



BOARD MEETING

Wednesday, May 21, 2008, 10:00 a.m.
1101 Kermit Drive, First Floor
Nashville, Tennessee

MINUTES

BOARD MEMBERSHIP PRESENT

Rogers Anderson – Vice-Chairman	Mayor, Williamson County
Paul Ballard – Secretary	Governor Appointee
Tom Brashear	Alternate, Wilson County
Ernest Burgess	Mayor, Rutherford County
Angie Carrier	Alternate, City of White House
Ed Cole	Alternate, TDOT
Eddie Davidson	Alternate, Metro Nashville/Davidson County
Roger Farley	Governor Appointee
Debbie Frank	Governor Appointee -
Jo Ann Graves	Mayor, City of Gallatin
Rick Gregory	Alternate, City of Goodlettsville
Ragan Hall	Alternate, Sumner County
Bob Nugent	Alternate, City of Murfreesboro
Bill Orange	Mayor, Cheatham County
Joe Reagan	Mayor, City of Brentwood
Randy Robertson	Alternate, City of Mt. Juliet
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
Sam Edwards	GNRC
Amanda Evilcizer	GNRC
Ron Fults	GNRC
Glenda Griggs	RTA Staff
Tanisha Hall	GNRC
Jovia King	GNRC
Jeff Pancirov	GNRC
Matt Meservy	MPO

Allyson Shumate
Diane Thorne
Deborah Varallo

RTA Staff
RTA Staff
Varallo Public Relations

CALL TO ORDER

Vice-Chairman Rogers Anderson called the Board meeting to order at approximately 10:00 a.m., on Wednesday, May 21, 2008, at 1101 Kermit Drive, First Floor, Nashville, Tennessee.

Vice-Chairman Anderson stated that without objection the Marsh quote for Music City Star liability insurance was an additional action item for the Board to consider and would be Item 4c.

APPROVAL OF MINUTES

Vice-Chairman Anderson called for approval of the minutes of the April 16, 2008, Board meeting. Ragan Hall, Sumner County, made a motion to approve the minutes. Governor Appointee Debbie Frank seconded and the motion passed unanimously.

PUBLIC COMMENTS

Vice-Chairman Anderson called for any comments from the public. There were no public comments.

ACTION ITEMS

Item 4a was presented by Diane Thorne. The item was Advertising Policy. Mrs. Thorne explained that the Music City Star sells advertising space inside the train cars and on the benches at the train stations. An advertising policy has been developed by staff. Mrs. Thorne reviewed the following policy:

The Regional Transportation Authority (RTA) sells advertising space inside the train cars of the Music City Star and on benches at the Music City Star Stations. The purpose is to raise revenues, supplementary to those raised from fares and other sources, to be used to finance the RTA's operations. The display of advertising is solely for this purpose. It is not intended to provide a general public forum for purposes of communication, but rather to make use of property held in a proprietary capacity in order to generate revenue.

The RTA will not accept any advertisements that:

- Are false, misleading or deceptive ads
- Contain obscene material, or contain profane, obscene or libelous language
- Promote unlawful or illegal goods, services or activities
- Declare or imply an endorsement by the transit agency of any service, product or point of view
- Promote the sale of tobacco or tobacco-related products
- Promote the sale of liquor or distilled spirits
- Depict violence or antisocial behavior
- Are related to products designed for use in connection with sexual activities.

All advertising is sold at the rate established by the RTA Board of Directors for such advertising. The RTA may, at its sole discretion, accept "trade" advertising in return for services rendered on behalf of the Regional Transportation Authority. Advertising rates do not include the production and/or installation of the ads.

Ed Cole, TDOT, made a motion to approve the advertising policy. Mr. Hall seconded and the motion was unanimously approved.

Item 4b was presented by Diane Thorne. The item was Relax and Ride Express Service. Mrs. Thorne stated the RTA issued a Request for Proposal for Relax and Ride bus services currently operating between Nashville and Murfreesboro, and for the proposed Gallatin and Nashville route. A Spring Hill/Franklin/Nashville route is also under development. RTA is seeking to offer more direct, express service between member counties. Gray Line can offer a coach-type service, which has proven very successful in other areas.

Staff recommends contracting with Gray Line, LLC, the Metropolitan Transit Authority, and the Franklin Transit Authority to operate Relax and Ride services on behalf of the Regional Transportation Authority. Mr. Hall made a motion for RTA to contract with MTA, Gray Line, LLC, and the Franklin Transit Authority for Relax and Ride services. Gallatin Mayor Jo Ann Graves seconded.

During discussion it was noted the services are funded through local governments, TDOT, regional CMAQ funds and fare box. Also noted was that Gray Line, LLC will be able to add additional buses as needed. The Gallatin Express and Spring Hill/Franklin/Nashville express service will not begin until late summer.

