



BOARD MEETING

Wednesday, April 16, 2008, 10:00 a.m.
1101 Kermit Drive, First Floor
Nashville, Tennessee

MINUTES

BOARD MEMBERSHIP PRESENT

Paul Ballard – Secretary	Governor Appointee
Howard Bradley	Mayor, Robertson County
Tom Brashear	Alternate, Wilson County
Ernest Burgess	Mayor, Rutherford County
Angie Carrier	Alternate, City of White House
Ed Cole	Alternate, TDOT
Jim Cotey	Governor Appointee
Betsy Crossley	Alternate, City of Brentwood
Eddie Davidson	Alternate, Metro Nashville/Davidson County
Roger Farley	Governor Appointee
Don Fox	Mayor, City of Lebanon
Jo Ann Graves	Mayor, City of Gallatin
Rick Gregory	Alternate, City of Goodlettsville
Ragan Hall	Alternate, Sumner County
Joe Horne	Alternate, Williamson County
Bill Orange	Mayor, Cheatham County
Randy Robertson	Alternate, City of Mt. Juliet
Bob Spivey	Mayor, Town of Smyrna
Kenneth Wilber	Mayor, City of Portland

ADDITIONAL ATTENDEES:

Terry Bebout	TSG
Tauna Blaisdell	GNRC
Patty Cavanah	GNRC
Felix Castrodad	MPO
Jerry Clift	Trousdale County
Erin Collier	RTA Staff
Amanda Evilcizer	GNRC
Ron Fults	GNRC
Tanisha Hall	GNRC
Jovia King	GNRC
Jeff Pancirov	GNRC
Matt Meservy	MPO

Sharon Simmons
Allyson Shumate
Diane Thorne
Deborah Varallo

RTA Staff
RTA Staff
RTA Staff
Varallo Public Relations

CALL TO ORDER

Due to the absence of Chairman Scott Foster and Vice-Chairman Rogers Anderson, Secretary Paul Ballard chaired the RTA Board meeting. Mr. Ballard called the Board meeting to order at approximately 10:00 a.m., on Wednesday, April 16, 2008, at 1101 Kermit Drive, First Floor, Nashville, Tennessee.

APPROVAL OF MINUTES

Mr. Ballard called for approval of the minutes of the March 19, 2008 Board meeting. Robertson County Mayor Howard Bradley made a motion to approve the minutes. Gallatin Mayor Jo Ann Graves seconded and the motion passed unanimously.

PUBLIC COMMENTS

Mr. Ballard called for any comments from the public. There were no public comments.

INFORMATION ITEMS

Item 4 was to be presented by Chairman Scott Foster. The item was Committee Appointments. Due to Chairman Foster's absence, this item was deferred until a later time.

Item 5 was presented by Diane Thorne. The item was Relax and Ride Services. In the absence of Mrs. Glenda Griggs, Mrs. Thorne stated that the RTA provides Relax and Ride bus services to Hendersonville and Murfreesboro. The routes have been very successful and the demand continues to increase. Staff is reviewing the opportunity to operate Relax and Ride service from Gallatin to Nashville.

Mrs. Thorne reported about RTA/MTA contract issues. RTA contracts with MTA to provide Relax and Ride service outside of Davidson County. The contract sets the Relax and Ride fare at \$2.50 per trip. The contract also states "the MTA shall honor and accept any valid passes established or authorized by the RTA such as but not limited to those issued by Vanderbilt."

Mrs. Thorne explained that MTA also has a contract with the State of Tennessee, Vanderbilt, and Belmont to provide employees commute bus trips at no charge to the employee. MTA bills the State monthly for the actual trips taken by state employees at a discounted rate of \$1.15 / trip which is approximately 94% of MTA's full fare. MTA's service area is Nashville/Davidson County. They also bill Vanderbilt and Belmont monthly in accordance with the terms of their contract.

