



**MINUTES**  
**EXECUTIVE COMMITTEE MEETING**  
**REGIONAL TRANSPORTATION AUTHORITY**  
**JULY 15, 2020**

- I. **Call to Order:** Due to the outbreak of COVID-19 and the declaration of a state of emergency by Governor Bill Lee, the Regional Transportation Authority held a meeting via WebEx videoconference on Wednesday, July 15, 2020 to conduct essential business to protect the health, safety and welfare of Tennesseans in light of the COVID-19 outbreak. This meeting was held in accordance with Executive Order No. 16 in order to discuss the Debt Obligation Notification and MTA Rail Consultant Memorandum of Understanding board action items. A quorum was established, and the meeting was called to order at 9:30 a.m. by Vice Chair Mayor Paige Brown.

**Executive Committee Members in Attendance:**

Mayor Paige Brown, Vice Chair – City of Gallatin  
Governor’s Appointee Ed Cole, Secretary – Davidson County  
Mayor Bill Ketron – Rutherford County  
Mayor Anthony Holt – Sumner County  
Mayor Ken Moore – City of Franklin  
Mayor Jerry Kirkman – City of Westmoreland  
Governor’s Appointee Kelly Dannenfelser – Williamson County  
Governor’s Appointee Ken Davis – Wilson County

II. **Approval of the April 15th, 2020 Minutes**

Proper motion was made and seconded, and the minutes were approved unanimously.

III. **Public Comments:**

There were no public comments at this time.

IV. **Finance Committee Report:** Chief Financial Officer Ed Oliphant reported the following:

a. **Monthly Financial Report Compared to Budget Report (EXC-D-20-009):** Chief Financial Officer Ed Oliphant reviewed the year-to-date data of the statement of operations for the month of May 2020 compared to the FY2020 budget and the balance sheet as of May 31, 2020. Chief Financial Officer Ed Oliphant was present to answer any questions. There were none at this time.

b. **Debt Obligation Notification (EXC-D-20-010):** In its June 17, 2020 meeting, the RTA Board authorized the renewal and increase of its line of credit with Fifth Third Bank up to \$5 million effective July 1, 2020. While we continue to reduce the frequency of need to utilize the line, it is difficult to forecast the availability of future federal grant funding. Consequently, we believe it is imperative to renew the line of credit in order to ensure timely cash flow for expenses. This year the RTA Board increased the line of credit from \$3.0 million to \$5.0 million based upon recommendations from management to have excess capacity should we experience another extended government shutdown. RTA uses a portion of its grant funding to pay preventive maintenance operating costs and there have

been numerous times that the federal government has delayed the release of funding causing the cash flow issues. 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 is included for your reference.

On July 1, 2020, we entered into a Revolving Credit Promissory Note with Fifth Third Bank for \$5.0 million with an expiration of the note on June 30, 2021. This note is needed to cover our cash flow needs throughout the year. The terms of the loan are as follows:

Term	1 year
Maturity Date	June 30, 2021
Interest Rate	Variable – LIBOR Rate plus 1.20%
Non-Use Fee	7.5 basis points on the daily unused principal amount of the Note, charged quarterly. Maximum fee will not exceed \$3,750.

As soon as we receive these grant funds, the loan will be paid down to minimize our interest expense.

**V. Operations Committee Report:** Mayor Jerry Kirkman reported the following:

**a. Monthly Operating Statistics (EXC-D-20-011):** Mayor Kirkman reviewed the RTA Monthly Dashboard Report through the month of May 31, 2020 with the Executive Committee. Points of interests are reflected below:

