Board Meeting Agenda

Nashville MTA Board Meeting
Metro Nashville Police Department West Precinct
5500 Charlotte Pike, Nashville, TN 37228

2:30 p.m., Thursday, September 27, 2018

Gail Carr Williams, Chair
Janet Miller, Vice Chair

1. Call to Order

2. Approval of August 23, 2018 Minutes

3. Public Comments*

4. Operations & Finance Committee – Walter Searcy, Chair
   a. MTA/RTA Contract Renewal for Regional Transit Services A-18-027
   b. MTA/RTA Management Contract Renewal A-18-028
   c. Resolution For FY2019 Annual Grant Applications A-18-029
   d. Trapeze Group Sole Source Support/Warranty and Maintenance A-18-030

5. New Initiatives & Community Engagement Committee – Janet Miller, Chair
   a. FY2019 Operating Budget Update A-18-031

6. Chair’s Report

7. Chief Executive Officer’s Report

*Please keep all public comments to the Board within three minutes. Thank you
I. **CALL TO ORDER:** The regular meeting of the Nashville Metropolitan Transit Authority (Nashville MTA) Board of Directors was held at the Greater Nashville Regional Council Offices, MetroCenter, 220 Athens Way, Suite 200, Nashville, Tennessee 37228 on Thursday, August 23, 2018. Present were: Gail Carr Williams, Chair, Janet Miller, Vice Chair; Walter Searcy, Member; Hannah Paramore Breen, Member; Glen Farner, Member; Secretary Margaret Behm; and Chief Executive Officer Stephen G. Bland. A quorum was established, and Chair Williams called the meeting to order at 2:47 p.m.

II. **APPROVAL OF MINUTES:** Proper motion was made and seconded to approve the minutes of the July 26, 2018 Board of Directors meeting. There were no additions or corrections, and the vote of approval was unanimous.

III. **PUBLIC COMMENTS:** Chair Williams opened the floor for public comments. The public was reminded that comments were limited to three minutes. The following members of the public addressed the Board with these comments:

**James Brown, Nashville, TN:**
- Mr. Brown introduced himself as the Access Policy Advisory Committee Chair (APAC) Chair. He also stated that he is employed by Tennessee Department of Transportation (TDOT) as the Program Supervisor. He is new to the committee, and his role is to help advise the Nashville MTA Board in making transportation excellent for the elderly and disabled in Tennessee.

**Jerome Bowen, Nashville, TN:**
- Mr. Bowen was present to listen and learn of Disadvantaged Business Enterprise (DBE) opportunities for his company.

**Rhonda Clark, Nashville, TN**
- Rhonda Clark stated that she has used some form of Nashville MTA AccessRide/paratransit in Nashville for 22-plus years. She currently uses both user and AccessRide because of the pilot hours (6 a.m. to 6 p.m.). She hopes that the hours for Access on Demand will be extended for everyone, so that if you want to use the Access on Demand service, regardless of which provider it is, that you can choose which service you want to use. She works from 12:45 p.m. to 9:15 p.m. (Monday-Friday). Due to her transportation issues,
she has received occurrence after occurrence for being late to work. She stated that she used to have to catch the AccessRide at 10:30 a.m. to arrive to work on time. She now catches the 12:15 p.m. AccessRide and arrives to work by 12:38 p.m. She asked the Board to please give Access riders a choice that they can use.

- CEO Bland stated that we currently were conducting a follow-up survey to see how the pilot was working. A full evaluation assessment will be completed sometime in November. By then, it would give us some direction on how to proceed.

Dan Dillan, Nashville, TN
- Mr. Dillan stated that he works on the AccessRide Policy and Advisory Committee, which helps to improve the paratransit services for Davidson County. He expressed his desire to work closer with the Nashville MTA Board Members.
- He only had one concern, which was a golfing event for the blind about a week ago. A pro-golfer was scheduled to give golfing instructions for the blind, but because of inefficient transportation service, he had to cancel that event. Mr. Dillan was unsure of the cab company that he used, but he thought that it was Taxi Taxi or Allied Cab Co.

Lori Mayberry, Nashville, TN:
- Ms. Mayberry just wanted to introduce herself to the Board and stated that she loves the On Demand program. She would like for us to keep the program.

Danny Mosley, Nashville, TN:
- Mr. Mosley stated that he is a new member to APAC, and he was present because he wanted to be a voice for people with complaints. He wanted to be able to offer some possible solutions back to the people.

Peter O’Connor, a frequent rider, Nashville, TN:
- Mr. O’Connor addressed the old change cards: One bus driver told him that we no longer accept these cards.
- Secondly, it seems to be a problem with some drivers not wearing seatbelts.
- Thirdly, there is hearsay that there are ex-Nashville MTA Drivers leaving Nashville MTA because they are losing their pensions. This could be a problem because a shortage of drivers, buses being late, etc.
- Is there a completion date for Music City Central (MCC) construction?
- Will we have extended bus hours?
- CEO Bland responded immediately to Mr. O’Connor’s concerns by stating that the information he received about the change cards is misinformation; the cards are still valid. He also stated that there are no changes in the pensions. Lastly, all renovations at MCC will be complete by November 2018.

