



MINUTES
REGIONAL TRANSPORTATION AUTHORITY
AUGUST 20, 2014

- I. CALL TO ORDER:** The regular meeting of the Regional Transportation Authority Board of Directors was held in the meeting room at Music City Central, 400 Charlotte Avenue, Nashville, TN on August 20, 2014. A quorum was established and the meeting was called to order at 10:00 a.m. by RTA Chair Nashville and Davidson County Mayor Karl Dean.
- II. APPROVAL OF MINUTES:** Chair Dean entertained a motion to approve the minutes of the June 18, 2014 meeting. Proper motion was made and seconded. The vote of approval was unanimous and the minutes were adopted as presented.
- III. PUBLIC COMMENTS:** Margo Chambers of Nashville stated that she would like to know:
- Who is the RTA CEO after Stephen Bland begins work August 25th?
 - Regarding the current RFP for a new banking system for the RTA and MTA:
 - The contract has a back date of 2013 and asks that be corrected to 2014.
 - What is the title of the MTA CEO signing that document?
 - Explain to the public why there is a need for a new banking system at this time.
 - Why is there a need for separate bank accounts for the RTA and the MTA and the DTO?
 - Why wasn't this discussed at any of the meetings prior to issuing the RFP?

There were no other public comments.

- IV. NORTHWEST CORRIDOR REPORT:** Chair Dean asked General Manager Lora Baulsir to report on the following item:

- a. Northwest Corridor Transit Study Award of Contract (A-014-017):** Ms. Baulsir reported that in January 2014 the RTA Northwest Corridor Committee met to discuss a draft scope of work for the Northwest Corridor study and provide comments and suggestions. Recommendations from that meeting provided RTA staff direction to finalize the scope of work for the project and develop a Request for Qualifications to solicit proposals from qualified firms to conduct a study.

In April 2014, RTA released a Request for Qualifications to select a consultant team to assist RTA in conducting the Northwest Corridor Transit Study. Three proposals were received, reviewed, and evaluated by a committee that included members from MTA, RTA, Clarksville Transit System, the Nashville Area

MPO, the Clarksville Urbanized Area MPO, the Transit Alliance of Middle Tennessee, and TDOT. Consultant teams were invited to make presentations. After completing the review, interviews, and scoring process, the evaluation committee recommended that the contract be awarded to Parsons Brinkerhoff for the development of the Northwest Corridor Transit Study at a cost not to exceed \$1,200,000. Grant funding and local match has been secured for the study.

Committee Chair McMillan motioned that the Board accept the evaluation committee's recommendation to award the contract to Parsons Brinkerhoff for the development of the Northwest Corridor Transit Study at a cost not to exceed \$1,200,000. The motion was seconded, there was no discussion, and the vote of approval was unanimous.

- V. **MARKETING REPORT:** Committee Chair Governor's Appointee Kelly Dannenfesler reported that the Music City Star 4th of July service was once again a success. All 950 tickets were sold within the first two and half weeks. Solid marketing and operational plans has brought this success consistently over the past several years. Ms. Dannenfesler thanked train contractor TSG, Operations Supervisor Gabe Burgess, and Patricia Harris-Morehead and her marketing team.

Currently, the Communications team is promoting "Riding the train to the Wilson County Fair." Mayors Craighead and Hutto made it possible to partner with the Wilson County Fair Board for this event and to offer a combination train and fair ticket. Last Saturday (August 16th), approximately 331 customers rode the train to and from the fair. This coming Saturday, two more round trips will be provided with 200 tickets already sold.

The Game Day Express campaign is underway offering excursion train service to the regular season Titan's football games. Tickets went on sell on August 4th.

The communications team has provided additional attention to the express bus routes for Rutherford County and Springfield/Joelton services. As a result of a great partnership with MTSU and Blue Raider Sports properties, fans will hear and see ads, promos, and videos at MTSU sporting events this fall encouraging students and others to use RTA bus services. Similar ads have been placed in publications and at the cinemas in Springfield.

