

Board Meeting Agenda



Nashville MTA Board Meeting
Music City Central Meeting Room
400 Charlotte Ave., Nashville, TN 37219

2:30 p.m., Thursday, February 23, 2017

Gail Carr Williams, Chair
Lewis Lavine, Vice Chair

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1. Call to Order
 2. Approval of January 26, 2017 Minutes
 3. Public Comments*
 4. Committee Reports
 - a. Operations & Finance Committee – Walter Searcy, Chair
 - i. Short-term Borrowing A-17-002
 - ii. Articulated Hybrid Diesel-Electric Bus Purchase A-17-003
 - b. New Initiatives & Community Engagement Committee – Janet Miller, Chair
 - i. Spring 2017 Major Service Changes & Title VI Analysis A-17-004
 5. Chair's Report
 6. Chief Executive Officer's Report
 7. Other Business
 8. Adjourn
-

Notes:

** Please keep all public comments to the Board within three minutes. Thank you.*



Minutes

NASHVILLE METROPOLITAN TRANSIT AUTHORITY

BOARD OF DIRECTORS MEETING

January 26, 2017

- I. **CALL TO ORDER:** The regular meeting of the Nashville Metropolitan Transit Authority (MTA) Board of Directors was held in the Music City Central (MCC) Meeting Room, 400 Charlotte Avenue, Nashville, Tennessee on January 26, 2017. Present were: Gail Carr Williams, Chair; Lewis Lavine, Vice Chair; Janet Miller, Member; Walter Searcy, Member; Secretary Margaret Behm, and CEO Stephen G. Bland. A quorum was established and Chair Williams called the meeting to order at 3:13 p.m.
- II. **APPROVAL OF MINUTES:** Proper motion was made to approve the minutes of the December 15, 2016 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 are limited to three minutes. The following members of the public had these comments:
- Peter O'Connor of Nashville:
- He appreciates the extended hours for Customer Service, but still wants to see the Customer Service Center open from the time the first bus leaves out until the last bus comes back.
 - He seeks the Board's support in asking Public Works to address the need for a crosswalk at Tanglewood Court and Harding Place.
 - Drivers creeping along near a stop create motion sickness for some passengers.
 - The NES stop needs to be reinstated.
- Rachel Gizzard with Music City Riders:
- The NES stop needs to be reinstated.
 - She asks for safety devices to lock into place shopping carts and strollers on buses.
- James Thomas of Nashville:
- Reported on-time performance issues on various routes
 - Reported observations of drivers not being as courteous as he thinks they should be to some passengers.
- Kutonia Smith-Bond of Nashville:
- The NES stop needs to be reinstated.
 - She appreciates the bathroom renovations.

Angelique Johnson of Music City Riders:

- Presented a petition with signatures of riders asking for the NES stop to be reinstated.

Gloria Gillespie of Nashville:

- Passengers stand near the front next to the driver and block the view making it difficult to see the stops.

John Bull of Nashville:

- He appreciates the expansion of the customer service hours.
- Glad to see the zero defects initiative is on the list.

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

IV. OPERATIONS & FINANCE COMMITTEE REPORT: Committee Chair Walter Searcy reported that the committee had no items of action for the Board to consider at this meeting.

V. NEW INITIATIVES & COMMUNITY ENGAGEMENT COMMITTEE: Chair Janet Miller reported that the committee discussed the proposed spring 2017 service change process. There are two routes being considered – the new 77 Thompson Connector and added service to the 56 Gallatin BRT lite. Public meetings are scheduled for the discussion of these changes. Feedback from these meetings will be brought back to the Board for consideration.

The committee also discussed the upcoming budget that will go to the Mayor's Office and then to the Metro Council over the next few months. This year the Board believes it is time to step out and start doing the work to help get the nMotion plan implemented.

During the meeting, the committee went through every line item and came up with a plan for submission which includes drafting a letter to submit along with the budget explaining their philosophy of submitting a four-tier budget.

Tier 1 would be a full continuation budget sustains the status quo and would require about a \$2 million increase over this year's budget. Tier 2 would include those items deemed most urgent and important. It would include eliminating transfer fees, completion of the fare system, increasing operating hours, and rebranding along with other items.

