



**MINUTES**  
**REGIONAL TRANSPORTATION AUTHORITY**  
**JUNE 19, 2019**

- I. **CALL TO ORDER:** The regular meeting of the Regional Transportation Authority of Middle Tennessee (RTA) Board of Directors was held in the Bradley L. Barrett Training Center at the TN Banking Association Office, 211 Athens Way Avenue, Nashville, Tennessee on Wednesday, June 19, 2019. A quorum was established, and the meeting was called to order at 9:30 a.m. by Board Secretary Ed Cole

**IN ATTENDANCE WERE:**

**City of Brentwood  
City of Columbia**

**City of Franklin  
City of Gallatin  
City of Murfreesboro  
City of Portland  
City of Spring Hill  
City of Westmoreland  
Cheatham County  
Dickson County  
Montgomery County  
Robertson County  
Rutherford County  
Sumner County  
City of White House  
Governor Appointees**

**Mayor Rhea Little  
Alternate Thad Jablonski, Assistant City  
Manager  
Mayor Ken Moore  
Mayor Paige Brown  
Mayor Shane McFarland  
Mayor Mike Callis  
Mayor Rick Graham  
Mayor Jerry Kirkman  
Mayor Kerry McCarver  
Mayor Bob Rial  
Mayor Jim Durrett  
Mayor Billy Vogle  
Mayor Bill Ketron  
Mayor Anthony Holt  
Alternate Gerald Herman, City Administrator  
Ed Cole, Davidson County  
Darrell James, Dickson County  
Kelly Dannenfelser, Williamson County  
Ken Davis, Wilson County**

- II. **APPROVAL OF MINUTES:** Board Secretary Ed Cole entertained a motion to approve the minutes of the June 19, 2019 meeting. Proper motion was made and seconded, and the minutes were approved unanimously.

- III. **PUBLIC COMMENTS:** Board Secretary Ed Cole opened the floor for public comments:

**Ms. Jessica Daupin, President and CEO of The Transit Alliance of Middle Tennessee**

- Ms Daupin stated that Ms. Joann Graves, former President and CEO of Transit Alliance of Middle Tennessee retired last month, and that she is the new President and CEO of The Transit Alliance of Middle Tennessee.

- Ms Dauphin stated that it is her passion and commitment to continue the leadership for transportation options in this region.
- Ms Dauphin provided the board with an update on the Transit Citizen Leadership Academy:
  - Over 400 regional alumni and growing
  - Planning has begun for the Fall Leadership Academy Class.

There were no other public comments to come before the board.

**IV. FINANCE & AUDIT REPORT:** On behalf of the Finance Committee, Mayor Ken Moore reported on the following items:

- **Monthly Financial Report Compared to Budget (R-D-19-004):** Mayor Ken Moore reported on the statement of operations for the month of April 30, 2019 compared to the budget and balance sheet as of April 30, 2019. Chief Financial Officer Ed Oliphant was present to answer any questions. There were no questions.
- **WeGo Star Liability Insurance Renewal (R-A-19-001):** Mayor Moore reported that RTA has been working with its insurance broker regarding the renewal of the \$30 million liability insurance policy for commuter rail, due to expire June 30, 2019. As stipulated within the Tri-Party Agreement between the RTA, Nashville & Eastern Railroad, and Nashville and Eastern Rail Authority, the RTA provides the first \$1 million in coverage through its own supplemental insurance reserve account. The remaining \$29 million per occurrence and \$58 million aggregate excess policy is outside coverage RTA receives pricing for each year. The current policy with Aspen Specialty Insurance and Liberty International Insurance companies had a total premium of \$406,516, which was a 13% decrease from the prior year's premium.

The Finance Committee requested that the Board approve the insurance policy for \$29 million of liability insurance coverage (with a \$58 million aggregate) for the policy year from July 1, 2019 through July 1, 2020 to be awarded to Aspen Specialty Insurance and Liberty Surplus Insurance Corp for a total annual premium of \$417,997. RTA will continue to provide the supplemental insurance reserve of \$1 million, making the total liability insurance coverage \$30 million.