It was recently discovered by RTA staff and the RTA auditor that MTA has been reimbursing RTA in accordance with MTA's contracts with the State, Vanderbilt, and Belmont, not in accordance with the RTA/MTA contract. RTA has billed MTA for the difference between the

RTA/MTA contract amount and the amount actually reimbursed to RTA. Through January 2008, this amounts to over \$56,000. RTA and MTA staffs are working to resolve the issue.

Mrs. Thorne stated that on April 8, she met with the Deputy Commissioner of the Tennessee Department of General Services. The State agreed to pay \$2.70 per trip effective July 1, 2008, for state employees using the Relax and Ride services, thus enabling State employees to use the service at no cost to them.

Mrs. Thorne added that on April 22 staff would be attending the Gallatin City Council work session to discuss the proposed Relax and Ride service between Gallatin and Nashville.

Item 6 was presented by Diane Thorne. The item was RTA Relax and Ride Fare Increase. Mrs. Thorne stated that the fare for RTA 96X Relax and Ride service has been set at \$2.50 per trip since July 2006. The RTA/MTA contract hourly rate to provide service is based upon the average cost of fuel for the month. Fuel prices have escalated dramatically in the past year.

RTA proposes to increase Relax and Ride fares from \$2.50 per trip to \$3.00 to \$3.50 per trip effective July 1, 2008. A public comment period for 30 days and a public hearing is required per the RTA fare policy prior to implementing any fare increases

Mayor Graves made a motion to authorize staff to hold a Public Hearing regarding the fare increase in Relax and Ride fares. Rutherford County Mayor Ernest Burgess seconded. The motion was passed.

Item 7 was presented by Diane Thorne. The item was RTA Vanpool Service. Mrs. Thorne stated that approximately 110 vanpools are in service in the Middle Tennessee area and the demand continues to grow. Several groups are on a waiting list for vans.

The federal CMAQ grant for \$500,000 to purchase vehicles for the vanpool program is being processed. The funds have been flexed from FHWA to FTA and the grant is nearing submission. The funds should be available for draw down in approximately one month.

Mrs. Thorne thanked TDOT for making those funds available for the service in this region.

Board members inquired how the program works. Mrs. Thorne and Mrs. Simmons briefed the Board on how the program operates, how vanpools are formed, background checks of drivers, benefits for the driver, and how costs are determined based upon commute mileage of the vanpool.

The Board requested a vanpool report at the May Board meeting. They also requested that the report included a breakdown of how many vanpools and where are they coming from.

Item 8 was presented by Sharon Simmons. The item was Job Access Reverse Commute Program Update. Mrs. Simmons stated that the goal of the Job Access and Reverse Commute program (JARC) is to improve access to transportation services to employment and employment related activities for welfare recipients and eligible low-income individuals and to transport residents of urbanized areas and non-urbanized areas to suburban employment opportunities.

Toward this goal, the Federal Transit Administration provides financial assistance for transportation services planned, designed, and carried out to meet the transportation needs of eligible low-income individuals, and of reverse commuters regardless of income. The program requires coordination of Federally-assisted programs and services in order to make the most efficient use of Federal resources.

Mrs. Simmons stated that the monthly average for the mid-day run is 437 riders on the #96X Nashville/Murfreesboro Relax and Ride bus service. It is a much needed transportation alternative for commuters developed to provide more convenient bus time for commuter students at the Tennessee Rehabilitation Center (TRC) and Middle Tennessee State University (MTSU).

JARC provides for an average of 1,608 trips via transit vouchers per month. Agencies were introduced to this program through promotional information, job workshops and transit orientation meetings. RTA has developed strong partnerships with community service agencies that are facing tremendous challenges in transportation needs for their clients. In this partnership, RTA provides the financial support for the vouchers and the partner agency provides the administrative support for documentation and distributions of vouchers. RTA offers transit vouchers via local bus routes, RTA Relax and Ride bus service, commuter rail and taxi services.