James Thomas, a frequent rider, Nashville, TN:
- Mr. Thomas cited a couple of instances with buses not stopping in proper locations, blocking pedestrian/crosswalk areas.
- Buses not arriving at the scheduled time.
• He noticed buses with headlights out, which may cause problems with the police.
• He also noticed on bus 1702 that a customer used a cup to urinate.
• He needed clarification if shopping carts are allowed on the buses.
• His friend was told by a Nashville MTA supervisor that she didn’t want to see him downtown selling hotdogs again.

Darius T. Knight, Madison, TN:
• Mr. Knight stated that he was still seeing consistent maintenance issues that he’s previously reported. He also noticed the following:
  o Paint jobs on the new purple buses aren’t good, and they are giving off a burnt smell.
  o The display signs no longer work or have lines going through them.
• Mr. Knight has some concerns with drivers feeling like it’s his job to fight their battles. He stated that if we have bus drivers that have concerns that we need to take the time to address them. He would like for us to make sure that all staff are aware of any and all route changes in 2019 so that correct information is relayed to riders. Additionally, he requested that everyone take time out to ride a bus within the next six months.

Mr. Bullard, a frequent rider:
• The ADA and the Mobility on Demand are magnificent. He’s glad that Uber and Lyft are not in the mix. He’s glad to know that the electric buses are cheaper and 5-feet longer. He likes the new buses with the USB wireless charging stations are pretty cool.
• He likes the new LED lighting at MCC.
• He requested seating/benches outside the MCC Dunkin’ Donuts lobby area.

There were no other public comments at this time.

IV. OPERATIONS & FINANCE COMMITTEE REPORT: Chair Searcy reported on the following:
   With the extension of the Music City Circuit to Tennessee State University last year, the fleet of fully electric buses necessary to operate this service (including spares) increased by two. Earlier this year, the Nashville MTA was successful in securing Federal discretionary funding through the Federal Transit Administration’s Low or No Emission Bus Discretionary Grant Program (Lo-No).

   Under existing contracts, we have the ability to acquire these vehicles from Proterra – our current supplier. The only meaningful difference between the new vehicles and those currently in service is that the new buses will be 35 feet in length, in lieu of the 30-foot buses we currently own. Proterra no longer produces a 30-foot bus. If approved, these two electric buses will be added to the current fleet used to operate the existing Music City Circuit serving Downtown, the Gulch, and North Nashville.

   Upon authorization, staff would proceed with an immediate bus order for an anticipated delivery in the first quarter of 2019.
The Operations & Finance Committee recommended the Board provide the Chief Executive Officer the authority to approve the purchase of two 35-foot Battery Electric buses from Proterra, Inc. The total sum of this purchase is $1,851,624, including a contingency amount of $36,306. The price includes ancillary equipment including digital signage, video surveillance, routers, radio communications and antennas, training, diagnostic tools, and spare parts.

Funding sources to support this purchase will be comprised of a Lo-No Emission Bus Discretionary Grant and FY2018 Metro Capital funds.

There was no discussion, and the vote of approval was unanimous.

b. Legal Services Contract (A-18-024): The Nashville MTA Board of Directors through its Chief Executive Officer entered into a contract with Dodson Parker Behm & Capparella (Dodson Parker) for general counsel and Board secretary services on September 1, 2013. The contract with Dodson Parker expires on August 31, 2018. As a result, a Request for Proposals for legal counsel and Board secretary services was recently issued. The following firms submitted responsive proposals: Bradley Arant Boult Cummings LLP (Bradley), Dodson Parker, Klein Bussell PLLC, and Thompson Coburn LLP.

Following review, the evaluation team recommended awarding contracts to both Dodson Parker and Bradley for legal counsel services. The evaluation team further recommended awarding a contract to Dodson Parker Behm for Nashville MTA Board secretary services.

The Operations & Finance Committee recommended the Board award five-year contracts to both Dodson Parker and Bradley for legal counsel services. They further recommended the Board award a five-year contract to Dodson Parker for Nashville MTA Board secretary services.

Funding for these services will be incorporated into annual operating budgets and capital project budgets as required.

There was no discussion, and the vote of approval was unanimous.

V. New Initiatives and Community Engagement Committee Report: Chair Miller reported on the following:

a. Nashville MTA FY2019 Capital Budget (A-18-025): The Nashville MTA needs to develop an FY2019 Capital Budget and a Multi-Year Capital Plan in light of the Middle Tennessee connected 2014-2040 Regional Transportation Plan and the nMotion Transit Strategy. Nashville MTA also recognized that the agency has significant capital needs to ensure that the safety and compliance requirements are met, assets are managed in a State of Good Repair, and that meaningful customer service and amenity enhancements occur as possible.
Chief Development Officer Julie Timm presented a summary of projected capital funding sources and program needs for an in-depth discussion during the NICE committee meeting.