A proper motion was made and seconded. The vote of approval was unanimous.

- **RTA/MTA Contract Renewal for Regional Transit Service (R-A-19-002):** A positive working relationship has been established for many years between the Regional Transportation Authority of Middle Tennessee (RTA) and the Nashville Metropolitan Transit Authority (Nashville MTA) on regional transit programs.

Each year, RTA contracts with Nashville MTA for regional transit services for Davidson/Rutherford County Relax & Ride services to Murfreesboro, Tennessee, as well as connecting bus services to support the commuter train service for the WeGo Star in Nashville, Tennessee. The RTA desires to renew these contracts for the period of July 1, 2019 through June 30, 2020. Since there are different

funding sources for the regional bus services and the connecting bus services, two separate contracts are required.

The Finance Committee requested that the board approve the renewal of Contract 1 for regional bus services and Contract 2 for connecting bus services supporting commuter rail. Both of these contracts are for a period of one year beginning July 1, 2019 through June 30, 2020 for the following base amounts:

- Contract 1 for a not to exceed amount of \$1,704,470 for regional bus service
- Contract 2 for \$175,174 for connecting buses supporting commuter rail

A proper motion was made and seconded. The vote of approval was unanimous.

- **RTA/MTA Contract Renewal for State EasyRide Services (R-A-19-003):** The RTA and Nashville MTA have established a positive working relationship over the years on the regional EasyRide program involving the State of Tennessee.

For several years, the RTA and Nashville MTA have participated in the EasyRide program with the State of Tennessee where both agencies provide transit rides to State employees and the State reimburses both Nashville MTA and RTA on a cost per ride basis. Nashville MTA has been the principal in this contract with the State of Tennessee and RTA's portion of the rides provided is passed through via a separate agreement with Nashville MTA. The State has agreed to a new contract with Nashville MTA for the EasyRide Program for July 1, 2019 through June 30, 2020 at a cost per ride set at a weighted average of \$2.50 per ride and a total contract not to exceed \$1.75 million.

An analysis of state employee ridership for both Nashville MTA and RTA services was performed and it affirmed an effective rate of \$3.15 per ride should be passed through to RTA from Nashville MTA since RTA's fares for regional bus service and train service are proportionately higher than Nashville MTA's fares.

Based upon the explanation above, the Finance Committee recommended the Board approve for RTA to enter into a contract with Nashville MTA that calls for Nashville MTA to reimburse RTA for trips provided to State employees participating in the EasyRide program at a rate of \$3.15 per ride for a period of one year, beginning July 1, 2019 through June 30, 2020.

A proper motion was made and seconded. The vote of approval was unanimous.

- **FY2020 RTA Proposed Budget (R-A-19-004):** The RTA's budget proposal for FY2020 has an overall increase of \$176,000, or 1.7%, to \$10.3 million compared to \$10.1 million in FY2019. This includes an increase of approximately \$264,500, or 5.7%, to \$4.9 million in the commuter train services budget being partially offset by a decrease of approximately \$88,300, or 1.6%, to \$5.4 million in the regional bus services budget. The increase in train services is primarily due to a 4.1% contractual increase from Transit Solutions Group, our train operator, and a 21.6% increase in fuel costs related to our fuel hedging program and overall expected increases in fuel prices during FY2020. We have also included additional state of good repair maintenance expenses and utilities related to the train stations. The off-setting decrease in regional bus services is primarily attributable to contractual

rate decreases from Gray Line related to RTA purchasing 10 new commuter buses for Gray Line to operate on behalf of RTA on the regional bus routes, effective October 1, 2019.

The revenues needed to cover the operating expenses will come from fare revenues; advertising; rental revenues; federal Congestion Mitigation Air Quality (CMAQ) grant funding; state, local, and regional subsidy support; and federal formula 5307 capital funding that will be converted to operating revenue through the preventive maintenance and capital cost of contracting process.

