



**MINUTES**  
**REGIONAL TRANSPORTATION AUTHORITY**  
**December 17, 2008**

- 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 December 17, 2008. A quorum was established and the meeting was called to order at 10:00 a.m. by Chair Scott Foster.
- II. **Approval of Minutes:** A motion was made to approve the minutes of the November 19, 2008 Board of Directors meeting. The vote of approval was unanimous, and the minutes were adopted.
- III. **Public Comments:** There were no public comments.
- IV. **Introduction of Management Team:** Chair Scott Foster asked CEO Paul Ballard to introduce the management team. Mr. Ballard referred first to the laminated reference sheet with photos and contact information for each member of the RTA management team. He then introduced each member of the team; Lora Baulsir, Chief Administrative Officer; Ed Oliphant, Chief Financial Officer; Robert Baulsir, Jr., Chief Operating Officer; Patricia Harris-Morehead, Director of Communications; Jim McAteer, Director of Planning; Tim Sanderson, Director of Administration; and Kathy Owen, Executive Assistant to the CEO. Mr. Ballard concluded stating that he and the team were very pleased to be there and looked forward to working with each and every one of the board members for a successful RTA in the future.

This concluded the report for item four (4).

- V. **Chief Financial Officer's Report:** Ed Oliphant stated that they did not have the November financials available but noted that was not unusual as it was just December 17<sup>th</sup>. He stated that the board would have financials in January. With the interim budget expiring January 31<sup>st</sup>, the board would also receive a reforecast hopefully for the remainder of the year, depending on the revenue forecast.

Mr. Oliphant then gave the board a report of activity for the month of December. Some of the activities included moving all assets, including furniture and files on December 1<sup>st</sup> from GNRC to MTA. He stated that currently an inventory is being made so that we know what we have and that it can be compared to the balance sheet to be sure that we have everything. He noted that we are in the process of converting all of the data from GNRC's accounting system to our software at MTA in order to produce the financials for RTA that they will begin seeing next month.

Continuing, he reported that the accountant that was part of the contract had started on Monday of that week and he looked forward to working with her.

He also noted that the audit by Jobe Hastings did begin on December 1<sup>st</sup>.

Lastly, Mr. Oliphant mentioned one of the conditions of the contract (between MTA and RTA) was that MTA would be named as additional insureds on all of the RTA policies. He reported that this had been accomplished with all but three policies. These three policies are carried by the Tennessee Municipal League (TML). Based on their interpretation of the contract, TML did not feel that they could name MTA as an additional insured. Both legal counsels for RTA and MTA have met and have come up with an amendment to the contract to address this and Mr. Oliphant will bring this to the RTA board in January. He explained that the amendment will allow MTA to procure a replacement policy that will allow MTA to be named as an additional insured to fulfill that part of the contract. He stated that this is not a problem, just a little speed bump, and they are already in the process of resolving it.

He closed with stating that he was glad to be there and noted that each member has his contact information and he wants them to feel free to contact him should they have any questions.

Ed Cole was recognized by the chair. Mr. Cole stated that during the process leading to the contract that there had been a lot of discussions about the budget beginning July 1, 2009 – anticipated revenues, anticipated expenditures – so the report in January will be a good snapshot of how accurate we were, where we stand vis a vis those items on the budget that the board adopted, that will be our target.

Mr. Oliphant responded that Mr. Cole was correct, that was the target.

There were no other questions and this concluded item five (5) on the agenda.

**VI. Extension of Letter of Credits:** Ed Oliphant reviewed the background for this item.

- a. **Extension of Letter of Credit with Bank of America (A-08-001):** Staff requests that the Board authorize the CEO and CFO of RTA to work with the City of Nashville and State of Tennessee officials and negotiate some reasonable extension of the two Music City Star lines of credit with Bank of America before the December 31, 2008 expiration date.

Vote of approval was unanimous with one abstention by Thomas Trent.

Mayor Ernest Burgess addressed the chair and stated that in all probability there was nothing left to do but to get this worked out since if the note were called; there are no funds from which to pay this large sum. He asked Mr. Oliphant if in his judgment he thought there was anything more the bank would do than to try and work some reasonable extension. Mr. Oliphant stated that was his judgment and that he had been in contact with the bank officer and

it was just a matter of getting everything in place for this to go forward. He concluded stating it was the bank's intent to work with them.

This concluded item six (6).

**VII. Line of Credit for Rideshare Operations:** Ed Oliphant reviewed the background for this item.

- a. **Letter of Credit with Metro Nashville (A-08-002):** Staff is requesting that the Board approve entering into an agreement with Metro Nashville for a \$500,000 line of credit for cash flow of the rideshare operation of the RTA. The line will be collateralized with pending grant monies budgeted with the approved FY 2009 budget.

