



MINUTES
EXECUTIVE COMMITTEE MEETING
REGIONAL TRANSPORTATION AUTHORITY
APRIL 18, 2018

- I. **CALL TO ORDER:** The Regional Transportation Authority of Middle Tennessee (RTA) Executive Committee meeting was held in the meeting room at Music City Central, 400 Charlotte Avenue, Nashville, Tennessee on Wednesday, April 18, 2018. A quorum was established, and the meeting was called to order at 9:32 a.m. by Chair Kim McMillan, City of Clarksville Mayor.

COMMITTEE MEMBERS IN ATTENDANCE WERE:

Mayor Kim McMillan, Chair	City of Clarksville
Governor Appointee Ed Cole, Secretary	Davidson County
Governor Appointee Kelly Dannenfelser	Williamson County
Governor Appointee Ken Davis	Wilson County
Mayor Rick Graham	City of Spring Hill
County Executive Anthony Holt	Sumner County
Mayor Jerry Kirkman	City of Westmoreland
Mayor Ken Moore	City of Franklin
Mayor Bob Rial	Dickson County
Mayor Ken Wilber	City of Portland

- II. **PUBLIC COMMENTS:** There were no public comments at this time.
- III. **MONTHLY FINANCIAL REPORT COMPARED TO BUDGET (EXC-D-18-001):**
Chief Financial Officer Ed Oliphant reviewed the year-to-date data of the Statement of Operations Compared to Budget for the month of February 2018. There were no questions. He reviewed the Comparative Balance Sheets for the month ended February 28, 2018, and there were no questions. This ended his report. (Both reports can be found in the RTA April 18, 2018 Executive Committee book.)
- IV. **DEBT OBLIGATION NOTIFICATION (EXCD-D-18-002):** CFO Oliphant reported in March 2018 that the RTA Board authorized the renewal of its \$1.5 million line of credit with Fifth Third Bank effective April 1, 2018. While RTA continues to reduce the frequency of need to utilize the line, it is difficult to forecast the availability of future federal grant funding.

Consequently, staff believed it was imperative to renew the line of credit in order to ensure timely cash flow for expenses. The RTA uses a portion of this grant funding to pay preventive maintenance operating costs.

The State of Tennessee Comptroller's Office also requires any public entity to submit a report of debt obligations to be filed within 45 days of entering into any debt agreement. It must also be presented to the governing body of the public entity and be included in a public meeting. This was not an action item; it was a discussion item and is included within this public meeting report for transparency purposes. It was purely for disclosure to the public as to the note and what was involved in that note.

On April 1, 2018, we entered into a Revolving Credit Promissory Note with Fifth Third Bank for \$1.5 million with an expiration of the note on April 1, 2019. This note is needed to cover our cash flow needs throughout the year. The terms of the loan are as follows:

Term	1 year
Maturity Date	April 1, 2019
Interest Rate	Variable – LIBOR Rate plus 1.85%
Bank Closing Fee	\$500
Legal Fee	\$517 paid to Sherrard & Roe Law firm representing Fifth Third Bank
Non-Use Fee	35 basis points on the daily unused principal amount of the Note, charged quarterly. Maximum fee will not exceed \$5,250.

As soon as we receive these grant funds, the loan will be paid down to minimize our interest expense.

Secretary's Note: A complete copy of the submission was included for reference in the April RTA Executive Committee book and was also included in the same book that was posted to the RTA website.

There were no questions for Mr. Oliphant and that completed this report.

Before continuing, Chair McMillan took a moment to thank Mayor Ken Wilber and the City of Portland for their fine strawberries that were served with shortcake at today's meeting.

- V. **COMPTROLLER'S SUNSET AUDIT ACTION PLAN UPDATE (EXCD-D-18-003)**: CFO Oliphant reported in November 2017 that the RTA Board reviewed and accepted a performance audit performed by the Tennessee State Comptroller's Office. The performance audit contained three findings and four observations. Staff felt that all the findings and observations were reasonable, and each was addressed in our corrective action plan to the Comptroller's Office which was filed on November 28, 2017.

As a part of the audit process, the Comptroller's Office required a follow-up report be submitted six months later as to the progress of the plan. We received our formal request from the Comptroller's Office to submit an update no later than April 30, 2018.

Mr. Oliphant reviewed details of the action plan with the Executive Committee. There were no questions, and this concluded the report.

VI. RTA MONTHLY OPERATING STATISTICS (EXCD-D-18-004): Chief Operating Officer India Birdsong reviewed the RTA Monthly Dashboard Report through the month of February 2018 with the Executive Committee. This report was included in the April 2018 Executive Committee book.

Ms. Birdsong reported that there were no accidents in February for train or bus. She noted that there was a constant trend now happening with increased ridership on the Music City Star train. However, ridership on the bus was down about 4.5% overall when looking at the fiscal year. Ms. Birdsong noted that staff was looking at the Nashville MTA-operated run for RTA as well as Gray Line to come up with a strategy to attack the on-time performance which was hovering around 80%. The goal was to get that up immediately. On the rail side, the train's on-time performance was almost 100% with no accidents.

