MINUTES
REGIONAL TRANSPORTATION AUTHORITY
OF MIDDLE TENNESSEE
MARCH 21, 2012

I. CALL TO ORDER: The regular meeting of the Regional Transportation Authority Board of Directors was held in the meeting room at Music City Central at 400 Charlotte Avenue on March 21, 2012. A quorum was established and the meeting was called to order at 10:08 a.m. by RTA Board Chair, Gallatin Mayor Jo Ann Graves.

Chair Graves recognized RTA General Manager Lora Baulsir for the introduction of new RTA Board members. Ms. Baulsir introduced Kelly Dannenfelser, the new Governor’s Appointee from Williamson County and Tim Ellis, the alternate for Goodlettsville.

II. APPROVAL OF MINUTES: Chair Graves entertained a motion to approve the minutes of the February 15, 2012 meeting. Proper motion was made and seconded. The vote of approval was unanimous and the minutes were adopted as presented.

III. PUBLIC COMMENTS: There were no public comments.

IV. SOUTHEAST CORRIDOR REPORT: Committee Chair Rutherford County Mayor Ernest Burgess reported that they are continuing to make good progress for this corridor and all are in agreement subject to further concurrence from MTSU. The number of trips are increasing from 16 to 36 with use of CMAQ, state, and local funds. He stated that their plan is in place and they are ready to move forward and that they hope to add two new routes. One route will begin in LaVergne and Smyrna and will go to Cool Springs; and, the other will begin in Murfreesboro and follow highway 96 to the Cool Springs area.

V. MARKETING REPORT: Committee Chair Governor Appointee Ed Cole reported on the highlights of the marketing report. The Game-Day-Express this past year was excellent and some adjustments have been made to make it easier to pre-purchase at a good price for the upcoming season. The Fareless-Friday free day that MTA did in partnership with Nashville Mayor Dean had outstanding ridership.

Continuing, he reported that a contribution has been made by an engineering firm, AMEC, to work with MTA and RTA on ridership analysis of the Music City Star and some of the express services. The status report given was excellent and there will be more to come.
In closing, Mr. Cole mentioned that there had been discussion previously about extending the *Game-Day-Express* label in a branding/marketing effort to express services operated by private contractors between cities around middle Tennessee where ridership might exist. He stated that it is very important to note that there is an important legal distinction between the RTA formally offering that service as a public function versus it being done through private contractors. He added that more research will be done and if this is within the realm of possibility, then the committee will report that to the Board.

VI. **Operations Report:** Committee member James Fenton reported that January was an excellent month with ridership continuing to improve in all areas. Beginning with the Music City Star ridership report, an increase of 13.7% was seen over January of 2011. All stations showed an increase in average daily ridership with the Mount Juliet station showing the highest at 166 which is an increase of 27 rides per day. The RTA bus express and shuttle services also showed double digit increases of 37.1% compared to January 2011. He then noted the following:

- The #93 - *Music City Star West End Shuttle* posted the highest average daily ridership in the past 12 months with 368.
- The #91 (Franklin-Brentwood) reported a 12-month record for average daily ridership with 149.
- The #92X *Gallatin/Hendersonville Express* service posted the highest numbers of the past 12 months for average daily ridership (183) and monthly ridership (3,657).
- The #95 (Spring Hill-Thompson Station) had excellent numbers for January and saw an average daily ridership of 85 which is also a 12-month record.
- The #96X *Nashville/LaVergne/Smyrna/Murfreesboro Relax and Ride* surpassed the 12-month average for monthly ridership with 8,405 rides.

The combined public transportation report, which shows month-to-month and fiscal year comparisons for all Nashville MTA and RTA public transportation services, shows double digit increases for the fiscal year comparisons with a 16.7% increase for all services combined. He noted that public transportation in our region is still on track to reach 10 million riders for this fiscal year.

Mr. Fenton reported that Mayor Bradley had started a discussion on the possibility of increased capacity issues with the expected rise in gas prices over the next 6 months. The committee also discussed the rail right-of-ways through Cheatham County and the importance of this rail to the future of public transportation.