1. May's operating statistics, as expected, ridership continues to be dismal due to the pandemic, and is down 91% for the month and 20% for the year. As RTA's ridership base is predominately office employees, and until these workers return to physical offices, we can expect to see a high level of decline. In response, service levels were reduced, with the Star and all Regional bus routes reduced by at least one trip; and the 84 and 86 routes to Rutherford County have been suspended, as riders have access to the Route 96.
2. With the cancellation of the Independence Day Fireworks in Nashville, we did not operate our special train on the Star. As you may recall, this service is always very popular and typically sells out quite a while before the 4<sup>th</sup>.
3. Mayor Kirkman called everyone's attention to other aspects of the Operating Statistics and noted that we reported one accident in May on the WeGo Star. Unfortunately, this involved a fatality for an individual who was on the tracks and did not respond to the Engineers horn blasts. Although emergency braking was applied, there was not sufficient room to stop the train before it struck this individual. The 3 accidents for the fiscal year to date involve one other trespassing incident where an individual was struck but was not injured and fled the scene before authorities arrived, as well as a crossing accident near the railyard in Lebanon. Again, there were no injuries.
4. As reported at last month's meeting, if there is a positive note to the pandemic, it is reduced traffic. You will note that RTA Bus on-time performance was over 92% in May, compared to typical ranges in the 75-80% range under normal circumstances.
5. Mayor Kirkman took the opportunity to remind the Executive Committee of all the activities that RTA Operators are taking to maintain the health and safety of riders and employees. These have been done in close collaboration with the Metro Nashville Department of Health, and following guidelines issued by the Centers for Disease Control:

- a. Social distancing is recommended for customers on all transit services. Given the level of ridership decline on RTA services, this has not been a challenge to enforce.
  - b. All customers are required to wear masks while on board RTA vehicles and while waiting at RTA facilities.
  - c. Employees deemed “higher risk” have been provided paid time off to reduce the risk of infection.
  - d. MTA, TSG and Gray Line have all supplemented their cleaning practices to increase the frequency of disinfecting “high touch” surfaces on our vehicles and at our facilities.
6. Mayor Kirkman concluded with some positive news. On July 1, a number of people on the RTA Board had the opportunity to try out our new passenger cars on the Star. Mayor Hutto, Mayor Ash, Ed Cole, Ken Davis, Gerald Herman and Mayor Kirkman attended from the Board. In addition, Ray Render from Congressman Rose’s office, several staff and a few others attended. Riding from Lebanon to Mt. Juliet and back, besides the new cars, we experienced the smooth ride resulting from work we’ve done over the past couple years to upgrade the track to all welded rail. We also had the opportunity to inspect the Hamilton Springs Station, where development is occurring quickly, and to see progress at Mt. Juliet on several projects. In addition to inspecting progress on the RTA’s project to expand the lot, we also saw the new Clock Tower that the City installed adjacent to the station, and representatives from Imagine1 Development briefed us on their “Vintage Station North” Project. Vintage Station North will feature 192 apartments, 28 townhomes and commercial space and it is located directly across from the station. Construction is well along, and the developer explained that the presence of the station and WeGo Star rail service into Nashville was the specific reason they chose to pursue this project. Finally, I’ll add that our train was pulled by one of our newly rebuilt locomotives.

The new cars are going through their final rounds of testing and training, and TSG is resolving an isolated issue in the air conditioning system so we expect the cars to enter service in early August. Mr. Chair, even though ridership is suffering through the pandemic; when our riders on the Star return, in many ways they’ll experience a totally new railroad.

Director of Quality Service Dan Freudberg was present to answer any questions. There were none at this time.

**VI. MTA Rail Consultant Memorandum of Understanding (EXC-A-20-006):** In preparation for undertaking several significant rail capital projects for the WeGo Star Commuter Rail Line (Locomotive Rehabilitation, Acquisition of New Passenger Cars, Track Upgrades, Railroad Construction Coordination for Mt. Juliet Park & Ride Expansion, WeGo Star Improvement feasibility study, etc.) the RTA contracted with CDM Smith Consulting under a pre-existing task order agreement to assist with technical support and oversight for these projects. As the work became more involved, it was recognized that RTA’s needs would be better served with a committed staff person with the requisite expertise to complete this work. The individual who had been working as a sub-contractor through CDM Smith agreed to join the organization as a temporary, part-time rail consultant exclusively for RTA projects. This arrangement amounted to a 16% cost savings compared to the rates under the CDM Smith contract due to the elimination of overhead and reduction in hourly rates for certain work classifications. In addition, this arrangement will allow the RTA rail work to be handled more efficiently and effectively through direct management oversight.