Tier 3 would include those items that are important, but not as urgent, and can hold for another year. Included in this tier would be frequency of service, which would require more buses and drivers, and also the bus shelter project along with other items. Tier 4 would include initiatives in the nMotion plan that are urgent but will require more discussion over a longer period of time.

Member Lewis Lavine noted that the capital budget will line up within the tiers to match the operating budget. Each tier item will have what it means for the capital and what it means for the operating budget. He recommended that since staff will have to submit this before the next board meeting that they present the final proposal for sign-off to the board chair.

Committee Chair Miller added that we want to proceed with great urgency and speed, but we also don't want to move so quickly that we make critical mistakes and fail. She stated that we are trying to keep it aggressive and as fast as possible, but not make mistakes that we will have to undo over time. The Board was a consensus concerning this approach for budget submittal.

Board Chair Williams noted that this had been a good collaborative effort and was an excellent example of how boards are supposed to work and support staff; and, how staff is supposed to support a board for the public interest. She commended all involved for their efforts.

- a. **System-wide Origin-Destination Survey (A-17-001):** Under the Federal Transit Administration (FTA) Title VI Circular 4702.1B from October 1, 2012, the FTA requires that transit providers that operate 50 or more fixed-route vehicles in peak service in urbanized areas of more than 200,000 people complete a System-wide Origin Destination Survey that is consistent with current and FTA-approved on-board survey practices a minimum of every five years. This survey provides specific data pertaining to travel patterns, transit use, and socio-demographic information of transit riders, which is necessary to complete required Civil Rights Title VI Equity Analysis for proposed Major Service Changes and Fare Changes.

The survey will collect transit passenger information by route and geographical area for their complete trip including origin/destination locations, boarding/alighting locations, trip purpose, first mile/last mile travel modes, and demographic information.

A Request for Proposals (RFP) was released on November 9, 2016 to solicit proposals from consulting firms to provide a System-wide Origin-Destination Survey. Three proposals were received as being responsive and responsible according to the RFP criteria set forth in the solicitation documentation.

The Evaluation Committee determined that the proposal from Moore & Associates did not meet the full technical needs of the project scope for a system the size of MTA. ETC Institute and NuStats LLC proposals satisfactorily meet the technical needs of the scope, and the evaluation committee requested a Best and Final Offer (BAFO) from both firms. Based on the results of the technical evaluation and the BAFO, the evaluation committee found ETC Institute's proposal to best meet the needs of MTA at the lowest cost to the Authority.

MTA's capital budget provides for up to \$500,000 from 5307 Federal Grant funding to support this need. This value is adequate to fund the base contract, optional tasks, and requested contingency.

Based upon the results of the comprehensive solicitation and evaluation processes, the New Initiatives and Community Engagement Committee recommended the Board to authorize the Chief Executive Officer (CEO) the authority to approve an initial contract with ETC Institute in the amount of \$399,485 for Key Project Elements and \$39,590 for Optional Tasks. Further, the Committee recommends the Board provide the CEO the authority to approve a contract contingency not to exceed \$60,925 to provide for a potential total contract value not to exceed \$500,000.

The committee recommendation did not require a second. There was no discussion and the motion carried unanimously.

Board Chair Williams noted that although this may seem to mirror some of the work that was done in nMotion, this survey has different implications and these conversations are important to our future planning.

On another note, Committee member Lavine commented that there have been a number of individuals concerned about the elimination of the NES stop and he wanted those present to know that efforts are underway to find a solution for this and that the issue has not been forgotten.

VI. **CHAIR'S REPORT:** Chair Williams stated there is a lot of work to be done in 2017, and she thanked everyone for the work they have done in setting the direction for this year.