Vice-chair Mayor Rogers Anderson asked that the management team verify that this line of credit does not cause a breach with Bank of America. Ed Oliphant stated that had been considered was being researched.

The chair asked for any other discussion and there was none. The vote of approval was unanimous.

This concluded item seven (7).

**VIII. Transition of RTA Operating Bank Accounts:** Ed Oliphant reviewed the background of this item.

- a. **Transition of RTA Operating Bank Accounts (A-08-003):** Staff is requesting that the Board approve the establishment of two new checking accounts for the RTA. One account is for the Rideshare operations and the other is for the Music City Star commuter rail operation.

The vote of approval was unanimous.

This concluded item eight (8).

**IX. Additional Titan's Train Service:** Paul Ballard reviewed the background for this item.

- a. **Additional Titans Train Service (A-08-004):** Staff is requesting that the Board approve extending the Titans Game Day train service on the Music City Star for up to two additional playoff games in January 2009 involving the Titans.

The vote of approval was unanimous.

Ed Cole asked what the economic balance sheet on the Titans trains is. Do we make money on it, if so how much? Or, is it just a marketing opportunity or both? Mr. Ballard replied that it was his understanding that the revenues cover

the expense of the train. He stated that before they develop recommendations for next season that they will have a detailed analysis to provide to the board so that they will be able to make an informed decision for next year.

This concluded item nine (9).

X. **The Chair's Report:** There was no report.

XI. **The Report of the Nominating Committee:** Committee Chair Ernest Burgess reported that the committee recommends Rogers Anderson as chair, Jo Ann Graves as Vice-Chair, and Jim Cotay as secretary. It was noted that the actual vote would take place in January and anyone wanting to be considered could submit their name up to the time of the vote.

XII. **The CEO's Report:** Paul Ballard thanked the board for their support thus far. He then stated that he wanted to give a brief run down of the first 17 days of involvement in the management of RTA. He then noted the following:

- On Monday evening, December 1<sup>st</sup>, he and several members of the management team along with the TSG management team, operator of the Music City Star, were at the Riverfront station and greeted all of the passengers and thanked them for riding the Star and gave them a book reading light which they all appreciated.
- Ed Oliphant has been putting in a great deal of time on financial matters and we are making progress in this area.
- With regard to contractors, Bob Baulsir, our Chief Operating Officer has met with TSG, the operator of the train; Grayline which operates the service from Gallatin and Hendersonville; Sedan on Demand which operates the shuttle from Donelson station. We have established a working relationship with them to make sure that things are coordinated and work well in connection with the regular bus service.
- The first somewhat special event was Friday night, December 5<sup>th</sup> when Nashville had the Christmas parade and tree lighting. Although that was not a special train, several provisions were in place to ensure that we would be able to carry all the passengers. With the cold weather, the train was able to take care of the ridership, it went smoothly and everyone who rode had a wonderful time.
- The three staff members from GNRC that worked with the RTA have been integrated into the organization and that is going well.
- Dianne Thorne elected not to pursue the ninety (90) day consulting agreement.

Mr. Ballard then noted the items that they are focusing on now include the following:

- We are processing dues payments from member governments. The response to reminder letters has been good.
- He will be meeting with Todd Presnell, RTA attorney, to be brought up to speed on any legal matters.
- We are aggressively pursuing a list of projects for the proposed federal stimulus package. We are working with Michael Skipper and have submitted a detailed list of all the projects that we have determined the RTA could move on quickly including rail projects, van pool, bus, and etc.

- We are pleased that a new riders group has formed in support of the Star and will be meeting on Saturday, January 10<sup>th</sup>. He and Lora Baulsir plan to attend the meeting.

In concluding his report, Mr. Ballard encouraged the board members to offer observations and suggestions on the direction that we are talking about here today. We look for encouragement and direction and any issues that we need to discuss. We are here to work with you to make RTA successful in 2009 and beyond.

- XIII. Other Business:** A few comments were made including a request by Mayor Jo Ann Graves to help get the word out to state employees that they can ride the Gallatin commuter bus at no cost. Mr. Ballard responded that he would be sure that this was done. Lisa Keylow, alternate for the city of Mt. Juliet, noted the appreciation felt by those in Mt. Juliet for the special event train services offered. She stated that she and others rode the train for the parade and it was wonderful.

A question was asked about the ridership reports and Mr. Ballard stated that the reports would definitely again be made available by February. Terry Bebout was in the audience and was asked to give a ridership status update. He reported that although ridership is down compared to previous months due to falling gas prices and holiday vacations, the ridership compared to previous years at this same time shows an overall increase.

There was no other business.

- XIV. Adjournment:** There being no other business, the meeting was adjourned at 10:38 a.m.