JARC provides the Donelson Area Employment Center Shuttle. RTA has partnered with several major employers in the Donelson area to help get commuters to their employment locations. The partners are: Thomas Nelson, Kroger, Nashville School of the Blind, Bridgestone, TVA, and Willis. This public transportation alternative is safe, convenient, ADA compliant and low-cost for job-seekers and employees. The shuttle connects with the morning and afternoon scheduled trains of the RTA Music City Star Commuter service. JARC will also offer commuter benefits to the students of the Tennessee School for the Blind located in this area.

JARC also does vehicle purchase. A monthly average of 1,848 trips is provided for clients using JARC commuter vans. JARC has started the process for the purchase of 5 new 12-passenger vans to add to its JARC fleet. Currently, the JARC fleet consists of 7 vans that are being utilized by social service agencies. The fleet is 1 15-passenger, 2 12-passenger, and 4 lift-equipped vans. These vans are contracted out for use by agencies where and/or when there is no public transportation for their clients.

Item 9a was presented by Allyson Shumate. The item was Music City Star Ridership / Miscellaneous. Mrs. Shumate stated that the Music City Star average daily ridership for March was 665. The cumulative on-time performance was 98.66%. The Donelson shuttle ridership is 20 average daily riders.

The Music City Star has operated several events this year. March 25 was Tennessee Public Transportation Association (TPTA) Day on the Hill. Transit agencies from all across Tennessee set up booths and displays promoting public transportation at the State Legislature. As a finale to the day, the TPTA members and the State Legislators rode the Music City Star 5:45 pm departure from Riverfront Station to Lebanon. This was a great opportunity for the legislators to participate in the Music City Star's operation.

The Nashville Country Music Association Festival will be held from June 4th through 8th this year. This event has a significant impact on the Music City Star operations. The festival begins on Wednesday, June 4th; however, the load-in of equipment will begin as early as May 29th and

30th. This festival utilizes the entire station footprint and the train will be operating on the platform south of the Shelby Street Bridge. The portable mini-high will need to be used. The RTA plans to prepare the riders for this event with seat drops and other items to ease the stress of the event. The RTA has negotiated with CMA to provide a restroom trailer, water and canopy in exchange for the use of the station for the event.

The Lebanon High School Field Trip was April 8th. There were 447 total passengers; who included 30 teachers and chaperones. They visited 15 different venues in the downtown area on this trip.

The Music City Star has received requests for political advertising. The RTA believes this is a good source of revenue and the political advertisements will be sold at the current rates as all other advertising. Staff will draft an advertising policy for the Board to review and take action on at the May meeting. All advertisements will include a statement saying something similar to 'this ad is not the opinion of the RTA.'

During discussion it was asked how the current ridership compares with earlier projections. Mrs. Thorne responded that the ridership is up 25% over the same time period last year. Staff hopes this will be significantly greater this time next year. One of the limitations with the service is the limited capacity for transferring riders from Riverfront station to their final destinations. The cost of transfers has limited the RTA's public outreach efforts. With the increase in gas prices, more and more people have been seeking out the Music City Star. One of Vanderbilt's major initiatives is to provide incentives that will encourage their employees to ride the train.

There was brief discussion about the interest being expressed by local officials in Clarksville and the Clarksville Area MPO regarding commuter rail service between Clarksville and Nashville. The Clarksville MPO has undertaken a study of the feasibility of such a route.

Ed Cole, TDOT, commented that with the major investment study currently underway in the Northeast Corridor and the study recently completed in the Southeast Corridor, interesting things are happening. The same questions are being asked: When arriving at the Riverfront Station, how do you get to locations outside downtown Nashville? It is exciting to raise these questions in the context of regional transportation. The specifics will depend on the transportation mode being used, in this case the Music City Star. More thought needs to be given regarding a better circulation system throughout the Downtown and Mid-Town areas for all modes of transportation. RTA is at a critical point where the health, viability, and growth of the Music City Star are critically important and increased growth is seen. It is also a prototype for regional transportation. The land use and economic implications are significant.