The Ad Hoc Rebranding Committee has held four meetings to date. The advertising agency, Sullivan Branding, has developed potential names and logos to share with current and potential riders via online surveys and bulletin boards. Once this phase is completed, the committee will reconvene to discuss the research team's findings and make a decision and recommendation on a new brand and logo to replace RTA Relax & Ride services.

At the last committee meeting, Board member Ed Cole brought up the idea of generating a revenue stream by advertising on the RTA buses. With the approach of a new brand for the bus service this may be the time to consider this.

- VI. **OPERATIONS REPORT:** Committee Chair Portland Mayor Ken Wilber reported that all the statistics for June 2014 are showing good increases over the same period last year. The Clarksville Express service saw a 20% increase over last

year followed by the Franklin/Brentwood service increase of 19%, and the Murfreesboro service saw a 16% increase over last year. The Music City Star had an increase of 7% over last year. All other services in the region saw increases over last year from 5% - 7%. This speaks well of our transportation systems.

Mayor Wilber then presented the following action items:

- a. **Regional Bus Service to Dickson (A-014-018):** In 2012, Dickson County became a member of the RTA Board and has since expressed interest in commuter route service in their area. We applied for and have received Congestion Mitigation Air Quality (CMAQ) funds to begin this new route. In order to establish the level of interest in the service, this past April Gray Line provided, at no cost to the RTA, a demonstration project for one morning and one afternoon trip between Dickson and Nashville. The project proved that there is a high demand for this type of service in the area.

The service is designed as commuter service to operate on weekdays and will be run by Gray Line through their contract with RTA. The details are still being finalized, but there will be two morning trips and two afternoon trips provided and we hope to start the service within the next six weeks.

Dickson County and the city of Dickson have each approved a local match of \$25,000 for the operation of the service.

The Operations Committee recommends that the Board authorize staff to:

1. Allow RTA to operate new service to Dickson County. The funding is available through a combination of state, local, and federal funding received through the Congestion Mitigation and Air Quality program.
2. Amend the existing contract with Gray Line to include this new service.

Proper motion was made and seconded. There was no discussion and the vote of approval was unanimous.

- b. **Music City Star Track Rehabilitation Phase 2 (A-014-019):** The first phase of the track rehabilitation replaced rail ties and straightened out some curves and is almost completed. The next step of the project will primarily be to replace joined rail with continuous rail and the related work on ties. The project will also include the installation of a culvert to assist with drainage issues along the line.

The total cost of the project, including a \$70,000 contingency, is \$1,799,557.60. Federal 5307 monies have been awarded for this project and local match has been secured. Upon award of the contract, the project would begin September 1, 2014 and is to be completed around June 30, 2015.

The Operations Committee recommends that the Board authorize a contract with Nashville and Eastern Railroad for Music City Star Track Rehabilitation Phase 2 at a cost not to exceed \$1,799,557.60.

Proper motion was made and seconded. There was no discussion and the vote of approval was unanimous.

VII. FINANCE REPORT: Committee Chair Rutherford County Mayor Ernest Burgess reported that the committee met and reviewed the twelve month preliminary unaudited results of the full year of operations. Everything is favorable. The total operating revenue was favorable and more than the budget. We had less revenue from the federal, state, and local funding and a little less capital. That deficit was offset by a deduction in our actual expenditures for the year. We have a favorable operating surplus for the entire twelve months.

He then presented the following items for the Board's consideration:

- a. FY 2015 Budget Adoption (A-014-020):** RTA's budget has two distinct operations consisting of commuter rail and rideshare operations. The budget for the Music City Star commuter rail operation totals approximately \$5.1 million. The budget for rideshare operations totals approximately \$4.4 million and consists of regional express bus service contracted through the Nashville MTA and Gray Line, vanpools, and assistance with carpooling.

The revenues needed to cover the \$5.1 million in commuter rail expenses will come from fare revenues and State/Local operating support as well as federal formula 5307 capital funding that will be converted to operating revenue through the preventive maintenance process.

