

Board Meeting Agenda



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

2:30 p.m., Thursday, April 27, 2017

Gail Carr Williams, Chair
Lewis Lavine, Vice Chair

-
1. Call to Order
 2. Approval of March 23, 2017 Minutes
 3. Public Comments*
 4. Committee Reports
 - a. Operations & Finance Committee – Walter Searcy, Chair
 - i. Debt Obligation Notification D-17-001
 5. Chair's Report
 6. Chief Executive Officer's Report
 - a. Updates on State of Metro Address and Improve Act
 7. Adjourn
-

Notes:

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



Minutes

NASHVILLE METROPOLITAN TRANSIT AUTHORITY BOARD OF DIRECTORS MEETING

March 23, 2017

- I. **CALL TO ORDER:** The regular meeting of the Nashville Metropolitan Transit Authority (Nashville MTA) Board of Directors was held in the Music City Central Meeting Room, 400 Charlotte Avenue, Nashville, Tennessee on March 23, 2017. Present were: Gail Carr Williams, Chair; Hannah Paramore Breen, Member; 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 2:56 p.m.
- II. **APPROVAL OF MINUTES:** Proper motion was made to approve the minutes of the February 23, 2017 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:
- John Bull, Nashville frequent rider:
- He is delighted that Route 77 is coming online. He is looking for housing and this opens up an area of Davidson County that was not even on his radar before.
- Kutonia Smith-Bond, Member Music City Riders United:
- Feels like the buses are not as clean as they need to be and would like to see the buses cleaned more than once a day
- James Thomas, Nashville frequent rider:
- On the 15th of March, the Scott Street bus was more than five minutes late leaving Music City Central (MCC).
 - Bus #821 has a cracked window on the passenger side beside the back door.
 - The Walmart stop on the #52 Nolensville Pike BRT lite route has loiterers at that stop that harass passengers.
- Peter O'Connor, Nashville frequent rider:
- Requests that the Nashville Electric Service (NES) stop be reinstated
 - Would like to see it become a policy that is consistently followed, for all drivers to kneel the bus for easier access to all boarding passengers
 - Requests that buses operate later into the night
 - Not all drivers are consistent with following Nashville MTA policies
 - Some bus stops on both sides of Nolensville Road have people drinking and doing drugs at the stop, and they are intimidating to others who need to use public transit.

Quanisha Green, Member Music City Riders United:

- Would like to see the buses cleaned more frequently than once a day

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

IV. OPERATIONS & FINANCE COMMITTEE REPORT: Chair Williams reported that Chief Operating Officer India Birdsong presented the monthly operating statistics and things are going well and improving. The dashboard glossary is much appreciated. Ms. Williams also noted the Board's appreciation to the entire operations team for meeting the challenges presented to them by President (Donald) Trump's visit. Closing down the MCC facility and moving the operations center off site for the day was met with great ease, grace, and great professionalism. Kudos to the entire team and the Director of Operations Charles Mitchell.

Continuing, Ms. Williams reported that Chief Financial Officer Ed Oliphant discussed the budget. Next month, he will bring them a reforecast as it relates to changes that have happened during the course of the fiscal year.

Rick Dooley, Director of Maintenance, presented a comprehensive assessment report on fleet maintenance which addressed the issues and gave us a road map on how we can improve our fleet. Periodically, he will provide the Board with follow-up reports.

Chief Administrative Officer Rita Roberts-Turner and her staff reported on the status of our driver shortage. We will continue to reach out to a variety of communities to make certain that our drivers reflect our city and our city's population. We anticipate that by June we will have a full complement of drivers.

V. NEW INITIATIVES & COMMUNITY ENGAGEMENT COMMITTEE REPORT: Committee Chair Janet Miller reported on the following actin items:

- PROGRAM MANAGEMENT CONSULTANT TEAM (A-17-005):** A Request for Qualifications (RFQ) was advertised for a Program Management Consultant (PMC) to support Nashville MTA, the Regional Transportation Authority of Middle Tennessee (RTA), and Metro Nashville Public Works (PW) in these core functions. Nashville MTA received qualifications from three consultant teams lead by HDR, CDM Smith, and Cambridge Systematics. As a result of the review, the committee invited the HDR and CDM Smith teams to present to the evaluation committee. The evaluation committee found both proposals to be very strong and on equal footing with different strengths amongst the two firms.

Based upon the results of the comprehensive solicitation and evaluation process, the Committee recommends to the Board they authorize the Chief Executive Officer to enter into on-call, task-based PMC contracts with both HDR and CDM Smith, each with an annual not-to-exceed value of \$4.5 million combined from all sources (Nashville MTA, RTA, and PW). The contract would be set for a three-year base term with two optional one-year extensions. Individual tasks greater than \$300,000 awarded under each contract would require Board approval prior to authorization unless given prior approval through adoption of the annual Capital Budget.

