



MINUTES
REGIONAL TRANSPORTATION AUTHORITY
NOVEMBER 15, 2017

I. CALL TO ORDER: The regular meeting of the Regional Transportation Authority of Middle Tennessee (RTA) Board of Directors was held in the meeting room at Music City Central, 400 Charlotte Avenue, Nashville, Tennessee on Wednesday, November 15, 2017. A quorum was established, and the meeting was called to order at 10:00 a.m. by Chair Kim McMillan, City of Clarksville Mayor.

IN ATTENDANCE WERE:

ASHLAND CITY	SANDY CANNON, ALTERNATE
CHEATHAM COUNTY	MAYOR KERRY MCCARVER
CLARKSVILLE	MAYOR KIM MCMILLAN
DICKSON COUNTY	MAYOR BOB RIAL & ALTERNATE CHRIS HOOPER
FRANKLIN	MAYOR KEN MOORE
GOODLETTSVILLE	MAYOR JOHN COOMBS
HENDERSONVILLE	MAYOR JAMIE CLARY
LEBANON	JEFF BAINES, ALTERNATE
MT. JULIET	KENNY MARTIN, ALTERNATE; DENNIS BUCHANAN, ALTERNATE
MURFREESBORO	JIM KERR, JR., ALTERNATE
NASHVILLE/DAVIDSON COUNTY	MARY BETH IKARD, ALTERNATE
ROBERTSON COUNTY	MAYOR HOWARD BRADLEY
RUTHERFORD COUNTY	MAYOR ERNEST BURGESS
SPRING HILL	VICTOR LAY, ALTERNATE
SUMNER COUNTY	COUNTY EXECUTIVE ANTHONY HOLT
WESTMORELAND	MAYOR JERRY KIRKMAN
WHITE HOUSE	GERALD HERMAN, ALTERNATE
WILLIAMSON COUNTY	MAYOR ROGERS ANDERSON
WILSON COUNTY	MAYOR RANDALL HUTTO
TDOT	LIZA JOFFRION, ALTERNATE
GOVERNOR APPOINTEES	ED COLE, DAVIDSON COUNTY PAULA MANSFIELD, RUTHERFORD COUNTY KELLY DANNENFELSER, WILLIAMSON COUNTY KEN DAVIS, WILSON COUNTY

II. APPROVAL OF MINUTES: Chair McMillan entertained a motion to approve the minutes of the October 18, 2017 meeting. Proper motion was made and properly seconded, and the minutes were approved unanimously.

III. PUBLIC COMMENTS: Chair McMillan opened the floor for public comments and recognized the following member of the public:

Jo Ann Graves, President and Chief Executive Officer of the Transit Alliance of Middle Tennessee (TAMT) reported these recent activities:

- TAMT worked with RTA to hold regional outreach in:
 - Rutherford County in September, and
 - Montgomery County in November.
- TAMT is taking the transit mini-summits to civic clubs in each county and Ms. Graves invited the members to please share with her any civic groups in their county that TAMT should be contacting to coordinate presentations.
- 2018 outreach plans will include:
 - Robertson
 - Murray
 - Cheatham
 - Dickson
 - Williamson County
- The next Transit Citizen Leadership Academy class will start in February 2018.
- In conjunction with the Railroad Museum, TAMT will be hosting a holiday train event on Thursday, November 30 at the downtown station. Hosts will be in period costume, and there will be railroad cars and dining cars for people to board.

There were no other public comments at this time.

IV. FINANCE AND AUDIT REPORT: Committee Chair and Sumner County Executive Anthony Holt called upon Chief Financial Officer Ed Oliphant to present the following item.

- a. **Monthly Financial Report Compared to Budget (D-17-024):** Chair Holt noted this report was included in the Board's packet for their information. The Finance & Audit Committee reviewed the report at their meeting last week. He asked if anyone had any questions for CFO Oliphant, and seeing none, he moved on to the next item on the agenda.
- b. **State Comptroller's Sunset Performance Audit Report (A-17-023):** Chair Holt reported that there were three findings and four observations within this report and he called upon Chief Executive Officer Steve Bland to share with the Board how these audit findings will be addressed.