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

- **Governor Haslam's Transportation Funding Proposal for the 2017 Legislative Session** – In addition to overall funding mechanisms for the Tennessee Department of Transportation (as well as city and county) roads and bridges, the proposal includes authorizing legislation for local option funding sources to advance mass transit. A good bit of December and early January was spent working with a variety of groups on the makeup of this proposal.
- **Downtown Mobility Study** – We continue to work with the Public Works Department on this. This work was an nMotion recommendation, and a goal is to streamline transit service through the downtown core connecting multiple neighborhoods.
- **Short-term Borrowing Requirements** – We participated in meetings of the Full Metro Council and committees regarding this. Thanks to Ed Oliphant (CFO) and Margaret Behm (Nashville MTA Legal Counsel) for coordinating this necessary piece of legislation that will allow us to continue our longstanding practice of borrowing for cash flow purposes.
- **MCC Ladies Bathroom** – Renovation work was completed in December.
- **New Year's Eve** – Once again, we extended service hours on New Year's Eve until 1:30 a.m. and provided free service after 9 p.m. A total of 4,143 people rode service after 9 p.m., compared to 3,082 last year.
- **New Fare Collection System** – Design work continues, and we are still on target to issue this solicitation in April.
- **Murfreesboro Pike Project** – This is moving along well, and is expected to be out to bid in March. There are just a couple of right of way issues remaining.
- **Federal Transit Administration** – Our quarterly meeting was held in Nashville earlier this month. In addition to our normal project review material, we were able to convene a meeting of the FTA Regional Administrator and Nashville Mayor Megan Barry; and a meeting with various other Metro Departments to discuss the Federal process for advancing high capacity corridor projects.
- **Metro Budget Preparation** – A good bit of effort was spent this month on our Metro budget proposal which is due in early February.

- High Capacity Corridor Options – Materials have been developed to review High Capacity Corridor options in the five corridors identified in nMotion. A technical committee of several agencies has been reviewing the material for accuracy and compatibility with other efforts. We anticipate starting the public engagement portion of this effort in late February.
- Neighborhood Transit Centers – We continued meetings with Tennessee State University and the Metro Nashville School District to advance plans for possible neighborhood transit centers in North Nashville and Green Hills.
- RTA – On the RTA side, at long last we completed the funding package for the new Music City Star Station at Hamilton Springs, and we expect to begin construction this spring. The State Comptroller’s Office also kicked off their sunset audit for the RTA.

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

IX. ADJOURNMENT: The meeting was adjourned at 3:57 p.m.

NASHVILLE METROPOLITAN TRANSIT AUTHORITY

OF NASHVILLE AND DAVIDSON COUNTY, TENNESSEE

BOARD ACTION ITEM

Item Number: A-17-002

Meeting Date: 02/23/17

Item Title: SHORT TERM BORROWING

BACKGROUND

The Nashville Metropolitan Transit Authority (MTA) will once again need temporary operating fund assistance due to delays in receiving our FY2017 Section 5307 formula capital grant funding. MTA converts a portion of this appropriation from capital to operating to pay preventive maintenance and paratransit operating costs. This is similar to what has happened in previous years. Last year, MTA was authorized to borrow up to \$11.1 million through Fifth Third Bank. The Fifth Third credit facility expires April 1, 2017.

The portion of our FY2017 Federal 5307 grant appropriation budgeted to be used for MTA operations is approximately \$11.2 million. MTA's cash flow requirements anticipate needing to borrow up to \$11.2 million starting around March 15, 2017 and continuing through June 2017 or beyond, depending on the timing of the federal funding. The increase from the \$11.1 million MTA borrowed last year is due to MTA's increased budget compared to prior year resulting in additional funds being needed to cash flow the current operations. The borrowings would come in increments through June as the need dictates. The loan will be repaid incrementally as the federal funds become available. Historically, the loan has been completely repaid by December of the same year.

One new caveat has been added this year. After last year's FY 2016 loan was submitted to the Comptroller of the Treasury as required, the Comptroller communicated back that MTA must first get Metro Council approval before entering into a loan arrangement due to MTA being a component unit of Metro Government. Since the FY2016 loan had already been repaid by the time MTA was notified of this requirement, the Comptroller stated that this new requirement would go into effect for FY2017.

Resolution RS2017-511 was introduced to Metro Council authorizing MTA to obtain short-term financing in an amount not to exceed \$11.2 million. The resolution was approved January 3, 2017, and it will be included in the submission to the Comptroller's Office once the short-term borrowing has been approved by the MTA Board.