The recommended FY2019 Nashville MTA Capital Budget categorizes projects into seven key areas:

1. Safety/Regulatory Projects
2. Projects Committed from Previous Years
3. Transfers to Operations Budget for Preventive Maintenance
4. State of Good Repair
5. Business Improvements
6. Service Improvements consistent with nMotion Strategy
7. System Expansion consistent with nMotion Strategy

The New Initiatives and Community Engagement Committee recommended the Board adopt the policy-level FY2019 Capital Plan with direction to staff to develop a spend plan and funding strategy to implement the plan using available constrained funding sources.

Reverse commute projects would be transporting people from the Nashville area to Cool Spring areas.

There was no discussion, and the vote of approval was unanimous.

b. Supplemental ADA Capacity & Access on Demand Services (A-18-026):

Director of Service Quality Dan Freudberg reported that the Nashville MTA provides paratransit services through WeGo Access (formerly AccessRide) using our own paratransit vans and operators as well as services provided by local third-party operators. The contract with our current service provider, Taxi USA, expires at the end of October 2018, with no optional extensions remaining to be executed.

In June 2018, the Nashville MTA issued a Request for Proposals (RFP) for Supplemental ADA Capacity and Access on Demand Services. A total of six proposals were received from the following companies: American Music City Taxi, Blessed Assurance, Dependacare Transportation, Mobility Solutions (doing business as On Demand Mobility), Taxi USA of Tennessee, and UZURV.

An evaluation committee conducted a two-step evaluation process including in-person presentations and interviews with the top proposers. Following final evaluation, the committee recommended the following companies be awarded the contract for Supplemental ADA Capacity and Access on Demand: American Music City Taxi, Mobility Solutions (DBA On Demand Mobility), Taxi USA of Tennessee, and UZURV.

The New Initiatives and Community Engagement Committee recommended the Board award contracts to the following companies for the provision of WeGo Access and WeGo Access on Demand services for an initial three-year term not to
exceed $20 million and two additional one-year options not to exceed $7 million per year: American Music City Taxi, Mobility Solutions (DBA On Demand Mobility), Taxi USA of Tennessee, and UZURV.

There was no discussion, and the vote of approval was unanimous.

VI. **Chair’s Report:*** Chair Williams expressed appreciation to Senior Executive Assistant and Board Liaison Kathy Owen. Ms. Williams presented her with a resolution and gift on behalf of the Board for her dedication and years of serving the Nashville MTA and the Regional Transportation Authority of Middle Tennessee (RTA).

Ms. Owen thanked both past and present Board members. She stated that it had been her honor to serve as board liaison for both the Nashville MTA and RTA and as CEO Bland’s assistant. She stated that she has the warmest and riches memories to carry with her.

VII. **CEO’s Report:** CEO Bland reported the following to the Board:

- With respect to the Murfreesboro Road Project, contractors continue to advance the project according to schedule. Our final property related issues have been worked out with the airport. The primary issue of concern we have is utility make ready work to assure that we can pull fiber optic cable beginning in September. Toward that end, we met with Metro Public Works and the Nashville Electric Service (NES) about a week ago to both communicate the work we needed NES to undertake and the consequences of this work falling behind schedule. At this point, we feel as though NES is prioritizing this project.

- This evening, Rita and I will be meeting with Councilman Ed Kindall and constituents of his district to discuss the potential transit center on Clarksville Pike. We are working with the property owner at 26th and Clarksville to advance this project as part of a broader vision for the neighborhood. In parallel, we are pursuing property valuation and design concepts.

- He reminded the Board that we are hosting the American Public Transportation Association Conference September 23 – 26 at the Omni Downtown. A week or so ago, he forwarded the conference program to them and asked if there were sessions they’d like to attend and he would make sure they received credentials.

- Work on the Central renovations continues on schedule. Two weeks ago, we opened Level 1 and transitioned to work on Level 2. This occurred just after school reopened for the year. He thanked our contractors, our project staff, Operations, Security, and Customer Care for making this project as smooth as possible for our customers.

- By now, you’ve likely seen the new WeGo buses in service. We have received all of our transit coaches and expect them all to be in service over the next month. Our van deliveries have just begun.

- He attended a kickoff meeting with the Convention and Visitors Corporation, a number of other Metro departments and the National Football League (NFL) to
begin discussion of preparations for next year’s NFL Draft to be held in Nashville. The event will be held on Marathon Weekend at the foot of Lower Broadway in Riverfront Park. Suffice to say that, from a transit standpoint, it will be challenging. However, it’s a challenge our Operations staff is used to.

- Director of Marketing Jason Minser, CFO Oliphant, and I met with our advertising sales vendor this month following the Board’s adoption of a new advertising strategy and policy. Mr. Minser will continue to work with the vendor on our revised program goals, and we plan to update the Board on progress and targets, likely in October.

- This past month, we hosted the FTA Region 4 staff for our regular quarterly meeting. The meeting went smoothly and FTA staff was pleased with progress, in large part due to the continued diligence and excellent preparation of Capital Grants Administrator Billy Higgins.