CEO Bland noted that most of the findings in the Comptroller's Audit Report were relative to governance structure, and Board Chair McMillan would be speaking to this later in this meeting.

Continuing, CEO Bland reported that the meeting was held yesterday (November 14) in front of the legislature, and that they are recommending the RTA for renewal for another two years with some work to be done in the meantime. CEO Bland and Board Chair McMillan are committed to get the legislature a final update and schedule of corrective action by November 30.

CEO Bland further noted that the findings had to do with some board operating procedures and then documentation of some of our past practices. As an example, he noted that a couple of years ago when RTA was looking over the abyss of Congested Mitigation and Air Quality (CMAQ) funding, the RTA Board had established a reserve policy for how we manage reserves in each corridor and the legislature found that was not adequately documented. Therefore, over the next months, the RTA Board will be seeing formal documentation of things like the reserve policy, the use of dues, rainy day funds come before them; as well as using the Finance & Audit Committee to conduct an annual risk assessment to target potential areas for either internal or external auditing.

Proper motion was made and seconded to accept this audit report in item #A-17-023. Board Chair McMillan asked if there was any discussion. For clarity, Franklin Mayor Ken Moore asked if the corrective actions would be done by end of the year. CEO Bland answered that there will be a schedule of corrective actions that will happen by end of the year, but there were a couple of items that would have to carry over into the next fiscal year because of contracts involving fare structures.

Mayor Moore asked that after the suggested changes have been implemented that RTA staff come back to the Board and review with them all the changes that had occurred so that the Board can look for a clean audit next time. CEO Bland responded that staff would do no less than a quarterly update of the status of these actions.

Rutherford County Mayor Ernest Burgess asked about the finding that states that the RTA Board has not structured its audit committee as required by statute. He asked if that was something specific that the Board would need to change or do they just need to clarify the duties of our current Finance and Audit Committee.

CEO Bland reported that one of the things Board Chair McMillan plans to cover is the formation of an ad-hoc committee to review our bylaws and the enabling legislation. As an example, CEO Bland stated that the statute requires that the audit committee formally select the external auditors. In this case, a revision to some of the committee charters, in particular the Finance & Audit Committee, will be needed to amend their specific responsibilities.

There was no further discussion, and Action item A-17-023 was adopted unanimously.

V. **OPERATIONS COMMITTEE REPORT:** Member Westmoreland Mayor Jerry Kirkman reported on the following items:

- a. **Monthly Operating Statistics (D-17-025):** Mayor Kirkman reported that the Operations Committee met last Tuesday (November 7) and were presented the operating statistics included in this Board report. He noted that Chief Operating Officer India Birdsong was present to answer any questions if there were any, and there were none.
- b. **Positive Train Control (PTC) & Funding Priorities for Music City Star (A-17-024):** Mayor Kirkman reported that the Committee had a full discussion on this item

and came up with a recommendation. Before moving to that, he deferred to COO Birdsong to brief the Board on this item who deferred to CEO Steve Bland.

CEO Bland reported that PTC was a technological requirement mandated by the Federal Railroad Administration (FRA) after some very high-profile commuter rail crashes. It is a high-tech, software-based, satellite communication-based system that overrides manual operation of a train if it detects something operating outside of its perimeters. So, if a train is exceeding the speed restrictions on a particular segment of track, if it detects that there is a competing vehicle in the right of way, it will override the human engineer and slow or stop a vehicle. It is designed specifically for commuter rail corridors that have three of four railroads operating on the same right-of-way with tremendous traffic volume.

