



Minutes

NASHVILLE METROPOLITAN TRANSIT AUTHORITY

BOARD OF DIRECTORS MEETING

June 23, 2016

- I. **CALL TO ORDER:** The regular meeting of the Nashville Metropolitan Transit Authority Board of Directors was held in the Music City Central (MCC) Meeting Room, 400 Charlotte Avenue, Nashville, Tennessee on May 19, 2016. Present were: Marian Ott, Chair; Gail Carr Williams, Member; Walter Searcy, Member; Secretary Margaret Behm, and CEO Stephen G. Bland. A quorum was established and Chair Ott called the meeting to order at 3:06 p.m.
- II. **APPROVAL OF MINUTES:** Proper motion was made to approve the minutes of the May 19, 2016 Board of Directors meeting. There were no additions or corrections, and the vote of approval was unanimous.
- III. **PUBLIC COMMENTS:** Chair Ott opened the floor for public comments. The public was reminded that comments are limited to three minutes.

Margo Chambers of Nashville had these comments:

- Ms. Chambers asked if the Nashville MTA (MTA) financials are GASB compliant.
- Regarding Federal Transit Administration (FTA) and Title VI compliance, she asks that the Davidson Transit Organization hold annual meetings and advertise this to the public.
- She asks that the StrIDe program be in compliance with the FTA programs so that we ensure equal access.
- The Board of Education has their own transportation budget and their own fleet and it seems like there is duplicate costs with MTA transporting students.
- Regarding the Chamber of Commerce and Moving Forward, it omits asking riders what they need - please engage potential or likely riders.
- The Mayor's Caucus is not compliant with the Tennessee Sunshine Laws, so if MTA works with them, please urge them to be in compliance with that.
- She requests that MTA Board members have term limits and a rotation so it is staggered.
- Regarding the new bus drivers, she suggests that MTA looks to Jefferson Street churches and festivals to get new drivers.
- Regarding the bus shelters, please look at Charlotte Avenue, especially in-bound in front of the Richland Park Library regarding multiple shelters in the same block.
- The Hillsboro Route bus often parks on Abbott Martin in front of Kroger blocking traffic.

Chair Ott thanked Ms. Chambers for her comments. Ms. Ott further commented that the Nashville MTA is very compliant with all appropriate accounting rules which she does believe includes GASB and for over 17 years Nashville MTA has always had a clean audit (unqualified opinion). She does not want there to be any sense out there that Nashville MTA does not have clean and appropriate financials.

There were no other public comments and the time for public comments closed.

- IV. PERFORMANCE & OVERSIGHT COMMITTEE REPORT:** Chair Gail Carr Williams reported the committee heard from Chief Financial Officer Ed Oliphant and we will end the year with a balanced budget.

Chair Williams then presented the following action items:

- a. CONSTRUCTION, ENGINEERING, & INSPECTION SERVICES FOR TIGER V (A-16-011):** The Nashville MTA was awarded a \$10 million Transportation Investment Generating Economic Recovery (TIGER) V Discretionary Grant from the US Department of Transportation (USDOT) administered through the Federal Transit Administration (FTA) for the implementation of the Transit Signal Priority (TSP) project. The TIGER V grant program enables the USDOT to invest in critical national objectives for transportation infrastructure. The program has five long-term outcomes: safety, economic competitiveness, state of good repair, livability, and environmental sustainability.

A request for qualifications solicitation was released April 12, 2016 for Pre-Construction Management Support and Construction, Engineering and Inspection Services for Implementation of TSP on the Murfreesboro Pike Corridor.

The professional firm selected from this solicitation is expected to play a key role throughout the pre and post design phases of the TIGER V project, as well as the entire construction phase.

An evaluation team was established that included both Nashville MTA and Metro Public Works employees. The criteria used in the evaluation process included the following:

1. Experience, project team, and references
2. Understanding of the solicitation
3. Understanding of the FTA requirements
4. Ability to meet scope of services, general terms and conditions, and federal clauses

Five (5) Statements of Qualifications were received and evaluated as being responsive and responsible according to the evaluation criteria set forth in the solicitation document.