- Our Fare Collection project team hosted a meeting with our fare collection system consultant and vendors with Franklin Transit and Murfreesboro Rover to discuss advancing the system toward being a true seamless regional system. There is great interest by both parties in doing so (as well as RTA), and we will also be approaching Clarksville Transit about their participation.

- RTA Items:
  a. We have our temporary certificate of occupancy for the Hamilton Springs Station, and service will initiate there this coming Monday. We will have a formal ribbon cutting on September 6 with the Mayors of Wilson County and Lebanon. He invited the Board to attend if they could.
  b. Work continues on the South Corridor Study, examining transit options in the Maury/Williamson/Davidson County corridor.
  c. We continue to work with Mt. Juliet on a parking expansion project at Mt. Juliet Station and will be initiating design meetings next week.
  d. We met with Dickson City and County to discuss approaches to continuation of that service in light of the expiration of Congestion Mitigation and Air Quality (CMAQ) funding for that route next year.
  e. He attended a joint meeting of Metro Council’s Planning Committee and Affordable Housing Task Force, along with Metro Planning and the Metropolitan Development of Housing Agency (MDHA), to address questions concerning the proposed Transit-Oriented Development Zone in the Donelson neighborhood. Most of the questions were directed toward MDHA, housing affordability, and the City’s general approach to Tax Increment Financing. Ultimately, this legislation did not pass Council. With respect to WeGo or direct transit service, there isn’t really a direct impact, though it could have been a strong tool to have to advance joint development and transit center projects.
  f. Public Meetings are scheduled in Donelson, Mt. Juliet, and Lebanon in late September and early October to discuss proposed changes to the schedule for the Music City Star, including elimination of the Friday night round-trip from Lebanon. This trip elimination is necessary in order to come into
compliance with the conditions of our Limited Service Exception that allows us to defer the installation of positive train control – a $20-25 million system.

- Finally, although he had said it publicly about a dozen times over the past month and at her going away luncheon and party last week, he thanked and acknowledged the work of Kathy Owen as she wrapped up her MTA/WeGo career last week and headed off to the world of family and grandchildren in retirement. Her service to our organization was laudable, but personally he wasn’t sure how he could have survived without her. She was truly organized, calm, and a reassuring presence around our building. She had the respect and admiration, not only of our staff, but of everyone she came into contact with. The only positive he could take out of this was the fact that, as he had just hit his four-year anniversary mark, she must have thought he been adequately trained.

VIII. **OTHER BUSINESS:** There was no other business to come before the Board.

IX. **ADJOURNMENT:** The meeting was adjourned at 3:39 p.m.
BACKGROUND

Each year, the Nashville Metropolitan Transit Authority (Nashville MTA) contracts with the Regional Transportation Authority of Middle Tennessee (RTA) to provide regional transit services, Davidson/Rutherford County Relax & Ride services to Murfreesboro, Tennessee as well as connecting bus services to support the commuter train service for the Music City Star in Nashville, Tennessee.

In June 2018, the Nashville MTA Board approved a three-month extension to the FY2018 contract as a result of the RTA Board requesting a more detailed cost analysis to better understand the basis for the cost being charged for the service. We are requesting a 3% increase for the new fiscal year, which would take the hourly rate from $106.28 to $109.47.

Since there are different funding sources for the regional bus services and the connecting bus services, two separate contracts are required.

**Contract 1** – Under the new contract for regional bus service between Davidson and Rutherford counties (Routes 84X, 86X, and 96X), the RTA will pay the Nashville MTA for up to 59.99 hours of daily service at a rate of $109.47 per hour, or an amount not to exceed $1,668,044, covering 254 days of weekday transit service contained in the contract. This represents a 3% increase in the contract price compared to the prior year as a result of Nashville MTA’s proposed increase in the hourly rate from $106.28 to $109.47 per hour. Routes 84X (Murfreesboro Express) and 86X (Smyrna/ La Vergne Express) provided by Nashville MTA are similar to other RTA Relax and Ride routes insofar as they operate limited-stop service during peak hours only on limited access highways, utilizing “over the road” commuter coaches. Route 96X (Nashville/Murfreesboro Relax & Ride) more closely mirrors Nashville MTA urban transit service to the extent that it operates local urban transit service (beyond Bell Road to Murfreesboro) along arterial streets with frequent stops using heavy-duty city transit coaches.

**Contract 2** – Under this new contract for connecting bus services for Davidson County, the RTA will pay the Nashville MTA for up to 6.23 hours of daily service at a rate of $109.47 per hour, or $174,618, covering the 254 days of weekday transit service contained in the contract. This also represents a 3% increase in the contract price compared to the prior year as a result of Nashville MTA’s proposed increase in the hourly rate from $106.28 to $109.47 per hour. This service – Route 93 Music City Star/West End Shuttle – is similar to the Route 96X insofar as it is local, urban transit service.