CEO Bland added that staff worked cooperatively with the Nashville and Eastern Railroad (NERR) to try and advance the system. In the early projections this system's cost would be more than \$30-\$40 million. NERR was able to identify a lower cost alternative that was still in the realm of about \$20-\$25 million. After a number of meetings with both the FRA and the Federal Transit Administration (FTA), it became clear that they thought our approach was solid. However, until the RTA could actually install it they couldn't tell us whether or not they would certify it; and, if they can't certify it then we wouldn't be allowed to operate.

Continuing, CEO Bland stated that to date, approximately \$20 million in funding (Federal funds and local match) had been set aside for this purpose, all but eliminating other significant RTA projects from consideration. Subsequently, staff has become aware that the Music City Star's rolling stock and track will need significant maintenance and overhaul over the next several years (estimated at up to \$8 million) to assure continued reliability and safety.

Further, CEO Bland added that throughout the course of this time, the RTA had applied for several discretionary grant programs and were unsuccessful. The FRA and the FTA made RTA aware of the potential to apply for what is called a limited service exception. If RTA operated no more than 12 trips a day in a particular corridor and were below a certain level of freight threshold, which they are, RTA could apply for this limited service exception where we would not have to implement PTC. This would limit RTA to 12 trips per day, which is precisely the number that RTA operates Monday through Thursday. It would require that RTA move the Friday night train around, perhaps to something on the weekend.

In closing, CEO Bland clarified that this action item would authorize the RTA to apply to the FRA for the limited services exception. This does not guarantee that it would be granted; but, staff believes that RTA does meet all the criteria and that it would be granted. If it is granted, then they would have to come back to the Board and revise the service schedule. It would also allow staff to come back with the recommendations for reprogramming those funds that had been set aside into other critical projects.

Mayor Kirkman reported that the Operations Committee recommended to the Board approval to provide RTA staff authorization to move forward with requesting a Limited Service Exception from the FRA. If approved, the RTA proposed to return

to the Board with a capital spending proposal for accumulated funds – including rolling stock overhaul.

There was no further discussion, and Action item A-17-024 was adopted unanimously.

VI. AD HOC COMMITTEE ON MT. JULIET FUNDING REPORT: Committee Chair and Sumner County Executive Holt reported that in October Board Chair McMillan appointed an ad hoc committee of the Board chaired by Sumner County Executive Holt to work with the City of Mt. Juliet to determine if a reasonable agreement could be reached that would include the City once again making annual contributions toward the operation of the Music City Star.

The Committee included Mt. Juliet Mayor Ed Hagerty, Mt. Juliet City Manager Kenny Martin, Wilson County Mayor Randall Hutto, Franklin Mayor Ken Moore, and Davidson County Governor’s Appointee Ed Cole. The Committee was supported by RTA CEO Steve Bland, CFO Ed Oliphant, and Chief Development Officer Julie Navarrete. The Committee met in Mt. Juliet on Monday, November 6, 2017 with all members in attendance. During the course of the meeting, the RTA spelled out its needs with respect to an ongoing agreement with the City, and Mayor Hagerty and Mt. Juliet staff spelled out their vision for the neighborhood surrounding the Mt. Juliet Train Station.

a. Authorizing the Development of a Memorandum of Understanding with the City of Mt. Juliet to Advance Station Improvements (A-17-025): After extensive discussion, the Committee worked to an agreement in principle with respect to this issue, with the following key elements:

1. The City of Mt. Juliet will begin once again to make annual payments to the RTA toward the operation of the Music City Star as quickly as possible based on necessary Council action and normal processing time. Payments will continue annually thereafter.
2. The RTA will work with the City of Mt. Juliet to advance a station improvement program that accommodates the following:
 - a. An expansion in parking capacity to address current parking shortages at this site, with parking expansion to be constructed at RTA expense. Design of the parking expansion will be done in a manner that anticipates the possible future widening of East Division Street by the City at some point in the future, but this road widening project would be handled separately at such time as the City advances it.
 - b. Incorporation of a small park and city center (i.e.: monument, fountain, etc.) as an incidental use of the overall site into the corner of the parcel at East Division Street and Mt. Juliet Road to be constructed at City expense. This improvement would also incorporate a pedestrian trail connecting the station to Mt. Juliet Road.
 - c. The RTA will coordinate with the City of Mt. Juliet and possible developers of a site not owned by the RTA to the north of the Nashville &

Eastern Rail Authority (NERA) right of way. Coordination will include examination of possible approaches to better connect users of this site to the rail station and rail service. In so doing, the RTA is not committing to fund any specific improvement at this time.