The employee's work falls outside the existing management contract between Nashville MTA and RTA due to the specificity of the work being done and its direct applicability only to commuter rail – services that are not applicable to either RTA Regional Bus or MTA services in general; as opposed to the management contract being representative of only a portion of the employee's time being devoted to RTA business, . Therefore, MTA is requesting that RTA enter into an MOU retroactive to October 1, 2019 and extending through June 30, 2021 that will provide for reimbursement to MTA for this position at a pay rate of \$200.00 per hour for time actually worked up to 100 hours per month in addition to travel expenses in accordance with MTA travel policy. This rate is for direct service and does not include any overhead for MTA, as such overhead is already incorporated into the annual management agreement. These expenses will not result in additional expense to the RTA, as they will replace similar activities already undertaken under other purchase of service contracts in both the operating budget and budgets for individual capital projects.

Staff requested the Executive Committee to authorize the Chief Executive Officer to enter into an MOU between the MTA and RTA, with an effective date of October 1, 2019 through June 30, 2021; with an option to extend for additional periods upon review and approval of the RTA Executive Committee or full Board of Directors; to accommodate special rail oversight work being performed by a direct employee of the MTA and/or its operating subsidiaries. Total expenses shall not exceed \$420,000, but only for time actually worked plus travel expenses in accordance with MTA's travel policy.

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

## **VII. CEO's Report:**

- 1.** We appreciate your patience in continuing to do these meetings in a virtual environment. Given that the Governor has extended the Executive Order allowing public bodies to meet in this manner through August 29, we thought it was appropriate to increase the material we covered with you. We are also reinstating public comments into the meeting, but we are asking that those who wish to speak pre-register up to the day before so the Chair can manage the agenda.
- 2.** Staff filed an application with the Federal Transit Administration for the CARES Act Funding available to the RTA. As discussed at last month's presentation on the budget, the majority of these funds will be utilized to offset operating losses during the pandemic, with funds also allocated to potential park and ride projects on the commuter bus side and next level engineering for under the STAR Improvement Plan.
- 3.** Mayor Kirkman reported on RTA ridership and performance trends. Although ridership has ticked up slightly over the past few weeks, we do not expect to see a significant ridership increase until the region is well into reopening, including the return of office employees. As a result, we will maintain our current reduced service schedule.
- 4.** With respect to other pandemic activities, wearing of facial coverings is required for RTA riders. MTA, TSG and Gray Line Staff continue their upgraded efforts at cleaning and disinfecting surfaces on our vehicles and at WeGo Central. Given the low level of ridership, social distancing is not a challenge at this time.
- 5.** Mayor Kirkman reported on the ride that we did on the new Star passenger cars, which also highlighted progress on a number of projects along the line. Contractors are on target to finish the Mt. Juliet lot expansion this year.
- 6.** Our fare collection project is also advancing nicely. We had hoped to be in user beta testing by now on both smart cards and the mobile ticketing app, but the pandemic and overall reduced ridership has delayed this effort. We are hoping to begin the user beta testing in the Fall. We also anticipate our new ticket vending machines to be installed during the 4<sup>th</sup> quarter of this year.

7. GNRC continues to advance the South Corridor Study. At this point, the consultant is reviewing some of the rail options with CSX, reviewing options with TDOT senior leadership, and continuing to advance land use and other baseline planning assumptions.

**VIII. Chair's Report:** Mayor Paige Brown thanked everyone for attending this month's virtual board meeting.

**IX. Adjournment:** Proper motion was made and seconded to adjourn, and the meeting was adjourned at 10:05 a.m.

Respectfully submitted:

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Ed Cole, RTA Secretary &  
Davidson County Governor Appointee