The total project award to each PMC team would not exceed \$22.5 million from all sources (Nashville MTA, RTA, and PW combined) over a five-year period.

There was no further discussion. The vote of approval was unanimous, and the motion carried.

- b. **COMPREHENSIVE OPERATIONAL ANALYSIS (A-17-006)**: The Comprehensive Operational Analysis (COA) is a key step to implementing nMotion recommendations for streamlined and more efficient service. Through the COA, the Nashville MTA will redesign the existing bus network to simplify and improve service using existing resources while also setting priorities for service expansion over the next five years. This would include establishing a frequent transit network and improving connections outside of Downtown within the new network structure.

A Request for Proposals (RFP) was released on January 13, 2017, soliciting proposals from qualified transit analysis and policy firms to produce a COA. Five proposals were received and were found to be responsive and responsible according to the RFP criteria set forth in the solicitation documentation.

On February 17, 2017, the Evaluation Committee reviewed and scored submitted proposals. Based on this review, the committee asked Transportation Management & Design, Inc. and Foursquare Integrated Transportation Planning, Inc. to present their proposals in-person. On February 22, 2017, the Evaluation Committee heard, reviewed, and scored presentations for both teams and unanimously determined that the firm exhibiting the most qualified experience and complete understanding of the needs detailed in the scope was Transportation Management & Design, Inc.

Funding in the amount of \$650,000 was identified to support this project and project-related contingencies from FTA 5307 Urbanized Area Formula Funds. This value is adequate to fund the base contract of \$521,778.

Based upon the results of the comprehensive solicitation and evaluation process, the Committee recommends to the Board:

1. They authorize the Chief Executive Officer (CEO) to enter into a contract with Transportation Management & Design, Inc. (TMD) in the amount of \$521,778 for the completion of a COA. The term of the contract is anticipated to include an initial 12-month contract; and
2. They approve a contract contingency not to exceed \$128,222 to cover unanticipated needs within the existing scope of the proposal. This provides for a total initial contract value not to exceed \$650,000; and
3. They give the CEO approval to negotiate and exercise up to four one-year extensions for ongoing oversight of implementation of the COA strategy with a value not to exceed \$150,000 per year (contingent on funding). This provides for a potential total contract value not to exceed \$1.25 million over the period of five years.

There was no further discussion. The vote of approval was unanimous, and the motion carried.

- VI. **CHAIR'S REPORT**: Chair Williams welcomed new board member Hannah Paramore Breen. Chair Williams was present for Nashville MTA's budget presentation to the Mayor, and she felt that it was well received by the Mayor's office.

Chair Williams again thanked the staff for their outstanding efforts in handling so seamlessly the impact of President Trump's visit on Nashville MTA's operations. She noted that the Nashville MTA staff continues to exceed their expectations and to work diligently and hard for Nashville and for the Nashville MTA.

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

- President Trump's Visit – Last Wednesday, the Secret Service required that we close Music City Central (MCC) for most of the day due to President Trump's visit. I'm very proud of all of our MTA staff, and for the excellent cooperation we received from the Music City Center, Metro Police, PW and all of our customers who showed remarkable patience and flexibility. In general, people who could avoid Downtown last Wednesday did so, and that fact was reflected in the fact that our ridership was down about 37% compared to a normal Wednesday. However, despite the hub relocation and significant detours and rolling closures, we were able to maintain on-time performance of just less than 80%.
- Governor Haslam's Improve Act – The State Assembly continues deliberations on this legislation. This week, the bill passed through the Senate Transportation Committee on a unanimous vote and the House Transportation Committee on an 11-7 vote. It now moves on to the State House Local Government Committee and the Senate Finance, Ways and Means Committee next week.
- Budget Hearing with Nashville Mayor Megan Barry – Thanks to our MTA Board members Gail Carr-Williams, Lewis Lavine, and Hannah Paramore for appearing with Ed Oliphant and myself at our Budget Hearing with Mayor Barry. As you know, we asked for a substantial increase in both capital and operating budgets to advance nMotion initiatives and we look forward to ongoing dialogue with Metro over next year's program.
- Green Hills Transportation Summit – During this past month, I made a presentation at the Green Hills Transportation Summit, specifically focusing on our current discussions with Metro Nashville Public Schools about incorporating a transit center into the rehabilitation of Hillsboro High School.
- Kiosk Service for NES Payments at MCC – We are completing agreements with a third-party payment provider that will allow us to collect NES utility payments, as well as payments for a number of other providers, at MCC. We expect this kiosk system to be operational later this spring.
- Route 77 Thompson Connector Kick-Off Event – On April 4, we'll be joining with Mayor Barry to kick-off service on our new Route 77 Thompson Connector, which will serve Thompson Lane to connect South Nashville from One Hundred Oaks across Murfreesboro and Nolensville Pikes, and into the Patricia Heights Neighborhood.