COMMITTEE RECOMMENDATION

Based on this explanation, the Operations and Finance Committee recommends to the Board to renew and increase the existing credit facility through Fifth Third Bank allowing MTA to borrow up to \$11.2 million. The term of the facility will be for one year with an interest rate of LIBOR plus 1.75% and a non-use fee of 20 basis points to be paid quarterly. The intent is to borrow up to \$11.2 million to be received as needed and to be repaid in full once federal funding is available. This will allow MTA to continue operating and allow time for the grant monies to be received.

Approved:

Secretary

February 23, 2017

Date

NASHVILLE METROPOLITAN TRANSIT AUTHORITY

OF NASHVILLE AND DAVIDSON COUNTY, TENNESSEE

BOARD ACTION ITEM

Item Number: A-17-003

Meeting Date: 02/23/17

Item Title: ARTICULATED HYBRID DIESEL-ELECTRIC BUS PURCHASE

BACKGROUND

In ongoing efforts to improve the state and condition of the Nashville MTA bus fleet, staff requests committee consideration regarding the purchase and replacement of four buses which have reached their useful life of 12 years. Due to an unexpected opening in the New Flyer bus production schedule, MTA has an opportunity to place an immediate order, therefore accelerating a portion of our projected bus replacement schedule by approximately 12 months. If approved, production for four buses is expected to be complete by fall 2017, and vehicles would be released into revenue service shortly thereafter.

The four new articulated hybrid electric 60-foot buses would replace four 40-foot buses from our current fleet. They would provide an increase in passenger capacity since they would be assigned to higher ridership routes within the existing bus network once cleared for revenue service.

MTA has a contract with New Flyer for articulated diesel-electric vehicles and is currently exercising its fifth-year option term. The contract includes the producer price index, base bus pricing, and ancillary items such as the destination sign, AVL, voice and data radio, Wi-Fi, warranty and manuals, at the cost of \$1,157,732.63 per vehicle.

COMMITTEE RECOMMENDATION

The Operations and Finance Committee recommends to the Board approval to purchase four 60-foot articulated hybrid diesel-electric vehicles for a total price not to exceed \$4,634,930.50. The funding source will be FY 2017 Metro Capital and Federal CMAQ Grant funding.

Approved:

Secretary

February 23, 2017

Date

NASHVILLE METROPOLITAN TRANSIT AUTHORITY

OF NASHVILLE AND DAVIDSON COUNTY, TENNESSEE

BOARD ACTION ITEM

Item Number: A-17-004

Meeting Date: 02/23/17

Item Title: SPRING 2017 MAJOR SERVICE CHANGES AND TITLE VI ANALYSIS

BACKGROUND

The Federal Transit Administration (FTA) requires that the Nashville Metropolitan Transit Authority (MTA) Board, through meeting minutes or resolution, demonstrates consideration, awareness, and approval of the Title VI equity analysis for any major service or fare changes. This Action Item presents the proposed major service changes for Spring 2017, a summary and the results of the Title VI equity analysis, and the associated public involvement and public comments.

Proposed Major Service Changes

The Major Service Changes thresholds that require a Title VI review are:

1. There is any change in service of 25 percent or more of the number of a transit route's revenue service miles computed on a daily basis for the day of the week for which the change is made.
2. A new transit route is established or eliminated.

The MTA proposed two Major Service Changes for Spring 2017.

- **77 Thompson Connector:** New service between the 100 Oaks area and Murfreesboro Pike that will operate as fixed-route service with three fixed stop locations and three to four flex points served only on request (via phone).

Proposed Service Hours

Monday – Friday

Every 45 minutes from 6 a.m. to 7 p.m.

Final trip at 9:30 p.m.

Saturday

Every 90 minutes from 9 a.m. to 5 p.m.

Sunday

No service

- **56 Gallatin BRT lite:** Service added on Sundays (same service level as Saturdays).

Sunday

Every 30 minutes from 6:15 a.m. to 9:25 p.m.

Title VI Equity Analysis

The Federal Transit Administration (FTA) defines “disparate impacts” and “disproportionate burdens” as neutral policies or practices that have the effect of disproportionately excluding or adversely affecting members of a group protected under Title VI, and the recipient’s policy or practice lacks a substantial legitimate justification. The Disparate Impact Policy establishes a threshold for determining whether proposed fare or service changes have a disparate impact on minority populations versus non-minority populations. The Disproportionate Burden Policy establishes a threshold for determining whether proposed fare or service changes have an impact on low-income versus non-low-income populations.