Mrs. Thorne informed the Board that the hiring of a Communications and Public Outreach Director would occur in the next fiscal year. An increase in ridership right now would increase the cost of transfers to MTA buses at Riverfront; another transfer bus would cost an additional \$70,000 - \$90,000. Tom Brashear added that the RTA can not increase ridership until MTA costs are negotiated down or the RTA can budget for additional buses; RTA is spending more on connecting bus service per rider than should be.

Item 9b was presented by Paul Ballard. The item was Liability Insurance Renewal. Mr. Ballard stated that the Music City Star placed a Request for Proposal for Insurance Brokerage Services in June 2005 to market and place liability insurance for the operations of the Music City

Star service. The procurement was handled by the Metropolitan Government of Nashville and Davidson County.

At the time of the procurement, only one firm that proposed had the experience the RTA required to place the insurance. A contract was awarded with Marsh USA, Inc. for three years with the option to extend for one 3- year term. The current contract expires August 31, 2008.

Other brokerage firms have indicated an interest in competing for the business. There are two options that can be exercised. Option 1 – renew the insurance placement with the current contractor and then either re-compete the contract or extend the term for 3 years; Option 2 – re-compete the contract early and have the new firm place this year’s renewal. Option 2 would require requesting an extension of the current policy.

Mr. Ballard commented that the rates have dropped in part because of exemplary operations. He thanked TSG for doing such a great job.

The Joint Committees recommended the RTA renew the policy with Marsh and extend the contract with Marsh for 1 year. Mayor Orange made that recommendation a motion. Mayor Bradley seconded. The motion was approved.

Mr. Ballard noted that five cars, which RTA purchased from Virginia Railway Express, have arrived. They are safe and secure, located at MTA, and are still marked VRE; however, they will be updated with the Music City Star logo before placing into service. The other five cars should be arriving in approximately two weeks.

Item 9c was presented by Paul Ballard. The item was Martha Station Signage. Mr. Ballard stated that staff has been evaluating signage options at the Martha Station. Due to the impacts of the proposed HWY 109 construction project, the station has very limited visibility. Staff has researched the signage options available at the station. To have an on-premise, lighted sign, a capital investment of \$25,000 would be required and the sign may not be movable when the station is relocated. The costs would increase if the sign was manufactured to be movable, and lease payments would be required by the property owner.

Staff has researched billboards in the area. There is a billboard available on HWY 109 near the Dollar General. This is a 10’ x 32’ sign and will lease for \$750.00 / month. Staff believes leasing this sign will be more cost effective than investing in a sign that may not be relocated when the permanent station is complete. Staff is also evaluating an on-premise, lighted sign within the railroad right-of-way that could be used in conjunction with the billboard. The cost impact to advertise for one year on the billboard is estimated to be \$9,000.

More wayfinding signs are needed on the road and more lighting has been requested by the commuters along the road to the Martha Station.

Mr. Ballard made the motion to authorize staff to lease the billboard pinpointing the Music City Star Martha Station. Mayor Graves seconded. The motion was approved.

Jim Cotey, Governor Appointee, suggested specific dates not be incorporated into the message on the billboard.

Item 9d was presented by Diane Thorne. The item was Renew Line of Credit. Mrs. Thorne stated that the federal funds for Operating Assistance were programmed in the TIP. These are CMAQ funds which flow through TDOT to the MPO and RTA. The funds must be approved in the transportation appropriation bill, and then a request to FLEX the funds from Federal Highway to Federal Transit must be made. After the funds are flexed, the grant application with FTA can then be submitted. In 2004 - the funds were appropriated in the budget. The process to flex funds was mailed in March 2004; the funds were available in the FTA grant in June 2005. Staff has discussed the FHWA's proposal to preclude the use of CMAQ funding for rail new starts. RTA's Federal Transit Administration contact assured RTA that even if the proposal was adopted, it would only apply to future projects, not to services already in operation.