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

IX. ADJOURNMENT: The meeting was adjourned at 3:29 p.m.

NASHVILLE METROPOLITAN TRANSIT AUTHORITY

OF NASHVILLE AND DAVIDSON COUNTY, TENNESSEE

BOARD DISCUSSION ITEM

Item Number: D-17-001

Meeting Date: 04/27/17

Item Title: DEBT OBLIGATION NOTIFICATION

BACKGROUND

In February 2017, the Nashville Metropolitan Transit Authority (Nashville MTA) Board authorized Nashville MTA to enter into a temporary loan for \$11.2 million with Fifth Third Bank. The loan was needed due to delays in receiving the FY 2017 Section 5307 formula capital grant funding. Nashville MTA uses a portion of this grant funding to pay preventive maintenance and paratransit operating costs. This is similar to what happened last year when Nashville MTA was authorized and temporarily borrowed \$11.1 million. The State of Tennessee Comptroller's Office also requires any public entity to submit a report of debt obligations to be filed within 45 days of entering into any debt agreement. It must also be presented to the governing body of the public entity and be included in a public meeting. A copy of the submission, which is included for your reference, was filed with the Comptroller's Office on April 5, 2017.

CURRENT STATUS

On April 1, 2017, we signed a Revolving Credit Promissory Note with Fifth Third Bank increasing our borrowing capacity from \$11.1 million to \$11.2 million with an expiration of the note on April 1, 2018. This note is needed to cover our cash flow needs through the remainder of the fiscal year ending June 30, 2017. The terms of the loan are as follows:

Term	1 year
Maturity Date	April 1, 2018
Interest Rate	Variable – LIBOR Rate plus 1.75%
Non-Use Fee	20 basis points on the daily unused principal amount of the note, charged quarterly. Maximum fee will not exceed \$22,400.

We are in the process of submitting our grant application to the Federal Transit Administration (FTA) in order to gain access to this funding as it relates to our preventive maintenance and ADA paratransit services. The grant application process typically takes anywhere from 60 to 90 days. As soon as we receive these grant funds, the loan will be paid down to minimize our interest expense.

Approved:



Chief Financial Officer

April 21, 2017

Date

REPORT ON DEBT OBLIGATION
(Pursuant to Tennessee Code Annotated Section 9-21-151)

1. Public Entity:
 Name: THE METROPOLITAN TRANSIT AUTHORITY
 Address: 430 MYATT DRIVE
MADISON, TN 37115
 Debt Issue Name: THE METROPOLITAN TRANSIT AUTHORITY
 If disclosing initially for a program, attach the form specified for updates, indicating the frequency required.

2. Face Amount: \$ 11,200,000.00
 Premium/Discount: \$ _____

3. Interest Cost: _____ % Tax-exempt Taxable
 TIC NIC
 Variable: Index _____ plus _____ basis points; or
 Variable: Remarketing Agent _____
 Other: LIBOR + 1.75% AND NON-USE FEE OF 20 BASIS PTS, PAID QRTL

4. Debt Obligation:
 TRAN RAN CON
 BAN CRAN GAN
 Bond Loan Agreement Capital Lease
 If any of the notes listed above are issued pursuant to Title 9, Chapter 21, enclose a copy of the executed note with the filing with the Office of State and Local Finance ("OSLF").

5. Ratings:
 Unrated
 Moody's _____ Standard & Poor's _____ Fitch _____

6. Purpose:

		BRIF DESCRIPTION
<input type="checkbox"/> General Government	_____ %	_____
<input type="checkbox"/> Education	_____ %	_____
<input type="checkbox"/> Utilities	_____ %	_____
<input checked="" type="checkbox"/> Other	<u>100.00</u> %	<u>PUBLIC TRANSPORTATION / CASH FLOW</u>
<input type="checkbox"/> Refunding/Renewal	_____ %	_____

7. Security:
 General Obligation General Obligation + Revenue/Tax
 Revenue Tax Increment Financing (TIF)
 Annual Appropriation (Capital Lease Only) Other (Describe): _____

8. Type of Sale:
 Competitive Public Sale Interfund Loan
 Negotiated Sale Loan Program LINE OF CREDIT
 Informal Bid

9. Date:
 Dated Date: 04/05/2017 Issue/Closing Date: 04/01/2017

REPORT ON DEBT OBLIGATION
(Pursuant to Tennessee Code Annotated Section 9-21-151)

10. Maturity Dates, Amounts and Interest Rates *:

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2017	\$ 11,200,000.00	LIBOR + 1.75%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%
	\$	%		\$	%

If more space is needed, attach an additional sheet.