Based on the results of the comprehensive solicitation and evaluation process, it is the recommendation of the Performance and Oversight Committee that the Board

authorize the Chief Executive Officer to enter into a contract with WSP | Parsons Brinckerhoff for an initial term of two years, with an option to extend for six additional months at a not to exceed amount of \$1,100,000. This project will be funded through the Tiger V Grant.

The committee recommendation stands as a seconded motion. Chair Ott called for discussion. Member Walter Searcy stated that the language seems to suggest that the six additional months is for an amount not to exceed \$1.1 million; or, are we talking about the entire contract? Is that language referencing the entire two year agreement or the extension?

It was clarified that the entire agreement will not exceed \$1.1 million including a six month extension. There was no further conversation and the contract was approved unanimously.

- b. **MTA-RTA CONTRACT STATE EASYRIDE SERVICES (A-16-012)**: For several years, Nashville MTA (MTA) along with RTA have participated in the EasyRide program with the State of Tennessee where both agencies provide transit rides to State employees and the State reimburses both MTA and RTA on a cost per ride basis. MTA has been the principle in this contract with the State of Tennessee, and RTA's portion of the rides provided is passed through via a separate agreement with RTA. In April 2016, the State agreed to, and the MTA Board approved, a new contract with MTA for the State EasyRide Program for July 1, 2016 through June 30, 2017 at a cost per ride set at a weighted average of \$2.50 per ride, and a total contract not to exceed \$1.75 million.

An analysis of state employee ridership for both MTA and RTA services was performed, and it affirmed an effective rate of \$3.15 per ride should be passed through to RTA from MTA since RTA's fares for regional bus service and train service are proportionately higher than MTA's fare. This is the same rate that was used in FY16.

Based upon the explanation above, the Performance and Oversight Committee recommends to the Board their approval for MTA to enter into a contract with RTA that calls for MTA to reimburse RTA for Easy Ride trips provided to State employees participating in the EasyRide program at a rate of \$3.15 per ride for a period of one year, beginning July 1, 2016 through June 30, 2017.

The committee recommendation stands as a seconded motion. Chair Ott called for discussion and there was none. The contract was approved unanimously.

- c. **MTA-RTA CONTRACT RENEWAL FOR REGIONAL TRANSIT SERVICES (A-16-013)**: Nashville MTA (MTA) and the Regional Transportation Authority (RTA) have established a positive and equitable working relationship over the years on regional transit programs.

Each year RTA contracts with MTA to provide regional transit services for 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. RTA desires to renew these contracts for the period

of July 1, 2016 through June 30, 2017. Since there are different funding sources for the regional bus services versus the connecting bus services, two separate contracts are required.

Contract #1— Under the first contract, which is for the regional bus service between Davidson and Rutherford Counties Routes 84X, 86X, and 96X, RTA will pay MTA for up to 58.2 hours of daily service at a rate of \$103.18 per hour, or an amount not to exceed \$1,525,290.00 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 MTA's proposed increase in the hourly rate from \$100.17 to \$103.18 per hour.

Contract #2 — Under the new contract for connecting bus services for the Davidson County service, RTA will pay MTA for 6.67 hours of daily service at a rate of \$103.18 per hour, or \$174,800, covering the 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 MTA's proposed increase in the hourly rate from \$100.17 to \$103.18 per hour.

A fuel escalator clause will again be included in all the new contracts to protect MTA should the average fuel prices escalate above \$1.50 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 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 since MTA has hedged approximately 72% of projected diesel fuel consumption at a contract price of around \$1.25 per gallon.

It is the recommendation of the Performance and Oversight Committee that we enter into contract #1 for regional bus services for a not-to-exceed amount of \$1,525,290 for regional bus service; and contract #2 for an amount of \$174,800 for connecting buses supporting commuter rail. Both contracts include a 3% increase from last year and a fuel escalator clause.

The committee recommendation stands as a seconded motion. Chair Ott called for discussion and there was none. The contract was approved unanimously.