A fuel escalator clause will again be included in all the new contracts to protect the Nashville MTA should the average fuel prices escalate above $1.85 per gallon. The clause stipulates that for every 25-cent increase in the monthly average per gallon cost of fuel, the hourly rate will increase $1.50 per hour for that month going forward. This will cover the Nashville MTA’s increase in operating cost due to increased fuel costs. This escalator is above and beyond the contracted amounts mentioned above. This will likely not be a factor for RTA since Nashville MTA has hedged approximately 71% of projected diesel fuel consumption at a contract price of around $1.82 per gallon.
For analysis, Nashville MTA used its FY2018 operating cost results and looked at what costs were specifically for operating their bus services versus its AccessRide service costs to provide services to the elderly and disabled as well as any overhead and administrative costs not directly associated with bus service, as such costs are already accounted for in the management agreement between RTA and Nashville MTA. Based upon this analysis, Nashville MTA’s effective cost per hour to operate bus services is approximately $112.94 per hour. This suggests that the quoted price per hour proposed by Nashville MTA is fair and reasonable relative to the cost of service to Nashville MTA.

For additional comparative purposes, we compared the hourly rates quoted by Gray Line for the commuter services it operates for RTA. These rates were competitively bid by RTA in 2014 and were found to be the lowest cost offered from responsive and responsible parties. Because Nashville MTA operates this service in buses that were purchased using State and Federal funds (in contrast with Gray Line, whose cost for equipment is reflected in their hourly rate), Gray Line’s hourly rate was adjusted downward based on recent price discussions RTA had with Gray Line reflecting what Gray Line would propose to charge for service if the RTA provided the buses for commuter operations in lieu of Gray Line securing them.

For the pure commuter services (84X and 86X), the adjusted comparable cost per hour was $98.43 per hour. For Route 93 and Route 96X (all day, urban transit services), the adjusted comparable cost per hour for that service was $132.87 per hour. Although Gray Line’s adjusted quote for commuter service is lower than the Nashville MTA price of $109.47 per hour, the higher hourly cost for urban transit services would offset these savings. Combining the overall cost of Nashville MTA-provided services, the total comparative cost of service (84X, 86X, 93, and 96X) is $1,668,044 for Nashville MTA versus $1,775,115 for Gray Line. An important consideration is that the Gray Line pricing was developed for comparative purposes only – RTA has not proposed to change and Gray Line has not indicated an interest or ability to take on these additional RTA service requirements if requested.

Based upon the combination of the cost analysis performed resulting in an effective cost per hour of approximately $112.94 using actual FY2018 operating costs along with the third-party quote comparison, we believe that the rate change proposed by the Nashville MTA is reasonable.

**COMMITTEE RECOMMENDATION**

The Operations & Finance Committee recommends the Board approve the renewal of Contract 1 for regional bus services and Contract 2 for connecting bus services supporting commuter rail. Both of these contracts with the RTA are for a period of one year beginning July 1, 2018 through June 30, 2019 for the following base amounts:

- Contract 1 for a not-to-exceed amount of $1,668,044 for regional bus service; and,
- Contract 2 for $174,618 for connecting buses supporting commuter rail.

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Approved:

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Secretary

______________________________
September 27, 2018
Date
BACKGROUND

In June 2018, the Nashville Metropolitan Transit Authority (Nashville MTA) Board approved a three-month extension to the FY2018 management contract with the Regional Transportation Authority of Middle Tennessee (RTA) as a result of the RTA Board wanting additional information from Nashville MTA justifying that the proposed management contract increase to $827,400 was reasonable.

Nashville MTA is currently operating under a management contract with the RTA in which we provide management services overseeing all operations of the RTA. The current contract was approved by the Board in 2016 for five years with an expiration of June 30, 2021. The current annual contract value is $803,400. We have proposed a 3% increase for a total annual contract of $827,520 which has been included in the FY2019 budget. The contract terms include a provision that allows the compensation in the contract to be adjusted beginning July 1, 2017 and each year thereafter for the life of the contract by mutual agreement of both parties. The contract states that “MTA Staff will provide executive leadership and administrative support for the RTA to carry out Financial Duties and Administrative Duties as provided herein, which shall include but not be limited to, operations, maintenance and acquisition of properties, finances, facilities and equipment, and the employment of personnel, or contracting for services, and the execution and implementation of RTAMT powers and duties set forth in Tennessee Code Annotated §§64-8-101 et. Seq and 64-8-201, et. Seq. all of which MTA is authorized to undertake and accomplish.”

The contract value has historically been calculated based upon a portion of the Nashville MTA staff’s time spent on RTA matters. An analysis was performed looking at what percentage of time the management fee represented of the total wages of specific Nashville MTA departmental staff that spend time on RTA business. FY2015 through FY2017 management fees represented approximately 17.6%, 18.2%, and 17.1%, respectively, of total wages incurred by Nashville MTA departments identified that spend time on RTA business. The budget year of 2018 represented approximately 15.7% of staff time dedicated to RTA business while the FY2019 budget year reflects approximately 15.5%. Although this may seem out of proportion with the overall size of RTA operations compared to the combined Nashville MTA/RTA system (RTA carrying 6.4% of combined riders, and expending approximately 10.6% of the combined agency operating budgets), the overwhelming majority of the Nashville MTA’s expenses are incurred in the direct operation of transit service, and the level of administrative support for RTA is actually quite high.