The threshold is the difference between the burdens or benefits borne by minority or low-income populations compared to the non-minority or non-low-income populations. Exceeding the threshold means that a fare or service change either negatively impacts these protected populations more than the non-protected populations or that the change benefits non-minority and non-low income populations more than minority and low-income populations.

When a positive or negative change of greater than 5% is identified for minority or low-income populations, we are proposing to follow the Four-Fifths Rule for both policies. The Four-Fifths Rule states that there could be evidence of disparate impact or disproportionate burden if:

- Transit services are being provided to minority or low-income populations at a rate less than 80% (four-fifths) than the benefits being provided to non-minority or non-low-income populations;
- Adverse effects are being borne by the minority or low-income populations at a rate more than 20% (four-fifths) of the adverse effects being borne by the non-minority or non-low-income populations.

If a potential disparate impact is found, FTA requires that recipients analyze alternatives. A provider may modify the proposed change to avoid, minimize, or mitigate potential disparate impacts. A transit provider may also proceed with the proposed change if there is a substantial legitimate justification and no legitimate alternatives exist that still accomplishes the provider’s legitimate program goals.

The following data uses existing land use data to review potential impacts from the proposed Major Service Changes.

System with Proposed Changes (April 2017)						
System Area	Total Population Affected	Total Minority Population Affected	% Minority	Total Households Affected	Total Low Income Households Affected	% Low Income Households
MTA Service Area Total	649,282	243,946	38%	275,158	69,467	25%
Within 1/2 mile Walk Distance	406,335	170,542	42%	172,824	52,112	30%
Route 56	33,285	15,182	46%	14,217	5,281	37%
Route 77	17,376	6,705	39%	7,617	1,444	19%

Based on the data analysis above, the Route 77 indicates that there would be a Disproportionate Impact by definition on low income households and that the benefits of the new service is greater than 80% favorable to non-low income residents.

However, this data analysis is an incomplete picture of the benefits to our existing ridership including existing low-income riders. This new route addition would provide a connection between two major arterial routes to serve Downtown, and this connection would allow new cross-town connectivity

without moving through Music City Central for transfers. This route also provides new job access to the Kroger training facility as well as transit access to other job opportunities previously unserved by transit.

MTA has a substantial legitimate justification for advancing this route as it will provide transit service in a previously unserved area between two major arterial routes, and there are no reasonable parallel routes to replace Thompson Lane.

Public Involvement

MTA staff held three public meetings to discuss the proposed service changes. Two of the three meetings took place at Music City Central (MCC) on Tuesday, February 7, 2017 (4:30 p.m. to 6 p.m.) and Wednesday, February 8, 2017 (11 a.m. to 12:30 p.m.). The third meeting was held at the Kroger Training Facility Conference Room located in Willowbrook Commons, 55 E Thompson Lane, Suite 100, Nashville, TN 37211 (5:30 p.m. to 7 p.m.). All meetings were advertised in local newspapers, on the MTA website, Twitter and Facebook page. A copy of the PowerPoint presentation was posted on the MTA and RTA websites.

Attendants at the meetings had a chance to review the proposed service changes, ask questions, and provide feedback about the changes. However, attendance at the meetings was not required to provide comments. The public was also encouraged to email, call, fax or mail their comments to MTA. There were no major issues related to the proposed changes. Overall, the project comments were unanimously supportive of these service additions.

COMMITTEE RECOMMENDATION

Based on the Title VI review discussed above, as well as the responses from the public meetings, comments received through the public comment process, and analysis on the impact of these changes, the New Initiatives and Community Engagement (NICE) Committee recommends the Board accept this Title VI equity analysis per FTA Title VI regulations prior to adoption of proposed service changes to be effective on Sunday, April 2, 2017. Further, with the acceptance of the Title VI equity analysis, the NICE Committee recommends implementing the proposed Major Service Changes as outlined above to be effective on Sunday, April 2, 2017.



Approved:

Secretary

February 23, 2017
Date