This proposed budget also assumes that the \$3 million line of credit will be available for use throughout the fiscal year. This is for cash flow purposes only.

While the assumptions used to develop the proposed budget are reasonable, many of the local partner contributions for FY2020 are still to be confirmed. Based upon this information, the most prudent next step would be to approve a continuation budget based on the current FY2019 Operating Budget in order to continue operations in the new fiscal year until final FY2020 Budget revenues can be confirmed.

The Finance Committee recommended that the Board approves a continuation budget based upon the current FY2019 Operating Budget until such time that all FY2020 Operating Budget revenues can be confirmed and a final operating budget can be presented after these factors become known.

Proper motion was made and seconded. The vote of approval was unanimous.

**V. OPERATIONS COMMITTEE REPORT:** Chair Mayor Jerry Kirkman reported on the following item:

- a. **Monthly Operating Statistics (R-D-19-005):** Chair Mayor Jerry Kirkman reported on the monthly operating statistics report through April 2019. Mayor Kirkman noted that ridership was down 6.4%, in large part due to the NFL Draft during which many regular commuters did not come downtown.

**VI. OTHER BUSINESS:**

- **Election of 2019 Officers (R-A-19-005):** Chief Administrative Officer Rita Roberts-Turner reported the RTA bylaws state that the Executive Committee shall act as a nominating committee and shall place names in nomination at the regular RTA meeting one month prior to the election of officers.

The officers of the RTA shall be Chair, Vice Chair, and Secretary. They must be filled by at least one appointed member and one elected official member. They shall be elected at the first regular meeting of the RTA Board in each calendar year by the entire RTA membership.

The Executive Committee met on January 16, 2019 and presented the following slate of candidates for the Board's consideration:

Chair – Randall Hutto, Wilson County Mayor  
Vice Chair – Paige Brown, City of Gallatin Mayor  
Secretary – Ed Cole, Davidson County Governor Appointee

Chief Administrative Officer Rita Roberts-Turner conducted the election of officers.

Proper motion was made and seconded. The vote of approval was unanimous.

**VII. CEO'S REPORT:** Chief Executive Officer Steve Bland gave the following report:

- Mr. Bland asked attendees to make sure they signed in and asked that everyone check the attendance sheet in the minutes so there is an accurate recording of attendance.
- RTA continues to advance the acquisition of new (used) passenger cars for the Star. Because RTA is approaching this as a sole source procurement, it requires a few extra steps to justify the action to the Federal Transit Administration (FTA). At present, RTA is working with its fleet consultant to conduct a price analysis and cost justification satisfactory to the FTA.
- Work continues on advancing the FY2019-20 RTA Operating Budget. In order to balance the Southeast Corridor Bus budget, RTA is looking at routing adjustments to the 96 Nashville/Murfreesboro Relax & Ride that will reduce operating hours.
- RTA has begun receiving the first of 10 MCI Over the Road Commuter Coaches to be put into service by Gray Line. They are currently being painted, inspected, and having various equipment installations take place. They will start getting on the road in the next month or so, with all 10 expected in service by October 1. These will be painted in the new WeGo paint scheme shared with the Board several months ago.
- RTA has been in communication with the Governor's Office regarding the appointment of members to fill vacant positions for Rutherford and Montgomery Counties.

**VIII. CHAIR'S REPORT:** On behalf of Mayor Hutto, Secretary Cole stated that Chair Hutto plans to appoint a Planning Committee to advance short, medium, and long-term strategies for the RTA to pursue. This should include examining and recommending any changes to by-laws, advancing planning for long-term funding, developing expanded park-and-ride capacity, and other initiatives deemed in the best interest of furthering the mission of the Authority.

He asked if anyone had an interest in serving on the Committee, they let him or Steve Bland know.

**IX. ADJOURNMENT:** Proper motion was made and seconded to adjourn. The meeting was adjourned at 10:07 a.m.

Respectfully submitted:

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Ed Cole, RTA Secretary &  
Davidson County Governor Appointee