This proposed budget also assumes that the \$1.5 million line of credit will be available for use throughout the fiscal year. This is for cash flow purposes only. A full presentation of both budgets was made by Shelly McElhaney at the Committee Meeting.

The Finance Committee recommends that the Board approve and adopt the attached proposed FY 2015 Budgets for the annual region bus operations totaling approximately \$4.4 million and the annual Music City Star commuter train operations totaling approximately \$5.1 million.

Committee Chair Burgess so moved. The motion was seconded. There was no discussion and the vote of approval was unanimous. (A complete copy of the entire budget is included at the end of these minutes)

- b. RTA/MTA State Easy Ride (A-014-021):** For several years, Nashville MTA and RTA have participated in the Easy Ride program with the State of Tennessee where both agencies provide transit rides to State employees and the State reimburses both MTA and RTA on a cost per ride basis. MTA has been and will continue to be the principle party in this contract with the State of Tennessee and, by agreement, will pass through RTA's portion of the contract revenue for the rides provided through RTA transit services. The MTA Board has approved a new contract with the State for July 1, 2014 through June 30, 2015 to charge a cost per ride for the Easy Ride services provided.

In order to properly allocate the contract revenues between MTA and RTA, an analysis determined that MTA will pass through RTA's portion of its Easy Rides revenues at an effective rate of \$2.70 per ride since RTA's fares for R&R and train service are proportionately higher than MTA.

The Finance Committee recommends that the Board approve for RTA to enter into an agreement with MTA that calls for MTA to reimburse RTA for Easy

Ride trips provided to State employees participating in the Easy Ride program at a rate of \$2.70 per ride for a period of one year, beginning July 1, 2014 through June 30, 2015.

Committee Chair Burgess so moved. The motion was seconded. There was no discussion and the vote of approval was unanimous.

- c. **Grant Application Resolution (A-014-022)**: The Regional Transportation Authority (RTA) has the authority to receive federal, state and local financial assistance for transportation projects. In order for RTA to apply and receive federal funds, RTA must comply with Federal Certifications and Assurances and annually submit compliance with these terms.

Funding sources for FY 2015 are 5307 Urbanized Area Formula Funds, State Operating Assistance, 5337 State of Good Repair Formula Funds, and Surface Transportation Program (STP) Funds.

The attached resolution (included at the end of these minutes) comprises the annual submittal of certifications and assurances for Federal Transit Administration funds and authorization to submit applications for grants with the Federal Transit Administration and the Tennessee Department of Transportation.

The Finance Committee recommends that the Board:

- Adopt the attached resolution;
- Authorize the application and enter into a contract for 5307 funding and State/local match, when it becomes available;
- Authorize the application and enter into a contract for 5337 capital dollars and State/local match when it becomes available;
- Authorize the submittal of the applications and enter into contracts for State Operating Assistance and STP funding and State/local match when it becomes available; and,
- Authorize the submittal of applications and enter into contracts for any other federal, state or local grant funding that may become available during fiscal year 2015 for the benefit of RTA.

Committee Chair Burgess so moved. The motion was seconded. There was no discussion and the vote of approval was unanimous.

- VIII. **INTERIM CEO'S REPORT**: Interim CEO Ed Oliphant reported that on the following Monday, August 24th, Steve Bland would become the new CEO of MTA and by default, the new CEO of RTA. Mr. Oliphant will return to the duties of CFO for the RTA and Nashville MTA. He thanked Lora Baulsir, Shelly McElhaney, and the entire staff for their support during this interim period of time.

- IX. **CHAIR'S REPORT**: Chair Nashville/Davidson County Mayor Karl Dean on behalf of all the members thanked Mr. Oliphant for his service. Chair Dean stated that he looks forward to working with Mr. Bland and welcomes him and his wife to Nashville.

Continuing, Chair Dean reported that the city has started a program with Nashville MTA to allow all public school high school students, grades 9-12, to ride

Nashville MTA buses with a pass. This is a free pass to the students that the city is paying for with monies allocated into the city's budget for this program. Students can use this pass to go to school, to go to work, and on the weekends. The purpose of the program is to give choice at the high school level, and for that to be meaningful, transportation must be available.

