



AGENDA
REGIONAL TRANSPORTATION AUTHORITY
BOARD MEETING

10:00 AM WEDNESDAY, November 18, 2009
1101 Kermit Drive, First Floor
Nashville, Tennessee

1. Call to Order – Establish Quorum
2. Approval of October 21, 2009 Board Minutes
3. Public Comments
4. Northeast Corridor Committee Report – Mayor Jo Ann Graves
5. Marketing Committee Report – Mayor Philip Craighead
6. Operations Committee Report – Mayor Howard Bradley
7. Finance & Audit Committee Report – Mayor John Schroer
8. Discussion of Federal Grant Rescission – Michael Skipper
9. Chair’s Report – Mayor Rogers Anderson
10. Vice-Chair’s Report – Mayor Jo Ann Graves
11. Chief Administrative Officer’s Report – Lora Baulsir
12. CEO’s Report – Paul J. Ballard
13. Other Business
14. Adjournment



MINUTES
REGIONAL TRANSPORTATION AUTHORITY
OCTOBER 21, 2009

- I. **CALL TO ORDER:** The regular meeting of the Regional Transportation Authority Board of Directors was held in the first floor conference room at 1101 Kermit Drive on October 21, 2009. A quorum was established and the meeting was called to order at 10:00 a.m. by Chairman Rogers Anderson.
- II. **APPROVAL OF MINUTES:** Chair Rogers Anderson entertained a motion to approve the minutes of the September 16, 2009 meeting. The vote of approval was unanimous and the minutes were adopted.
- III. **PUBLIC COMMENTS:** There were no public comments.
- IV. **FINANCE & AUDIT COMMITTEE REPORT:** Franklin Mayor John Schroer was not able to be present for this meeting and Board Chair Rogers Anderson called upon Paul Ballard to present the committee's report. He reported on the following items:

- a. **Line of Credit & Self Insurance Retention Renegotiation (A-09-037):** Mr. Ballard asked Todd Presnell, attorney to the RTA, to present this item to the Board. Mr. Presnell stated that the committee is asking the Board to approve an amendment to the memorandum of agreement (MOA) which is a tri-party agreement between RTA and the Nashville Eastern Railroad Authority (NERA) and the Nashville Eastern Railroad Corporation (NERC) regarding the Eastern Corridor.

The amendment will reduce the level of insurance required from two hundred million to thirty million. The basis for that is the Tennessee tort liability limits for a catastrophic accident on commuter rail has been reduced to thirty million. What we have proposed to do is to tie the liability limits that are required for the RTA to purchase to the tort liability limits which are currently thirty million.

Additionally, the self insured retention under the MOA will be reduced from two to one million dollars. One of the lines of credit with Bank of America was for two million and was solely to have that amount in place for the self insured retention fund. By reducing the self insured retention requirement down to one million, then the two million dollar line of credit is no longer needed. RTA has about \$725 thousand in cash reserve which will allow RTA to seek only a \$275 thousand letter of credit.

The committee approved this unanimously and is asking the Board to allow a negotiated amendment with NERA and NERC to reduce the liability limits to thirty million and to also reduce the self insured retention to one million. This one million will split between a letter of credit of \$275 thousand and cash reserves of \$725 thousand. Chair Anderson received the committee recommendation in the form of a motion. He then asked for a vote on item #A-09-037 and the vote of approval was unanimous.

- b. **Regional Bus Services (A-09-038):** Mr. Ballard stated that this item allows for the expansion of RTA services. The strategy that was adopted by the Finance Committee was to create one request for proposal (RFP) for a multi-year period and establish a price with a carrier for contracting bus services.

Four companies submitted proposals in response to the RFP and these were reviewed by a selection committee that included Mayor Schroer and others. Through this process the Finance Committee has identified and is recommending unanimously to the Board that the contract be awarded to Gray Line of Nashville. Gray Line of Nashville is the current operator of service to Sumner County.

It is the Committee's unanimous recommendation to the Board that the Board authorize the CEO to enter into a contract with Gray Line of Nashville for regional bus services at a rate of \$89.00 per hour for the first year with a 3% annual increase over the life of the contract.

Motion was made and seconded. Comment was made that there is not a fuel escalator clause in this contract. That cost will be absorbed by Gray Line. Chair Anderson asked for a vote on item #A-09-038 and the vote of approval was unanimous.

- c. **Regional Bus Service to Franklin/Brentwood and Spring Hill (A-09-039):** This specifically begins service to Williamson County. The Finance Committee's unanimous recommendation to the Board is that they approve the Route 91 Franklin/Brentwood service and Route 95 Spring Hill service at a cost of approximately \$163,500 for the remainder of FY 2010.

This will be funded through ARRA stimulus grant funding and fare revenues with an expected start date of December 1, 2009. Motion was made and seconded. Chair Anderson asked for a vote on item #A-09-039 and the vote of approval was unanimous.