- d. **MTA-RTA MANAGEMENT CONTRACT RENEWAL (A-16-014)**: The Regional Transportation Authority (RTA) is currently operating under a management contract with Nashville MTA (MTA) in which MTA provides management services overseeing all operations of RTA. The current five-year contract was approved by the MTA Board in 2011 and is due to expire June 30, 2016. The contractual arrangement has served RTA well since MTA began managing RTA in December 2008. The current annual contract value is \$780,000. MTA has proposed a new five year contract to begin July 1, 2016 to run through June 30, 2021. The new contract would remain consistent with the terms of the expiring contract with a proposed 3% increase for a total annual contract of \$803,400 which has been included in the proposed FY 2017 budget. The contract terms include a provision that allows for the compensation to be adjusted as necessary beginning July 1, 2017 and each year thereafter for the life of

the contract by mutual agreement of both parties. There is also a termination clause in the contract that allows either party to terminate the contract for any reason at any time with a 30-day written notice to the other party.

It is the recommendation of the Performance and Oversight Committee that we enter into a new five-year contract for MTA to manage and oversee all operations of the RTA at an annual cost of \$803,400. The contract shall become effective July 1, 2016 and terminate June 30, 2021. The compensation under the contract may be adjusted as necessary beginning July 1, 2017 and each year thereafter for the life of the contract by mutual agreement of both parties. There is also a termination clause in the contract that allows either party to terminate the contract for any reason at any time with a 30-day written notice to the other party.

The committee recommendation stands as a seconded motion. Chair Ott called for any discussion and there was none. The contract was approved unanimously.

- e. **LIABILITY INSURANCE RENEWAL (A-16-015):** Every year, MTA's insurance broker shops the insurance market for renewal of MTA's \$3 million liability policy with a \$100,000 deductible per occurrence. Inquiries were made of several different insurance companies, and we received two quotes for the upcoming policy year effective July 1, 2016 – June 30, 2017.

The first one is from our current carrier, National Interstate (Nat. Int.). The second one is from RLI Insurance (RLI) who has provided services to MTA in the past. RLI is the best fit for our needs this year. One of the biggest differences with them is that with RLI there is a third party that processes the claims which is a local company and that makes the process more seamless for staff. Also, National required a \$100,000 payment that had to be paid up front and RLI did not.

Based on the analysis above, the Performance and Oversight Committee recommends the Board authorize the CEO to enter into a contract with RLI Insurance for our liability coverage for the period effective July 1, 2016 to June 30, 2017 for \$3 million in coverage with a \$100,000 deductible for a premium of approximately \$686,054.

The committee recommendation stands as a seconded motion. Chair Ott called for discussion. Member Searcy asked if we are self-insured for the \$100,000 deductible and he was answered that we are. There was no further discussion and the vote of approval was unanimous.

- f. **STRIDE MEMORANDUM OF UNDERSTANDING PROGRAM YEAR (2016-17):** The StrIDE program has been a successful partnership formed in fall 2014 between Metropolitan Nashville Public Schools (MNPS) and Nashville MTA (MTA) with the support of the Nashville Mayor's Office, Metropolitan Council, and the Mayor's Youth Council. It was created to offer and expand year-round transit to all MNPS high school students traveling to and from school as well as provide opportunities for participation in after-school activities, access to employment, and the ability to explore other events perhaps not possible in the past due to either unreliable or unaffordable mobility options. In the 2015-16 school year, this program added MNPS middle school students grades five through eight who attend an out-of-zone school not served

by a yellow school bus and have been given permission by a parent or guardian to participate in the program.

This year-round program provides access to transit to nearly 24,000 registered high school-age student riders and more than 1,800 middle school enrollees. For the period of August 2015 through May 2016, we provided 1,069,017 rides in the program, an increase of approximately 16% more than the same period last year.

The 2015-16 budget for the program was funded at \$750,000 through the MNPS budget, of which is estimated to be approximately \$325,000 less than the revenues anticipated in our FY16 budget. We talked about that gap and staff has talked about finding different ways to make that gap work better for us.

Even though we know that we have this gap, the Performance and Oversight Committee would like to continue with this program and recommends to the Board approval of a Memorandum of Understanding between the MTA and the Metropolitan Board of Public Education for the purposes of transportation of services for registered MNPS high school students in grades nine through 12, and MNPS middle school students in grades five through eight who qualify. Cost of StrIDe card cardstock will be covered by MNPS. The contract will remain in effect through July 31, 2017 at a reimbursement rate of 90 cents per trip to the MTA. Staff will continue to update the board on progress towards identifying the revenue gap.

