



Minutes

NASHVILLE METROPOLITAN TRANSIT AUTHORITY

BOARD OF DIRECTORS MEETING

December 17, 2009

- I. **Call to Order:** The regular meeting of the Metropolitan Transit Authority Board of Directors was held in the MTA Board Room, 130 Nestor Street, on December 17, 2009. Present were: Gail Williams, Chair; Thomas F. O'Connell, Vice-Chair; Lewis Lavine, member; Marian Ott, member; Jeffrey Yarbrow, member; Secretary Margaret Behm and CEO Paul J. Ballard. A quorum was established and the meeting was called to order at 1:38 p.m.
- II. The meeting was opened by Chair Gail Carr Williams.
- III. **Approval of Minutes:** A motion was made to approve the minutes of the October 22, 2009 Board of Directors meeting. The vote of approval was unanimous and the minutes were adopted.
- IV. **Public Comments:** There were no public comments.
- V. **Transportation Committee Report:** Chair Thomas F. O'Connell reported that there was a slight drop in the passenger per revenue figures and year to year, and some declines in AccessRide. He noted that the last six months in bus ridership continues to show a positive trend. Expectations are that with the new maintenance manager now in place that miles between road calls will improve. The jump in passengers carried per complaint was attributed in part to the start of BRT, the start of BusLink, and requests for new services.
- VI. **Planning and Marketing Report:** Chair Lewis Lavine reported that quarterly reports for strategic planning will begin in January. It is the intent that each quarter this plan will be used as the baseline to measure progress and open up discussion for any changes that might need to be made.
- VII. **Finance Report:** Chair Marian Ott reported on the following items:
 - a. **FY 2009 Annual Audit Report (A-09-023):** Crosslin Vaden presented a brief summary of the report presented at the Finance Committee meeting. Ms. Ott stated that it was the Finance Committee's recommendation to the Board that the Board accept the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009 as presented. Motion was made and the vote of approval was unanimous.

- b. Debt Reduction (A-09-024):** Ms. Ott reported that in the spring that concern was expressed for additional liabilities that were presenting themselves and fuel was remaining volatile with the fuel hedging not slated to start until this fiscal year. It was the recommendation at that time of management, with the agreement of the board, that capital maintenance money which was eligible to be translated to operating money be transferred. This action would then cover these potential expenses and make it possible to end the year with a balanced budget. As it turned out, there was a surplus left at the end of the year.

Ms. Ott continued noting that prior to this management team, there were some problems that ended in a debt on the balance sheets. The original debt was two million dollars and is now \$1.6 million. Ms. Ott stated that she wanted to make a point that the issues that resulted in this debt have been fully addressed with a performance audit and the change in management. However, this old debt remains and must be addressed. She then stated that the Finance Committee endorses the staff's recommendation to take the \$836,000 surplus for FY 2009 and apply it to this debt. It will have the added benefit of reducing operating expenses by reducing the interest being paid. Motion was made and the vote of approval was unanimous.

- c. Acquisition of Property for Nestor Street Rehab Project (A-09-025):** Ms. Ott stated that it was the recommendation of the Finance Committee to the Board that the Board approve the purchase of the parcel of land adjacent to the northwest corner of MTA's 130 Nestor Street property at a purchase price not to exceed \$112,000. The funding for this purchase will come from funding in place for the rehab project made up of Metro capital and Federal 5307 formula capital funding. Motion was made and the vote of approval was unanimous.
- d. Advertising Contract Modification (A-09-027):** Ms. Ott reported that the Finance Committee's recommendation to the Board is that they amend the existing contract by eliminating the guarantee and increasing the revenue split from 55/45 to 60/40 with MTA receiving 60% of the media value. The Committee also recommends that the Board allow Advertising Vehicles to pay the remaining past due dollars (\$54,000) from the previous year (Oct 1, 2008 – Sept 30, 2009) over a six (6) month period beginning this month. The Board specified should this modification not work that this would be put out for bid and the process would start all over again. Furthermore, the Board asked that they be kept informed as the money continues to be received allowing them to be aware ahead of time should a change need to be made. Motion was made and the vote of approval was unanimous.

VIII. MTA Advertising Policy (A-09-027): Counsel Margaret Behm reported that the existing advertising policy had not been reviewed for about ten years. She stated that it developed as a result of a sixth circuit case that came out in 1998 and a lot of phrasing in this policy is taken from that case. She noted the changes that she had made and explained why they had been made. These suggested minor revisions to MTA's policy ensure that the advertising policy is consistent with applicable law and

clarify that all proposed advertisement must be submitted to MTA for approval prior to being displayed. In the discussion Ms. Behm explained that MTA is not a public forum but a non-public forum and can therefore apply discretions as to who can advertise. During the review and discussion, one other change was noted for the sake of clarity. This change having been made, a motion was made to adopt the revised MTA Advertising Policy as presented and modified. The vote of approval was unanimous.

- IX. Chair's Report:** Ms. Williams noted her appreciation to everyone for such a great year.
- X. Chief Executive Officer's Report:** Paul Ballard thanked the Board for all of their support throughout the year. He mentioned the upcoming Nashville Chamber's intercity visit to Pittsburg and encouraged the Board to respond to the Chamber if they were interested. Mr. Ballard then reported that progress was being made in getting to the causes of the parking lot problem. He stated that the expert used by the Corps of Engineers for riverbank problems is looking into it and it appears that it will be a onetime fix to solve the problem permanently. Lastly, Mr. Ballard noted that the RTA Board met yesterday and the majority of the budget issues for the current fiscal year were resolved. The new bus services were started in Williamson County on December 1st and they are doing very well for the first month of operations.
- XI. Adjournment:** The meeting was adjourned at 2:13 p.m.