The following list, while not exhaustive, gives a good representation of the functions and tasks being performed for RTA by Nashville MTA staff.

Customer Relations
- Call center for customer inquiries
- Customer counter ticket sales
- Bulk ticket sales online and phone orders
- Manage Emergency Ride Home Program

Other
- Management of consignment sales
- Management of State EasyRide card program
- Maintain phone systems for call center
Facilities and Development/Engineering
- Use of bus bays downtown for regional buses
- Construction management and design support
- Leasing of stations for special events
- Acquire property for stations and Park & Ride lots
- Develop specifications for procured equipment
- Provide office space, office equipment, and computer network support
- Oversee maintenance of rail stations
- Oversee maintenance of Park & Ride lots

Financial
- Annual financial audit report
- Produce monthly financial statements
- Develop annual operating budgets
- Management of regional partner bus reserves
- Accounts payable
- Cash management
- Negotiations for banking line of credit
- Regular banking relationships
- Maintain accounting general ledgers
- Collect and account for passenger fares
- Invoicing and collection of ticket sales
- Required annual reporting to various government agencies
- Manage and complete audit finding action plans to avoid repeat findings
- Monitor and spot check train parts inventory
- Audits for train tickets sold
- Support State Comptroller audits

Planning, Grants and Scheduling
- Monitor and manage the Transportation Improvement Plan (TIP) submission to Metropolitan Planning Organization (MPO)
- Grant applications
- Grant revisions and amendments
- Grant compliance
- Quarterly grant reporting to Federal Transit Administration (FTA)
- Quarterly meetings with system oversight
- Public hearings on schedule or fare changes
- Service planning for regional bus service and rail service
- Management and monitoring all routes for schedule adherence
- Route adjustments due to change in Park & Ride lot locations
- Title VI plan, compliance, and monitoring
- Develop FTA-required Transit Asset Management Plan
- Represent RTA in MPO Technical Coordinating Committee and Policy Board meetings
- Coordinate and work with MPO and regional partners on annual federal funding allocations
- National Transit Data base (NTD) monthly and annual reporting to FTA
- Meet with businesses, municipalities, stakeholders regarding service requests
- Conduct regional studies – Northwest Corridor, Regional Park & Ride, Regional Strategic Plan (nMotion)

Operations and Safety
- Manage and monitor Gray Line buses
- Manage and monitor commuter rail services
- Manage third-party quality control contractor
- Maintain fare box and ticket vending machines
- Have supervisors at Riverfront Station for schedule adherence of train and to address customer questions
- Have supervisors at downtown intermodal facility for schedule adherence and to answer customer questions
- Provide all radio communications
- Participate in Federal (FRA) Rail audits
- Support State track inspection audits
- Procure annual insurance policies for liability, property damage, and director and officers
- Coordinate with third-party administrator for any accidents or injuries
- Reconcile monthly regional bus invoices to scheduled service and charge liquidated damage for schedule adherence failures
- Manage security at Riverfront Station and our downtown transfer facility
- Inspect third-party vehicles and rail equipment and vehicles and review maintenance records

Marketing
- Website development and management
- Create route schedules
- Manage and promote special events
- Manage advertising
- Production of brochures and system maps
- Social media
- Public information
- Media relations
- Public records requests
- Marketing promotions
- Printing and distributing of route schedules
Executive
- Website development and management
- Budget presentations to Nashville Mayor and Metro Council
- Public hearings
- Develop and manage capital budgets
- Capital project oversight
- Short-term and long-term planning
- Quarterly Nashville & Eastern Rail Authority Board meeting coordination
- Cheatham County Rail Authority coordination
- Transit-Oriented Development discussions

While this is not a completely exhaustive list of duties and responsibilities, it demonstrates the value RTA receives for the management services provided by Nashville MTA staff. If you look at total budgeted general and administrative costs for RTA including the management fee and other administrative expenses (i.e. audit expense, legal expense, etc.), it totals approximately $1.6 million, or 15.8%, of RTA’s total budgeted operating costs. In an effort to assess “reasonability” of this figure, we reviewed the administrative load of peer agencies comparable to RTA using data from the National Transit Database. Identified peers were based on those agencies that:

- Operate both bus and commuter rail service;
- Are of similar scope and scale as RTA (less than $100 million annual operating budget); and,
- Contract out all (or a significant portion) of their operations.

Based on this analysis, the following RTA peers were identified, along with the percentage of budget absorbed in administrative expenses:

- Regional Transportation Authority of Middle Tennessee 15.8%
- Central Florida RTA (Orlando, FL) 19.6%
- Denton County Transportation Authority (Denton, TX) 23.3%
- Capital Metropolitan Transit District (Austin, TX) 27.9%
- North County Transit District (San Diego, CA) 28.2%
- Rio Metro Regional Transit District (Albuquerque, NM) 28.5%

COMMITTEE RECOMMENDATION

The Operations & Finance Committee recommends the Board approve the new management contract amount for Nashville MTA to manage and oversee all operations of the RTA at an annual cost of $827,400, or $68,960 per month. The contract price shall become effective July 1, 2018 and terminate June 30, 2021.