The committee recommendation stands as a seconded motion. Chair Ott called for discussion and there was none. The vote of approval was unanimous.

- V. **PLANNING COMMITTEE:** Chair Lewis Lavine reported that the committee heard a report on nMotion. He noted that we had a goal of reaching 10,000 people and we have almost heard from 18,000 and that number continues to grow. The Board will probably take some action in August on a draft plan which will be followed by opportunity for more public comment.

Chair Lavine then presented the following action items:

- a. **FY 2017 BUDGET ADOPTION (A-16-017):** Chair Lavine reported that the overall operating budget as compared to last year contains an increase of \$3.1 million, or 4.2%, to \$76.7 million in FY 2017. He added that within the action item it states that the Metro Council is set to adopt this budget. Since the action item was printed, the Metro Council did meet and did adopt the budget.

The Planning Committee recommends to the Board the adoption of the FY 2017 budget as presented. The committee recommendation stands as a seconded motion. Chair Ott called for discussion and there was none. The vote of approval was unanimous.

- b. **CHANGE ORDER TO STRATEGIC PLAN CONTACT WITH NELSON NYGARRD (A-16-018):** The nMotion Transit Strategic Plan process kicked-off in the spring of 2015 with a focus on developing a comprehensive transit system to meet the needs and demands of Nashville and regional residents' needs through the year 2040. The work

during the past year by Nashville MTA (MTA) and primary nMotion consultant, Nelson/Nygaard Consulting Associates, has been extensive requiring development of several technical and informational pieces and involving communication with thousands of people and hundreds of groups and organizations. Additionally, there has been widespread media coverage for the plan process generating increased interest and focus on transit options. To ensure a successful plan, a more extensive and robust effort has been identified with an emphasis around public outreach.

To assist us in those public outreach efforts, MTA initially entered into a Memorandum of Understanding (MOU) with the Metro Planning Department to use the services of its public relations firm McNeely Pigott and Fox (MP&F), which was supporting Metro Planning during the NashvilleNext process. However, Metro Planning's contract with MP&F is due to expire on June 20, 2016 and more outreach work still remains to be accomplished in order to successfully complete the nMotion strategic plan.

We are in the process of wrapping up public outreach for the scenario phase and continue to review and technically evaluate the scenario feedback to develop plan recommendations. In order to continue the work remaining, we would like to add additional funds to the Nelson/Nygaard contract to allow Nelson/Nygaard to bring MP&F under its master contract as a subcontractor under the engagement portion of the plan process.

The cost associated with extending the outreach and technical work through November 2016 will be \$171,000. This will allow for completion of scenario analysis and recommendations, including highly graphical documents presenting the recommendations for public consumption, and analysis of impacts and benefits from the recommendations. It will also include outreach activities associated with the release and promotion of the recommendations, including but not limited to public meetings, social media interaction, and project website maintenance, information dissemination to the public and media, and briefings to elected officials, key stakeholders and partners.

The Planning Committee recommends to the Board approval for MTA to complete a change order to the nMotion Transit Strategic Plan contract with Nelson/Nygaard to add additional funds for technical and outreach activities to complete the plan, including adding McNeely Pigott & Fox Public Relations as a subcontractor for public outreach at a not to exceed amount of \$171,000. The funds for this addition to the contract will come from FY 2013 Metro grant funds.

The committee recommendation stands as a seconded motion. Chair Ott called for any discussion. It was clarified that the \$171,000 was for the continued sub-contractor work with MP&F and it also allows for additional technical work by Nelson/Nygaard. There was no further discussion and the vote of approval was unanimous.

- VI. STAKEHOLDER RELATIONS COMMITTEE:** Chair Miller reported that the committee had no action items for the month and the key discussion was around the Chamber's moving forward plan that was issued yesterday. It is highly collaborative; Steve and staff have been very involved in supplying the Chamber with a great deal of data. This is a

collaborative effort that is going to build on plans rather than have competing plans. The Chambers number one recommendation was scenario #1 which is what the majority of the stake holders with whom we have spoken are recommending. The need is urgent that the City of Nashville comes up with a downtown access and mobility plan; without that, nothing will function. Their next step will be to analyze potential funding sources.