The Ride-the-Bus campaign continues with a recent endeavor encouraging people to ride the bus to a Titan's practice. This had a great turn-out with a lot of enthusiasm.

The Amp Citizen's Advisory Committee continues to meet. Their next meeting is on August 25th at the downtown library. It is open to the public and everyone is welcome to attend.

- X. GENERAL MANAGER'S REPORT:** Referencing the earlier action item approved today on the northwest corridor study, General Manager Lora Baulsir reported the need for service in that corridor continues to grow. The buses serving the corridor are full and are leaving passengers because there is no more room. Additional CMAQ funding has been approved to have a fourth trip.

A code of conduct is being drafted for the RTA which will help the supervisors and conductors address little issues that come up from time to time.

A contract for ticket sales at Riverfront Station with Gray Line is being finalized. Under this new contract, RTA will receive a lease fee and a percentage of some light concession sales at the station.

Margo Fosnes, Governor's Appointee for Robertson County, has asked to step down from her position because she has been assigned to another board that will take a considerable amount of her time. Staff will work with Mayor Bradley to find a replacement for Robertson County.

- XI. OTHER BUSINESS:** There was no other business.

- XII. ADJOURNMENT:** The meeting was adjourned at 10:22 a.m.

Respectfully,

Paula Mansfield
Governor Appointee
RTA Secretary

Regional Transportation Authority						
FY2015 Proposed Budget						
	Proposed RTA	Proposed RTA	TOTAL	TOTAL		
	REGIONAL BUS	TRAIN	Proposed Budget	Approved Budget	Dollar	Percent
	FY2015	FY2015	for FY2015	for FY2014	Variance	Variance
Revenues From Operations						
Ticket Sales Revenues	\$990,762	\$738,000	\$1,728,762	\$1,570,476	\$158,286	10.1%
Rail Operations Advertising Revenue		2,000	2,000	6,000	(4,000)	-66.7%
Ticket Revenue from Special Events		43,270	43,270	29,000	14,270	49.2%
Miscellaneous Other Revenues	129,494	27,500	156,994	20,100	136,894	681.1%
Total Operating Revenue	1,120,256	810,770	1,931,026	1,625,576	305,450	18.8%
Federal/State/Local Support Income						
Wilson County, Lebanon, Mt Juliet		90,000	90,000	90,000	0	0.0%
NERC		30,000	30,000	30,000	0	0.0%
Metro Nashville Government	155,700	1,500,000	1,655,700	1,613,425	42,275	2.6%
Regional Subsidies	940,966		940,966	821,438	119,528	14.6%
Job Access Reverse Commute	25,320		25,320	98,329	(73,009)	-74.2%
State Support	501,209	675,100	1,176,309	966,298	210,011	21.7%
CMAQ	1,323,024		1,323,024	1,377,158	(54,134)	-3.9%
Federal 5307 (Maint. & Capital Cost of Contracting)	296,093	2,038,464	2,334,557	2,367,639	(33,082)	-1.4%
Total Support Income	\$3,242,312	\$4,333,564	\$7,575,876	7,364,287	211,589	2.9%
Total Revenue	\$4,362,568	\$5,144,334	\$9,506,902	\$8,989,863	\$517,039	5.8%
Expenses :						
Mgmt Contract with MTA	390,000	390,000	780,000	756,000	24,000	3.2%
Marketing	80,000	103,450	183,450	160,000	23,450	14.7%
Legal Fees	0	40,000	40,000	40,000	0	0.0%
Audit Fee	5,150	27,850	33,000	30,000	3,000	10.0%
Equipment/Software & Web Maintenance	61,075	0	61,075	59,850	1,225	2.0%
Interest Expense and Line of Credit Renewal Fee	0	45,528	45,528	50,848	(5,320)	-10.5%
Bank Service Charges	2,250	1,750	4,000	4,000	0	0.0%
Consultant / Other Labor	2,500	29,500	32,000	43,000	(11,000)	-25.6%
Contract - T/M Maint & Servicing	0	11,000	11,000	11,000	0	0.0%
Contract - Station Maint & Security	0	93,300	93,300	93,300	0	0.0%
Contract - Track Usage, Maint & Dispatch	0	888,065	888,065	942,900	(54,835)	-5.8%
Contract - Transit Services (Bus)	3,755,743	164,762	3,920,505	3,434,700	485,805	14.1%
Contract - Transit Services (Rail)	0	1,703,390	1,703,390	1,618,146	85,244	5.3%
Contract - MCS Special Event Trips	0	21,250	21,250	24,000	(2,750)	-11.5%
Fuel	500	832,000	832,500	801,500	31,000	3.9%
Consumable Supplies	14,000	10,250	24,250	24,250	0	0.0%
Printing & Pub./Postage	30,000	35,000	65,000	65,000	0	0.0%
Travel & Training	3,000	3,000	6,000	4,000	2,000	50.0%
Other - Contingency	0	0	0	80,180	(80,180)	-100.0%
Dues & Membership Fees	8,350	19,450	27,800	27,800	0	0.0%
Insurance	0	557,150	557,150	542,250	14,900	2.7%
Utilities	0	5,100	5,100	4,600	500	10.9%
Deferred Track Usage (Note Payable)	0	162,539	162,539	162,539	0	0.0%
Contract - Emergency Ride Home	10,000	0	10,000	10,000	0	0.0%
Total Operating Expenses	\$4,362,568	\$5,144,334	\$9,506,902	\$8,989,863	\$517,039	5.8%
Annual Surplus / (Deficit)	\$0	\$0	\$0	\$0	\$0	