Approved:

____________________________  ________________________
Secretary                              Date

September 27, 2018
BACKGROUND

The Nashville Metropolitan Transit Authority (Nashville MTA) has the authority to receive federal, state, and local financial assistance for transportation projects.

In order for Nashville MTA to apply and receive federal funds, Nashville MTA must comply with Federal Certifications and Assurances and annually submit compliance in accordance to these terms.

Federal Transit Administration (FTA) formula funding sources are as follows:

**5307 Urbanized Area Formula Funds**
When the apportionment is made available, Nashville MTA is eligible to use 5307 Urbanized Area Formula Funds, along with the 10% State and 10% Local match. The FY2018 apportionment for the region, combined with the State and Local match, is $28,630,584.

**5339 Bus and Bus Facilities Formula Funds**
Nashville MTA is eligible to use Bus and Bus Facilities Formula Funds. The FY2018 apportionment for the Nashville Urbanized Area, combined with State and Local match, is $2,161,193 (80% Federal/10% State/10% Local).

**5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program (EMSID) Funds**
Nashville MTA is eligible to receive EMSID funds for projects that will enhance mobility for seniors and persons with disabilities beyond traditional services that are part of a locally developed and coordinated public transit human services transportation plan. At least 55% of the program funds must be used on capital projects and require a 20% State/Local match; operating assistance requires a 50% State/Local match. The FY2018 Federal apportionment is $760,654 (Federal amount).

The Tennessee Department of Transportation (TDOT) funding sources are as follows:

**Operating Assistance**
Nashville MTA is eligible for State operating assistance from TDOT. The amount for FY2019 is $4,904,300.

**Match Assistance**
Nashville MTA can request a 10% match from TDOT for all federally executed awards for formula funding of capital or planning projects.

**IMPROVE Act Assistance**
Nashville MTA can request up to $3 million (requires a 25% match) for capital projects that support public transportation services.
COMMITTEE RECOMMENDATION

The attached resolution comprises the annual submittal of Certifications and Assurances for FTA funds and authorization to submit applications for grants with the FTA, the TDOT, and other grant funding entities.

The Operations & Finance Committee recommends to the Board:
- Adopting the attached resolution;
- Authorizing the application for 5307, 5339, and 5310 funding and State/Local match;
- Authorizing the submittal of application for State Operating Assistance; and,
- Authorizing the submittal of applications and execution of contracts for any other federal, state, or local grant funding that may become available during FY2019 for the benefit of Nashville MTA.

Approved: September 27, 2018

______________________________  ________________________________
Secretary                           Date
RESOLUTION #19-01

A RESOLUTION AUTHORIZING THE FILING OF APPLICATIONS WITH THE FEDERAL TRANSIT ADMINISTRATION AND THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR FINANCIAL ASSISTANCE

WHEREAS, the Metropolitan Transit Authority of Nashville and Davidson County is filing applications for funds with the Federal Transit Administration, the Tennessee Department of Transportation, and other grant contracting entities; and,

WHEREAS, the Federal Transit Administration is authorized to make grants for mass transportation projects under the Urban Mass Transportation Act of 1964, as amended; and,

WHEREAS, it is required by the United States Department Transportation that in conjunction with the filing of these applications that the applicant agree to comply with all Federal legislation, regulations, and guidance pertaining to the requested financial assistance; and,

WHEREAS, that since 1995, the Federal Transit Administration has consolidated Annual Certifications and Assurances and requires applicants to annually submit to compliance with said Certifications and Assurances;

NOW, THEREFORE, BE IT RESOLVED BY THE METROPOLITAN TRANSIT AUTHORITY OF NASHVILLE AND DAVIDSON COUNTY

SECTION 1: That the Chief Executive Officer of the Metropolitan Transit Authority is authorized to execute and file applications on behalf of the Metropolitan Transit Authority of the Metropolitan Government of Nashville and Davidson County with the Federal Transit Administration, the Tennessee Department of Transportation, and other grant contracting entities to aid in the financial assistance of capital projects and operations.

SECTION 2: That the Chief Executive Officer of the Metropolitan Transit Authority is authorized to execute and file with such applications an assurance or any other document required by the Federal Transit Administration, the Tennessee Department of Transportation, and other grant contracting entities effectuating the purposes of these grants.

SECTION 3: That the Chief Executive Officer of the Metropolitan Transit Authority is authorized to furnish such additional information as the Federal Transit Administration, the Tennessee Department of Transportation, and other grant contracting entities may require in connection with the applications or the projects.

SECTION 4: That the Chief Executive Officer of the Metropolitan Transit Authority is authorized to execute an agreement on behalf of the Metropolitan Transit Authority of Nashville and Davidson County with the Federal Transit Administration, the Tennessee...
Department of Transportation, and other grant contracting entities to aid in funding of Metropolitan Transit Authority projects.