As Walter (Searcy) brought up earlier today, we need to encourage all of the planning groups to remember that critical to these plans is the current customer base and we do not want to overlook that. Nashville MTA's plan has been really focused on that, but this is something that is great to push out to other stakeholders as well.

VII. CHAIR'S REPORT: Chair Marian Ott noted with the beginning of a new fiscal year, it is always a good time to reflect on the last year, much as we would do on New Year's Day. This is an exciting time for Nashville MTA.

We have met and exceeded every benchmark for public engagement in the development of our strategic plan. This next year is going to be really exciting as we unveil the plan, give final approval, and start to work on it. With that, it is also important that we maintain and constantly try to improve the professionalism and the quality of the service that we put out.

Reflecting on our last year, it is exciting to say that we now have a transit app. We went out of our model of how we do BRT lite and did it a little bit differently on Nolensville Road. It is good that we are learning, thinking, and trying new things. Today's agenda is particularly gratifying as we begin to see the fruits of our substantial investment and multi-year trial and effort of getting the Automated Vehicle Locator (AVL) installed. We are starting to see the importance of this technology and what it is going to do for us. In addition to enabling us to have a transit app, which is what the customer sees, the customer is also going to see an improvement in on-time performance as our staff is better able to understand where the issues are and can make improvements that are target-specific.

This has been an exciting year. With the budget we just approved, next year will be good as we will continue to be innovative in our current service while we set the stage and work on the future.

VIII. CEO'S REPORT: CEO Steve Bland reported the following:

- Complete Streets – Mayor Barry has signed an executive order requiring that the principles of Complete Streets be incorporated into future Metro transportation projects. Complete Streets is the idea that streets have to work for more than just cars. They have to take into account pedestrians, transit users, bicyclists, and what Mayor Barry calls 8 – 80. If you are 8 years old or 80 years old, in a wheel chair or a marathon runner, you should be able to have equal opportunity in our physical infrastructure. That is going to be extremely important in our planning as we move forward with the main gist that if you are designing a project, there has to be an accounting for these considerations. There will be exceptions where it can't all be done, but it has to be considered.
- Thompson Road Connector Service – We will be submitting a grant under the FTA mobility on demand program to try to accelerate that.

- Metro Council Budget – The Council adopted an operating budget for the upcoming year as well as a capital spending plan. In addition to the operating budget, the capital spending plan for Nashville MTA was approved in the amount of \$20 million. That will allow us to advance the new fare collection system.
- Metro’s Management Institute Training Program – We are always pleased when our staff completes additional professional development and we congratulate Amer Mohammed, Rob McElhaney, Tanesha Simmons, and GG Stanford who completed this program this last month.
- Legislative Actions – The Bus on Shoulder legislation was signed last month and the mass transit Public Private Partnership legislation conversation has started.
- Federal Transit Administration (FTA) Quarterly Update – FTA Regional Administrator Yvette Taylor conducted the quarterly update and the primary topic of conversation was the Murfreesboro Road signal and corridor project with Tiger funds. They are pleased with our progress to date on that project.
- Triennial Review – Conducted by an FTA contractor, this was a full blown review to assure our compliance with all of the federal requirements. Our Capital Grants Administrator Billy Higgins did incredible work on this over several months collecting information, sending documents, and responding to questions.
- Envision Nolensville Project – We were pleased to be one of the partners in that project. Part of the focus was the pedestrian environment and a large piece of that was the transit user environment. As luck would have it, our project schedule for the Nolensville Lite physical infrastructure coincides with the end of that project, so we are trying to incorporate as many of their findings as we can.
- Metro’s Youth Summer Internship Program – We were pleased to participate in the summer intern program sponsored by the Nashville Career Advancement Center. We had four summer interns work with us who are were really tremendous folks with bright futures. Our interns worked in our Procurement Department, Human Resources Department, and our IT Department. Today we have one of those interns with us, Miracle Odom. Miracle is from Hunter Lane High School. We owe a special thanks to our Chief Administrative Officer Rita Roberts-Turner for spearheading that effort.
- Welcome Julie Navarrete – We are happy to have on board with us our new Chief Development Officer Julie Navarrete who now completes our team.

IX. Other Business: There was no other business to come before the Board today.

X. Adjournment: The meeting was adjourned at 3:47 p.m.