- d. The RTA and City recognize that these improvements will likely require the review and approval of other parties, such as the NERA, FTA, etc.; and that RTA funding of station improvements is contingent on outside funding and RTA Board approval as part of an overall capital improvement program. RTA will make every effort to advance these funds as quickly as possible.

Chair Holt stated that this protects the integrity of the RTA and lets everyone know on this Board how important it is not only to pay your dues, but to be involved in paying your share of the match of the operational expense. He was thrilled and hopes that they can all move forward in a constructive way and let all of their partners and stakeholders know that they value them and they want them to be involved and they want them to pay their fair share of that match so they can move forward as a region and continue to work on our transit.

Mt. Juliet City Manager Martin was recognized and thanked everyone on behalf of the Mt. Juliet Mayor and the Mt. Juliet City Council for the work they have done. He added that they appreciate the station. This is a very popular train and they want the ridership to go up. He and several staffers will soon be meeting with a developer for a transit-oriented development downtown on quite a few acres and they think they are going to partner with another developer downtown for some retail on that as well. They think this can not only be a good partnership with the RTA continuing to go forward, but also for actually building upon what they already have.

For clarification, he noted that the second reading will be on December 11, and they did not anticipate any issues at the second reading. He also noted, for clarification, that the commission is funding is this year's operational expenses and that the commission did not make anything retro-active from the past. He thanked everybody and appreciated everybody's patience and he thought this was a great day moving forward.

Board Chair McMillan noted her appreciation to City Manager Martin and the Ad-hoc Committee that came forward to try and work this solution out. She added that this is what the RTA is about, working together among all of the counties that are within our region to make sure that as a region we provide the kind of transportation alternatives that help all of our citizens.

She called upon Chair Holt to go ahead with the adoption of the action item A-17-025. Chair Holt so moved, but before going any further, he thanked the Ad-hoc Committee members that were there and all present and he really wanted to thank the City of Mt. Juliet for stepping up.

Board Chair McMillan clarified that this action item authorizes the development of a Memorandum of Understanding (MOU) between the RTA and the City of Mt. Juliet that advances development of the station improvement program described. This MOU would be brought back to the RTA Board for formal approval once it is

developed and approved by the City of Mt. Juliet and after the City has made its payment toward the operation of the Music City Star for this year.

Board Chair McMillan asked if there was any further discussion and Governor Appointee Ed Cole was recognized. Mr. Cole noted that he believes the discussion with the City of Mt. Juliet was a paradigm for how RTA does business as a Board. They started with a firm position on the financial arrangement that needed to be resolved, but the meeting did not dissolve into a spiraling argument. Once they had agreed to move forward on the commitment of the city to make its payment, the whole conversation shifted to what they could do with this station. The leadership was great.

There was no further discussion, and Action item A-17-025 was adopted unanimously.

VII. 2018 RTA BOARD MEETING SCHEDULE (A-17-016): Chief Administrative Officer Rita Roberts-Turner presented the following 2018 schedule of proposed dates for the RTA Board and Committee meetings.

RTA BOARD MEETINGS SCHEDULE 2018
400 CHARLOTTE AVENUE
NASHVILLE, TENNESSEE 37219

RTA BOARD MEETS AT 10:00 A.M.

Quarterly Committee Meetings
Marketing Committee meets at 10:45a.m.
Operations Committee meets at 11:00 a.m.
Finance Committee meets at 11:15 a.m.