**ATTEST:**

_________________________  _____________________________
Margaret Behm    Stephen G. Bland
Secretary     Chief Executive Officer

______________  ______________
Date      Date
BACKGROUND

Trapeze Group enterprise software and hardware products are used by WeGo Public Transit for a variety of operations, including route scheduling, fixed-route operations, Access, payroll, real-time information, call center operations, and customer information. Each year, Trapeze Group provides notice of its warranty and maintenance fees for the various products the company provides.

In October 2017, the Nashville Metropolitan Transit Authority (Nashville MTA) Board of Directors approved sole source support/warranty and maintenance expenses for Trapeze software products for the FY2018 operational budget in the amount of $699,272. For FY2019, the sole source support/warranty and maintenance expenses for the same level of support provided by Trapeze Group total $730,000.

In addition, future software and hardware purchases are required to maintain and improve WeGo services. These capital and/or operational expenses have been calculated not to exceed $700,000. Future software and hardware enhancements include, but are not limited to, Trip Broker ($300,000); custom interfaces for third-party service providers ($50,000); Transit Signal Operational improvements ($100,000); transfer Computer Aided Device/Automatic Vehicle Location (CAD/AVL) hardware to new vehicles ($100,000); ViewPoint Business Intelligence for analytical reporting; and software enhancements, such as payroll, support/maintenance and replacement parts. These software and hardware purchases would be made based on available funds.

COMMITTEE RECOMMENDATION

The Operations & Finance Committee requests that the Board approve to enter into a sole source support/warranty and maintenance agreement in order to maintain the level of maintenance support under Information Technology operations, we request for $730,000 with an additional not to exceed amount of $700,000 for future enhancements for a total of $1.43 million.

Approved:

_____________________________  ______________________________
Secretary                                      Date

NASHVILLE METROPOLITAN TRANSIT AUTHORITY
OF NASHVILLE AND DAVIDSON COUNTY, TENNESSEE
BOARD ACTION ITEM
BACKGROUND

In June 2018, the Nashville Metropolitan Transit Authority (Nashville MTA) Board approved the FY2019 Operating Budget that was contingent upon receiving anticipated Congestion Mitigation and Air Quality (CMAQ) grant awards related to our West End corridor and Madison Express services. While the CMAQ funding was ultimately not awarded to WeGo, some one-time alternative funding for FY2019 was identified and is reflected in the attached updated FY2019 budget. We have also revisited our assumptions for advertising revenues based upon numerous discussions with the Board and have adjusted advertising revenues to reflect a more realistic target.

The overall proposed operating budget as compared to last year is still projected to increase approximately $2.7 million, or 3.3%, to $84.3 million in FY2019 from $81.7 million in the FY2018 budget. The following summary highlights the changes and adjustments in revenues compared to the approved FY2019 operating budget:

- Decrease in Advertising Revenue: $(208,045)
- Decrease in CMAQ and JARC: $(1,847,570)
- Additional Federal Reimbursements: $2,055,615
- Total Revenue Change: $0

- This decrease in advertising to a total of $1 million represents estimates based upon existing business currently under contract as well as discussions with our third-party contractor. This projection is based on the Board’s directive regarding our approach to advertising/branding whereby, there is no advertising on new WeGo buses and a reduction in total wrap advertising.

- The decrease in CMAQ grant funding is based on our request for a renewal of CMAQ grant dollars being denied for a new three-year period. This funding had been for use on the West End corridor and Madison Express route (Routes 3/5 as well as the Route 36X Madison Express service in its entirety), which dated back to 2012 when this funding was identified to increase service. The $427,350 reflected on the budget for FY2019 represents CMAQ funding that is left over from past grant awards that will be used up during the new budget year. We have identified a one-time award of some Surface Transportation Block Grant (STBG) funding for FY2019, which is reflected through additional federal funding that will be utilized through our preventive maintenance reimbursement funding as explained in the next bullet.

- The anticipated increase in federal operating reimbursements is based upon an estimate of preventive maintenance and paratransit operating expenses eligible for reimbursement. Federal capital grant dollars are eligible to be converted into operating revenue dollars to reimburse preventive maintenance expenses. Due to the reduction in CMAQ funding as explained above, the estimated reimbursement for preventive maintenance and ADA paratransit expenses reimbursements has increased approximately $2.1 million and will be funded through the one-time STBG grant previously mentioned. With a new emphasis on
preventive maintenance, we will have additional expenses eligible to be reimbursed through both our capital grant federal 5307 funding and the one-time STBG award. The balance of the remaining federal 5307 capital formula funds after the operating reimbursement will be utilized for capital purposes.

COMMITTEE RECOMMENDATION

The New Initiatives & Community Engagement Committee recommends the Board adopt the amended annual budgeted revenue totals for advertising, CMAQ and federal reimbursements as explained above for the FY2019 budget.

Approved:

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SECRETARY

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DATE

September 27, 2018