VII. **Finance and Audit Report:** Committee Chair Brentwood Mayor Paul Webb reported that the finance report up to date, from a budget stand point, is still at a very favorable variance. The balance sheet continues to look positive and he noted that they did borrow on the line of credit for February but that was all paid back in early March. Chair Webb also reported that in the next couple of weeks there will be a procurement only audit, an oversight review, which will last about ten days.

In closing, he noted that the Finance Committee will be doing an extended session at their meeting next month (April 10th) to look at the van pool proposals that have been submitted. This was initially opened to the Finance and Audit committee, but
if any other board members would like to stay for that, they are to contact Lora Baulsir. The committee will evaluate and score the proposals and bring a recommendation to the Board at their April meeting.

**VIII. REVIEW OF BY-LAWS AND LEGISLATIVE UPDATE (I-012-002):** Counsel Todd Presnell discussed the recommended changes in the by-laws. This is an information item this month and will be on the agenda for the Board next month as an action item. He noted that the official name of the RTA is now the RTA of Middle Tennessee, as now other RTA's may form within the state.

Mr. Presnell then updated the Board on some pending legislation pertaining to the RTA. He noted that they have introduced a bill both to the TN House and the TN Senate that amends two statutes that pertain to the RTA. Two things will be done with this legislation. One is to remove any reference to eminent domain. This was in the original statute and during the legislative process it was removed from one section and not from another, leaving an awkward reading statute with language that was unintended. This action will revise the language and remove eminent domain altogether. Mr. Presnell then stated that the second part of this simply clarifies the board structure under the 2009 legislation. He explained that there is a difference in the way it was passed and the way that the code commission ultimately wrote it. This action will amend the definition so that there is no question at all concerning this in the future.

Continuing, he reported on the second issue that they are asking to be amended with this legislation. It is the Governmental Tort Liability Act (GTLa). In 2008, the RTA had passed an additional sub-section to the GTLa that covered independent contractors that provide rail services to the RTA. It put limits on tort liability exposure in three staggered steps. The first one that was in place from 2008 – 2013 caps the limits of liability at $2 million per person or $30 million per accident. In 2013 that cap automatically rises to $3 million per person or $50 million per accident; and then in 2018, the tort caps expire altogether.

Mr. Presnell stated that in looking at this from a financial situation, it became clear that as we are required to purchase insurance for our independent contractors that run our rail services, in particular the Music City Star, this would increase our insurance premium well over $100,000 just for the next year. It is certainly predicted that it would rise each year after that. Given the large operating cost this would be, he reported that they are asking the legislature to eliminate the increases that would take effect next year. Thus, we would eliminate the tort cap increases for our independent contractors and keep them at the current $2 million and $30 million caps per person and per accident prospectively.

Continuing, Mr. Presnell noted that this legislation would also eliminate the expiration altogether and those caps would become permanent. He reported that this passed the Senate Transportation Committee this morning (March 21) unanimously and is scheduled for a vote in the House Transportation Committee next Tuesday, the 27th. They hope to continue the positive progress and move this through the legislature.

Additionally, he added, that in the GTLa that they are amending there is a subsection that has no bearing on the caps, which pertains to a for-profit railroad from
being unable to prevent an RTA, us or any other, from using its rail line solely because of potential tort liability exposure. He noted that was included in the 2008 legislation. Mr. Presnell stated that they are receiving some push back from one railroad in particular and he is in contact with their lobbyist and their lawyer. They are trying to work out some language that is satisfactory to all and Mr. Presnell feels confident they can get that accomplished.

Chair Graves opened the floor for any questions. Williamson County Mayor Rogers Anderson asked in an event of a major law suit, by being members of this authority are the counties individually libel. Mr. Presnell responded that the individual members and their government are not libel for the actions of the RTA. Mr. Presnell reminded everyone that he has been talking about the tort liability limits for individual contractors and that the RTA’s limits fall under the original Governmental Tort Liability Act which are 300,000 per person and 700,000 per accident.

Chair Anderson asked Mr. Presnell if he felt confident that by being a member of this organization, their counties will be named but will not be involved in having to defend the actions of the RTA and Mr. Presnell answered that he did.