RESOLUTION NO. 15-01

**A RESOLUTION AUTHORIZING THE FILING OF APPLICATIONS
WITH THE FEDERAL TRANSIT ADMINISTRATION AND THE TENNESSEE DEPARTMENT
OF TRANSPORTATION FOR FINANCIAL ASSISTANCE**

WHEREAS, the Regional Transportation Authority of Middle Tennessee is filing applications for funds with the Federal Transit Administration and the Tennessee Department of Transportation;

WHEREAS, the Federal Transit Administration is authorized to make grants for mass transportation projects under the Urban Mass Transportation Act of 1964, as amended; and,

WHEREAS, it is required by the United States Department Transportation that in conjunction with the filing of these applications that the applicant agree to comply with all Federal legislation, regulations, and guidance pertaining to the requested financial assistance; and,

WHEREAS, that since 1995, the Federal Transit Administration has consolidated Annual Certifications and Assurances and requires applicants to annually submit to compliance with said Certifications and Assurances;

**NOW, THEREFORE, BE IT RESOLVED BY THE REGIONAL TRANSPORTATION
AUTHORITY**

SECTION 1: That the Chief Executive Officer of the Regional Transportation Authority is authorized to execute and file applications on behalf of the Regional Transportation Authority with the Federal Transit

Administration and the Tennessee Department of Transportation to aid in the financial assistance of capital projects and operations.

SECTION 2: That the Chief Executive Officer of the Regional Transportation Authority is authorized to execute and file with such applications an assurance or any other document required by the Federal Transit Administration and Tennessee Department of Transportation effectuating the purposes of these grants.

SECTION 3: That the Chief Executive Officer of the Regional Transportation Authority is authorized to furnish such additional information as the Federal Transit Administration and Tennessee Department of Transportation may require in connection with the applications or the projects.

SECTION 4: That the Chief Executive Officer of the Regional Transportation Authority is authorized to execute an agreement on behalf of the Regional Transportation Authority with the Federal Transit Administration and the Tennessee Department of Transportation to aid in capital assistance of projects.

ATTEST:

Todd Presnell
Legal Counsel

Edward W. Oliphant
Interim Chief Executive Officer

Date

Date