Vice-Chairman Anderson called for voting on the motion and the motion was approved. Paul Ballard, MTA Chief Executive Officer and RTA Board Secretary, abstained from voting.

Item 4c was presented by Allyson Shumate. The item was Marsh Liability Insurance Quote for the Music City Star. Mrs. Shumate briefly reviewed the insurance handout sheets with the Board. Arch Specialty is the primary insurance provider. The deductible is \$1 million and the retroactive date applicable to the policy is June 1, 2006. The policy has an option to add terrorism coverage at \$12,527 annually. Vice-Chairman Anderson explained the RTA liability coverage is on a claims-made basis as opposed to an occurrence basis. A decision on the terrorism policy will be made once the company can firm up the price.

This insurance and the recently passed law which extends immunity under the Governmental Tort Liability Act to persons or entities that contract with the Regional Transportation Authority were discussed. According to Marsh, the new law will have little effect on the liability insurance premiums. They suggested the amount of the deductible would likely have the greatest influence on the premium. The lower layers of the insurance are the most expensive.

Mrs. Thorne commented that Marsh informed her that the premiums are lower this year because the service has been in operation for almost two years without incident and the market is softer.

Tom Brashear, Wilson County, made a motion to approve the purchase of the proposed insurance. Mayor Graves seconded the motion. The item was then opened for discussion. During discussion it was noted that RTA would use the current line of credit with Bank of America to pay the premium. The Board discussed the comparisons between the 2007 and 2008 coverage. The 2008 total premium is \$558,780; which is \$117,779 less than the 2007 premium.

Mr. Brashear made a motion to add terrorism coverage. Mayor Graves seconded the motion. There was discussion on the terrorism insurance coverage. It was noted that approximately half of other rail service providers purchase terrorism coverage. Terrorism was previously defined as

a foreign national committing an act against the government. Congress has since approved an extension of the Terrorism Risk Insurance Act (TRIA). The extension eliminates the distinction between acts of foreign or domestic terrorism. After much discussion, Mr. Brashear withdrew his motion to add terrorism insurance. Mayor Graves withdrew her second. The Board requested additional information regarding the terrorism insurance. Vice-Chairman Rogers called for a vote on the motion to authorize RTA to purchase the liability coverage. The motion was unanimously approved.

INFORMATION ITEMS

Item 5a was presented by Glenda Griggs. The item was RTA Vanpool Update. Mrs. Griggs stated the vanpool program continues to grow. Twenty vans have been purchased and 25 vanpools are ready for service. Five vanpools are currently on a wait list. Mrs. Griggs stated the demand is rising at a faster rate than the available supply.

Mayor Graves asked how staff prioritizes vanpool requests. Mrs. Griggs responded that it is based on whether the vanpool has actually been formed. Mrs. Griggs stated more and more employers are offering their employees a transportation subsidy.

The remaining Information Items were briefly mentioned.

Item 5b was presented by Diane Thorne. The item was Relax and Ride Update. Mrs. Thorne stated that the R&R ridership continues to increase in both the Murfreesboro and Hendersonville corridors.

Item 5c was presented by Diane Thorne. The item was Job Access Reverse Commute Program Update. Mrs. Thorne stated that JARC program continues to be a valuable program for community service agencies.

Item 5d was presented by Allyson Shumate. The item was Music City Star Update. Mrs. Shumate stated that the Music City Star average ridership hit the over 700 mark for daily riders. Staff receives calls everyday from new riders planning their commute.

Mrs. Thorne also stated that the RTA plans to run a July 4th train. It will likely be one extended train.

Item 5e was presented by Diane Thorne. The item was Legislative Report. Mrs. Thorne stated that the RTA bill which extends immunity under the Governmental Tort Liability Act to persons or entities that contract with the RTA passed both the House and Senate and is on the Governor's desk awaiting his signature.

Item 6 was presented by Diane Thorne. The item was March 31, 2008 Financial Statement. Mrs. Thorne stated that the March financial statement is included in the Board packet for Board review. Mr. Cole commented that there is a note of concern for the Music City Star. He stated that there are cash flow issues that extend over several years and there may not be an easy solution. Vice-Chairman Anderson noted that he and Chairman Foster would support a special Board meeting to discuss the financial situation, if needed. Eddie Davidson, Metro, asked staff when the Board could expect to receive the proposed budget for FY 2009. Mrs. Thorne responded that it would be reviewed by the Finance/Audit Committee at its June meeting and would be brought before the Board for consideration at the June 18 meeting.

OTHER BUSINESS

With there being no further business, Tom Brashear made the motion to adjourn. Vice-Chairman Anderson seconded and the motion passed unanimously.

The meeting was adjourned at approximately 11:00 a.m.

Respectfully,

Submitted to RTA Secretary for Approval: DT 6-25-08
Approved for Release: DT 6-26-08