Month	Board Meeting	Quarterly Committee Mtgs.
January	17	
February	21	
March	21	13
April	18	
May	16	
June	20	12
July	18*	
August	15	

September	19	11
October	17	
November	14**	
December	12**	4♦

There was no discussion, and Action item A-17-026 was adopted unanimously.

VIII. CEO'S REPORT: CEO Bland reported the following:

- City of Columbia RTA Membership – CEO Bland and CFO Oliphant met with representatives of the City of Columbia to discuss their potential membership in the RTA. They will continue to exchange information to help lead the City to a decision on this matter.
- Hamilton Springs Station – Progress continues on the Hamilton Springs Station, and they continue to anticipate a grand opening in the spring of 2018.
- Loss of Franklin Park & Ride – After relocation of the Franklin Park and Ride last month to the Agricultural Center in Williamson County, RTA is seeing significant downturns in ridership at this site as a result of the relocation. Staff will continue to look at alternate sites as well for the Franklin 91X service.
- FY2017 Audit – Work continues on the FY2017 audit, and staff anticipates a report to the Board at the December committee and Board meetings.
- Northwest Corridor Study – In accordance with the direction of this Board to work closely with the Cheatham County Rail Authority (CCRA) to advance the long-term goals of the Northwest Corridor Study, including preservation of existing right of way, staff will be meeting with the CCRA Board and consultants for Nashville Mayor Megan Barry's *Let's Move Nashville Plan* at their next meeting. They will discuss how Nashville's planned light rail link to North Nashville partially using this right of way can help advance the goals of the Northwest Corridor Study.
- Montgomery County Transportation Summit – RTA partnered with the TAMT and Cumberland Region Tomorrow to do a Montgomery County Transportation Summit last week. Thank-you to Mayors McMillan and Jim Durrett for hosting the event and participating in the program.
- Let's Move Nashville Plan – In Nashville, Metro is in the midst of a number of public and neighborhood meetings with respect to Mayor Barry's *Let's Move Nashville Plan*.
- Lipscomb University New to Nashville Panel – CEO Bland participated on a panel with Tennessee Department of Transportation Commissioner John Schroer at Lipscomb University's *New to Nashville* series on the future of transportation in our region. As always, the Commissioner's comments and observations were very informative.
- Mt. Juliet Funding – Thanked Sumner County Executive Holt, and Mayors Moore, Hutto and Hagerty for very productive work on resolving the funding issues with Mt. Juliet. RTA will come out stronger as a result.

- IX. CHAIR'S REPORT:** Chair Kim McMillan reported that he Executive Committee will need to meet next month just prior to the Board member for a very short time to come up with a slate of officers to be presented at the December meeting.

Continuing, Chair McMillan reported that she, CFO Oliphant and CEO Steve attended the Sunset Hearing of the RTA before the General Assembly. They received a lot of good comments and also things that RTA will to have to address as RTA moves forward. The main comment the legislature had concerning the RTA Board was attendance. They were very frustrated about the attendance. The RTA Board has 38 members because it must include all of the cities and counties who pay membership dues within the region that comprise the RTA.

The legislature asked that the RTA provide them with some guidance on how they can amend the enabling legislation to help the RTA with this attendance issue and some other operational issues. To respond, Chair McMillan asked for volunteers to serve on an Ad-hoc Committee. This Committee would come up with some suggestions of how the RTA can help the legislature help the RTA. CEO Bland and Chair McMillan will meet with the legislature again in December and will need to present these suggestions to them at that time.

In closing, Chair McMillan added that there were several legislators who acknowledged that the RTA was an important body and that they do good work and that they need to continue.

- X. OTHER BUSINESS:** There was no other business to come before the board.

- XI. ADJOURNMENT:** Proper motion was made and seconded to adjourn, and the meeting was adjourned at 10:43 a.m.

Respectfully,

Paula Mansfield

Governor's Appointee
RTA Secretary