The State offers operating assistance to all operating transit agencies. These funds are available through contracts with TDOT. The TDOT budget is effective July 1, each year. The Tennessee Department of Finance does not accept transactions during the month of July in order to close out the previous year. No new contracts are executed during this time. As a result, the time to process contracts can range from three to six months.

The Bank of America has approved a Line of Credit (LOC) to cover RTA operating expenses until the federal, state and local funds are received. A term sheet has not been received from Bank of America for the LOC renewal. Based on the previous LOC, this is what is to be expected in terms: \$3,000,000 LOC (the RTA needs to increase the LOC) and Commitment Fee of 1.25% (\$37,500) due on or before closing. Annual Interest rate of 63.456% of the 30 day LIBOR index plus 134 points (If the LIBOR is 5.31%, the interest rate to the RTA is 4.710%, as an example.)

Mayor Graves made the motion to approve extending the LOC for operations and Self Insured Retention Fund and to have the RTA Attorney review and revise draft resolutions. Smyrna Mayor Bob Spivey seconded. The motion was approved.

Item 9e was presented by Diane Thorne. The item was TIP Amendment. Mrs. Thorne stated that the Nashville Area MPO has a limited amount of unobligated STP funding for capital items. The Music City Star has approximately \$866,000 in annual operating expenses that can be capitalized. These funds could be used to help offset any foreseen deficit. The deficit this year is higher than projected in the Business Plans, Financial Plans and local government resolutions because in-kind contributions are not reducing expenses, expenses are higher than projected especially due to escalating fuel prices, and lower than estimated revenues.

Mayor Bradley made a motion to authorize staff to prepare a TIP Amendment to request MPO-STP funds to capitalize eligible operating expenses. Lebanon Mayor Don Fox seconded. The motion was approved.

Item 10 was presented by Diane Thorne. The item was Legislative Report. Mrs. Thorne stated that HB 1591 by Bone, Lynn, Hood, Sargent, Maggart, Pinion, Overbey, Watson, Cobb C., and McDonald and SB 1183 by Black, Haynes, Johnson, Ketron, and Henry – Tort Liability and Reform -- extends immunity under the Governmental Tort Liability Act to persons or entities that contract with the Regional Transportation Authority -- PASSED the House 97 – 1 on April 10.

It now will be sent via Message Calendar to the Senate so they can substitute and conform. Then, the bill goes to the Governor for his signature. Sam Edwards spoke with the Senators and believes there should not be any problems.

Mrs. Thorne thanked Mr. Edwards and everyone involved for all their hard efforts.

Tom Brashear, Wilson County, thanked everyone also and noted that the next priority should be to find a dedicated funding source.

Mr. Ballard also thanked everyone involved.

Item 11 was presented by Todd Presnell and Ron Fults. The item was Executive Session. Mr. Ballard dismissed everyone, except for Board members, the RTA Executive Director and Rail Project Manager, and GNRC fiscal officer, from the Board meeting.

Item 12 was presented by Ron Fults. The item was Report on Executive Session. Mr. Fults, RTA legal counsel, stated that Todd Presnell, Outside Counsel from the firm of Miller and Martin, updated the Board regarding the Colonial Pipeline lawsuit against the Nashville and Eastern Railroad Corporation. No court date has been set. He answered direct questions from the Board members. There was no discussion between Board members, only questions to Mr. Presnell and answers from Mr. Presnell.

Item 13 was presented by Ron Fults. The item was Possible Action of Executive Session. No action resulted from the Executive Session.

OTHER BUSINESS

With there being no further business, Robertson County Mayor Bradley made the motion to adjourn. Cheatham County Mayor Bill Orange seconded. The motion was unanimously approved.

The meeting was adjourned at precisely 11:02 a.m.

Respectfully,

Paul J. Ballard

Paul J. Ballard
RTA Secretary