If (1) the debt has a final maturity of 31 or more years from the date of issuance, (2) principal repayment is delayed for two or more years, or (3) debt service payments are not level throughout the retirement period, then a cumulative repayment schedule (grouped in 5 year increments out to 30 years) including this and all other entity debt secured by the same source **MUST BE PREPARED AND ATTACHED**. For purposes of this form, debt secured by an ad valorem tax pledge and debt secured by a dual ad valorem tax and revenue pledge are secured by the same source. Also, debt secured by the same revenue stream, no matter what lien level, is considered secured by the same source.

* This section is not applicable to the Initial Report for a Borrowing Program.

11. Cost of Issuance and Professionals:

No costs or professionals

	AMOUNT (Round to nearest \$)	FIRM NAME
Financial Advisor Fees	\$ 0	
Legal Fees	\$ 0	
Bond Counsel	\$ 0	
Issuer's Counsel	\$ 0	
Trustee's Counsel	\$ 0	
Bank Counsel	\$ 0	
Disclosure Counsel	\$ 0	
Paying Agent Fees	\$ 0	
Registrar Fees	\$ 0	
Trustee Fees	\$ 0	
Remarketing Agent Fees	\$ 0	
Liquidity Fees	\$ 0	
Rating Agency Fees	\$ 0	
Credit Enhancement Fees	\$ 0	
Bank Closing Costs	\$ 0	
Underwriter's Discount _____%		
Take Down	\$ 0	
Management Fee	\$ 0	
Risk Premium	\$ 0	
Underwriter's Counsel	\$ 0	
Other expenses	\$ 0	
Printing and Advertising Fees	\$ 0	
Issuer/Administrator Program Fees	\$ 0	
Real Estate Fees	\$ 0	
Sponsorship/Referral Fee	\$ 0	
Other Costs <u>UCC SEARCH</u>	\$ 40	FIFTH THIRD BANK
TOTAL COSTS	\$ <u>40</u>	

REPORT ON DEBT OBLIGATION
(Pursuant to Tennessee Code Annotated Section 9-21-151)

12. Recurring Costs:

No Recurring Costs

	AMOUNT (Base Point/%)	FIRM NAME (If different from #11)
Remarketing Agent	_____	_____
Paying Agent / Registrar	_____	_____
Trustee	_____	_____
Liquidity / Credit Enhancement	_____	_____
Escrow Agent	_____	_____
Sponsorship / Program / Admin	_____	_____
Other <u>NON-USE FEE</u>	<u>20</u>	<u>PD QRTLY</u>

13. Disclosure Document / Official Statement:

None Prepared

EMMA link _____ or

Copy attached

14. Continuing Disclosure Obligations:

Is there an existing continuing disclosure obligation related to the security for this debt? Yes No

Is there a continuing disclosure obligation agreement related to this debt? Yes No

If yes to either question, date that disclosure is due _____

Name and title of person responsible for compliance _____

15. Written Debt Management Policy:

Governing Body's approval date of the current version of the written debt management policy 12/15/2011

Is the debt obligation in compliance with and clearly authorized under the policy? Yes No

16. Written Derivative Management Policy:

No derivative

Governing Body's approval date of the current version of the written derivative management policy _____

Date of Letter of Compliance for derivative _____

Is the derivative in compliance with and clearly authorized under the policy? Yes No

17. Submission of Report:

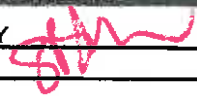

To the Governing Body: on 04/27/2017 and presented at public meeting held on 04/27/2017

Copy to Director to OSLF: on 04/05/2017 either by:

Mail to: _____ OR Email to: StateAndLocalFinance.PublicDebtForm@cot.tn.gov

505 Deaderick Street, Suite 1600
James K. Polk State Office Building
Nashville, TN 37243-1402

18. Signatures:

	AUTHORIZED REPRESENTATIVE	PREPARER
Name	<u>SHELLY MCELHANEY</u> 	<u>JANET KALLAM</u> 
Title	<u>CONTROLLER</u>	<u>ACCOUNTING MANAGER</u>
Firm	<u>THE METROPOLITAN TRANSIT AUTHORITY</u>	<u>THE METROPOLITAN TRANSIT AUTHORITY</u>
Email	<u>shelly.mcelhanev@nashville.gov</u>	<u>janet.kallam@nashville.gov</u>
Date	<u>04/04/2017</u>	<u>04/03/2017</u>