Continuing, Ms. Birdsong reported that the rail standard operating procedures (SOP's) are being drafted by Transit Solutions Group with the help of RTA's rail consultant. They are working with the training department to include those trainings in the overall training database. This will give staff a tighter grasp on certifications for those rail employees with sleep apnea and other issues that are going on within the rail community.

Ms. Birdsong reported that under operations maintenance for the bus, staff had been evaluating Gray Line buses that are being assigned to RTA runs to make sure that they are meeting maintenance standards for operational excellence. Under operations maintenance for rail, staff had a locomotive and cab car inspection scheduled for later in April to evaluate and assess the condition of the Music City Star fleet.

She further noted that a few months back staff reported that there had been an issue with rust, especially coming out of the winter season, that would be assessed as well. This started in the next couple of weeks to evaluate how to move forward with any additional service in the coming years with the current fleet. There were no questions, and this concluded her report.

VII. CEO'S REPORT: CEO Bland reported the following:

- Mt. Juliet Memorandum of Understanding (MOU) - With respect to the Mt. Juliet MOU, we continued work with Mt. Juliet on the MOU for the station improvements. We approved the city's

construction of a monument on the station property. We filed our paperwork with the Federal Transit Administration for the incidental use of that monument. Once we have a final MOU format, we will bring that back to the Board for consideration.

- Positive Train Control – In April, we received our final approval from the Federal Railroad Association for a limited services exception on the Music City Star that will allow us to defer installation of a Positive Train Control system that we estimated would cost \$30 million. This approval was contingent on us limiting daily trips in the corridor to no more than 12, which requires that we discontinue the Friday night train. It also means that we need to restrict any special service only to weekends and holidays.
- Hamilton Springs Station – After a number of delays for rainy weather, the Hamilton Springs Station is progressing well. Mr. Bland stated that RTA is scheduling its opening for some time in August of this year.
- South Corridor Study – Mr. Bland anticipated kicking off the South Corridor Study in the coming month. This effort is being led by the Nashville Area Metropolitan Planning Organization, and is co-sponsored by RTA.
- Congestion Mitigation and Air Quality (CMAQ) Grant Awards – Mr. Bland said we continue to await word from Tennessee Department of Transportation (TDOT) on CMAQ grant awards. It is critical that we know what funding we will receive in order to prepare next year's budget. As soon as we receive this information, we will ask to convene the Finance Committee to formulate the budget.
- Music City Center (MCC) Renovations – With MCC undergoing major renovations beginning next month, we will be relocating our RTA Board meetings for the remainder of the calendar year. We are in the process of locating a temporary meeting facility in the MetroCenter area near the Greater Nashville Regional Council (GNRC) offices that will provide abundant parking. Please take note of the location in next month's Board package.
- RTA Sunset Legislation - The RTA's Sunset Legislation passed through both the House and Senate Oversight Committees by a unanimous vote, and passed through the House on a 94-0 vote. Unfortunately, to date in the Senate, it has not been scheduled for a vote by the full Chamber by the Speaker of the Senate, and time is running short. If the Legislature adjourns without considering the bill, the RTA would have to go into "wind down" mode. Mr. Bland asked all Board Members to contact their State Senators and urge the Speaker of the Senate to schedule Senate Bill 1733 – Extending the Regional Transportation Authority of Middle Tennessee – for a vote before the Senate as soon as possible.
- City of Columbia - Finally, Mr. Bland joined Chair McMillan and the rest of the Board in welcoming the City of Columbia and

Mayor Dean Dickey as the RTA's newest Member. Mr. Bland said he looks forward to working with Mayor Dickey and his staff.

- VIII. CHAIR'S REPORT:** Chair McMillan thanked the members for coming to this inaugural Executive Committee meeting. She reminded everyone to be looking for the forthcoming information about where and when the next meeting will be in reference to the temporary relocation of meeting place through the end of the year.

Chair McMillan also encouraged everyone to be sure to contact their State Senator in reference to the RTA Sunset legislation and the need to get this on the agenda for vote before recess.

- IX. OTHER BUSINESS:** Franklin Mayor Ken Moore remembered Diane Thorne who recently passed away unexpectedly. She was a giant in Tennessee transportation for many years and made a difference as far as what we see in our systems today. Her loss was a shock to her family and to those who knew her well. Mayor Moore asked for prayers especially for her family.

CEO Bland noted to those in attendance, as a matter of housekeeping, to please look at the Executive Committee list of members on the agenda page and to make sure their name is on there if they want to participate. (Both Dickson County Mayor Bob Rial and City of Portland Mayor Ken Wilber had been inadvertently left off of the inaugural list.)

- X. ADJOURNMENT:** Proper motion was made and seconded to adjourn, and the meeting was adjourned at 9:56 a.m.

Attested:

Ed Cole, RTA Secretary &
Davidson County Governor Appointee