- V. **MARKETING COMMITTEE REPORT:** Mayor Phillip Craighead reported that the third anniversary celebration of the Music City Star went well at the downtown station. The marketing plan for the Game Day Express was discussed with ideas of how to make it more enticing to the public with tail gate accommodations. The Lakewood service started October 13th and has received a significant amount of media coverage. There was a mock emergency response drill involving the train and several other agencies which was also covered by the press.

VI. **MARTHA STATION LEASE UPDATE:** Mr. Ballard asked that Todd Presnell present this briefing update. Mr. Presnell reported that the RTA has until November 17th to proceed in building the Martha Station at current prices for materials. A proposed lease of the property from the NERA to RTA has been drafted that would coincide with the MOA.

Agreement on certain terms with Nashville Eastern Railroad Authority (NERA) has not been reached. NERA has delegated some of the negotiations to Mr. Drunic and the Nashville Eastern Railroad Corporation (NERC). We are still working with that and have incorporated a lot of their concerns into the agreement and have sent it back. Still there are some outstanding issues that need to be resolved.

In addition, we still need to have TDOT convey the property to NERA so that the lease can go forward. This is something we must continue to work on because of the impending November 17th date to get it moving.

Ed Cole asked (1)if it were a possibility for the part of that property that is TDOT's conveyance to be conveyed directly to RTA and (2)if it were possible, would that avoid some of these delays that we are now experiencing in our discussions with Mr. Drunic.

Mr. Presnell stated that (in response to the second question) if TDOT conveyed the property directly to RTA then the lease issue is eliminated, the contract could be signed and they could get moving immediately.

In response to the first question, Mr. Presnell stated that he would have to look at the condemnation proceedings and the order that arose from that when TDOT condemned the property. Assuming there is no impediment there, the answer is yes. Mr. Cole stated that TDOT would follow up on that rather quickly, assuming that the Board and the CEO of RTA would not object and he was assured that there would be no objection.

Mayor William Orange motioned that the Board pass a resolution in support of this acquisition. Formal motion was made: The specific resolution made is that the RTA supports, to the extent that there are no legal impediments to doing so, the conveyance of the property directly from TDOT to RTA. Chair Rogers Anderson called for a vote and the vote of approval was unanimous.

On another note, Mr. Presnell took this opportunity to update the Board on the Colonial Pipeline Company law suit which has been dormant while all parties attempted to reach a resolution. A resolution has now been reached primarily with respect to Colonial Pipeline and the NERC. As he understands it, a judgment will be against NERC for the sum of about \$250 thousand dollars and will be paid by the end of the year through some arrangement between TDOT and the NERA. That then eliminates all issues in respect to the RTA and we will be able to have a settlement resolution and dismiss that entire law suit without any funds being expended by the RTA and that will end that litigation. The final settlement language is being considered and should be final shortly.

VII. **CHAIR'S REPORT:** Chair Rogers Anderson stated that he had nothing to report at this time.

VIII. **VICE CHAIR'S REPORT:** Mayor Jo Ann Graves reported that at the Mayors' Caucus last meeting former Maryland Governor Paris Glendenning spoke of Maryland's experience as they moved into mass transit. Attendance was good and the Nashville Chamber of Commerce made an effort to bring in all the regional chambers that were able to hear the presentation that afternoon.

She also mentioned the meeting of the Transit Alliance group which is the public-private partnership to move this issue forward.

The Mayor's Caucus will be establishing an executive committee and some vice chairs with a desire to keep it balanced with urban and rural representation.

IX. **CHIEF ADMINISTRATIVE OFFICER'S REPORT:** Lora Baulsir referred to the membership dues report presented in the October board book with a reminder that all annual dues are to be paid by December 1st. She also noted that the annual dues received from the active membership are \$124, 422.

Ms. Baulsir stated that one of the committee chairs had requested to move the committee meeting time forward for the month of November. Since the committees meet back to back for the convenience of those board members who serve on more than one committee, the committee meetings in November will probably begin at 9:30 a.m. Ms. Baulsir will be sending a notice to those committee chairs with the adjusted meeting time schedule for November.

X. **CHIEF EXECUTIVE OFFICER'S REPORT:** Paul Ballard stated that the emergency event with the train went well. He noted that the ridership for the Titan's Game Express was building and marketing efforts were going forward as mentioned in the Marketing Report to build ridership. The Lakewood train has received tremendous media interest which benefits the Music City Star in general.

XI. **OTHER BUSINESS:** Chair Anderson asked Paul Ballard for a progress report in December or January on the audit findings presented in the 2008 report.

XII. **ADJOURNMENT:** There being no other business, the meeting was adjourned at 10:48 a.m.

Respectfully,

Jim Cotey

Jim Cotey
RTA Secretary