically the cost to activate the rail line. Mr. Marsella stated more bridges and grade separations (costing more money) would likely be needed for effective service.

Mr. Marsella stated it was very important to engage the business community and Chamber of Commerce's and make them part of the plan. Mr. Marsella stated the community should not move forward unless these groups were "1000%" on board. Mr. Marsella stated that this would likely take some work but it was possible and essential.

Mr. Marsella stated the community should concentrate on service needs that are met now and put more buses on where they are needed today. Mr. Marsella stated the community needs successes and high ridership that it can build on. Mr. Marsella cautioned that the low density areas are not where the riders will be and stated that it may make sense to focus on existing transit corridors. Mr. Marsella stated the community should look at investments in existing high ridership areas and "fish where the fish are". Mr. Marsella stated the community should develop an "evolutionary" corridor approach that can start with a Bus Rapid Transit (BRT) and evolve later into light rail. Mr. Marsella stated this project would be a very specific type of corridor. Mr. Marsella stated he felt the commitment to light rail "at some point in the future" would be important to showing a "big enough" vision for voters.

Mr. Staley reiterated the point that it was important that the assumptions, costs and assertions in a transit plan are as "real" as possible. Mr. Staley stated that numbers that don't quite work will have to come from somewhere and these types of issues can set a system back for decades. Mr. Staley stated it was worth reopening the draft Wake County Transit Plan to look at the numbers and find other options. Mr. Staley stated the focus should not be on "making it work" but clearly exploring and communicating why investments are "worth the value". Mr. Staley stated that short changing an investment is not an acceptable or successful strategy.

Mr. Staley stated that incremental is good. Mr. Staley stated incremental changes are a sustainable approach and balanced way of embracing change but retaining options. Mr. Staley stated incremental changes allow time to determine what works and what does not. Mr. Staley stated innovative investment over time will build a reputation and legitimacy for the area. Mr. Staley stated this legitimacy will help riders immediately and help the area build a case for larger projects in the future. Mr. Staley stated he believes there is an untapped transit market in the area. Mr. Staley stated the challenge for the area is to find as many innovative and cost effective ways to reach this market as possible. Mr. Staley stated the area should not ignore the potential of the private market and should consider experimenting with jitneys in certain areas.

Mr. Staley stated buses are really good. Mr. Staley stated buses have changed a lot from what many people imagine them to be. Mr. Staley stated bus technology has shown an incredible amount of breadth to address varied transit needs. Mr. Staley noted that buses are extremely flexible and can be tied to various types of capital investment including local Bus Rapid Transit, managed lanes and dedicated corridors. Mr. Staley noted that intercity bus companies like Bolt Bus and Mega Bus are proving that it is the service not the vehicle that people are concerned about. Mr. Staley stated that his research suggests United States riders are pragmatic when selecting how to travel; if an agency can deliver a competitive product (time, cost, schedule, amenities) people will ride. Mr. Staley cautioned the area not to overlook how valuable the bus system will be to overall success.

Chairman Bryan thanked the panel for their presentations.

The meeting was adjourned at 12:40 P.M.