Brentwood Mayor Webb was then recognized and he asked if their counties or cities are named, are they individually being named and do they face the time and potential cost. He asked what is protecting them in their duties. Mr. Presnell responded that they could be named in a law suit but at that point they would get into who is the proper party sued in the official capacity and he believes there is insurance that will cover board members acting in their official capacity.

Governor Appointee Ed Cole addressed Chair Graves stating that he had a procedural question that applies to the process that was followed that Mr. Presnell had just mentioned. He stated that they are hearing about legislation that has been submitted, even though it is housekeeping, on behalf of the RTA. He asked had the Board or Executive Committee been involved in the process. He was unaware of this legislation until just recently and asked when we decide to introduce legislation what is the role of the Board in that decision.

CEO Paul Ballard responded that these really were house-keeping issues maintaining tort liability limits and structuring the legislation so that the makeup of the Board properly reflects the state law. He noted that when they initially established the state legislation and it was adopted that they didn’t get everything that they wanted and it was understood that in time they would come back and would straighten issues.

Chair Graves noted that the members were aware in advance of this legislative effort and that they were notified by emails sent from Ms. Baulsir informing the members of these issues that were forthcoming. She added that if Mr. Cole did not receive the emails, it was just an oversight for Ms. Baulsir has done a good job of keeping the Board informed.

IX. **GENERAL MANAGER’S REPORT:** RTA General Manager Lora Baulsir reported on the following:
a. **Resolution Accepting New Members To RTA Board (A-12-003):**

With the enabling legislation, the RTA is allowed to accept new members in adjoining counties. Both Montgomery County’s and Clarksville’s legislative bodies have adopted resolutions approving membership in the Regional Transportation Authority of Middle Tennessee. This resolution herewith accepts Montgomery County and the City of Clarksville as members of the Regional Transportation Authority of Middle Tennessee. Proper motion was made and seconded to adopt this resolution and the vote of approval was unanimous.

Ms. Baulsir mentioned that Montgomery County will also get a governor’s appointee and they have asked the Mayors for suggestions. Additionally, they are working with Clarksville to start the new service to Montgomery County at the beginning of the summer.

X. **Chief Executive Officer’s Report:** CEO Paul Ballard reported that there has been a lot of activity recently in Washington, DC. Michael Skipper of the MPO has been to DC to meet with our representatives; Mr. Ballard was there last week; and, he is flying there again today. Mr. Ballard, as President of the Tennessee Public Transportation Association (TPTA) is hosting a meeting at the Rayburn Building for members of Congress and their staff. TPTA has a large contingency and they hope to have a good turnout. He gave a brief update on the legislative activities in Washington with particular interest the SAFETEA-LU bill and the Federal Transportation Bill.

Making a couple of service notes, CEO Ballard mentioned the service to Clarksville is tentatively scheduled to start June 1 which is also the 25th anniversary of the Clarksville transit system. The service will start with two buses in the morning and two in the afternoon utilizing Exit 8. In addition, he reported that MTA is starting new express service from their headquarters in Madison. Two new bus routes are being established from that site and one will be express service with a Park ‘n’ Ride. There will be three commuting trips in each direction and a few mid-day trips as well.

Chair Graves asked Mr. Ballard that as RTA expands and there continues to be growing demand for services, does RTA have the capacity to quickly meet a demand that might start and at what cost. Mr. Ballard replied that each of the corridor committees have been putting a lot of time into discussions on expansion of their services. He stated that we have been very fortunate to have acquired a number of federal grants for the expansion of services. This will allow RTA to move forward with new or increased service levels after Board approval.

Continuing, Mr. Ballard noted that it comes down to a question of available money. RTA really doesn’t have the funds to do a lot of expansion beyond what we have the federal funds to do and beyond those services that have been discussed by the committees.

From an MTA perspective, he added, on the Murfreesboro service that MTA is under contract to operate, after RTA adds these extra trips, MTA is at the end of
their ability to do any more expansion because of the limitations of the buses they have. MTA hopes to get in an order of buses at the end of this year.

However, most of the RTA services are contracted. We have a contract operator that runs the Music City Star and we have extra rail cars that are available and could be put into service. So with only a small capital outlay, the train is in good shape. On the other services operated by Gray Line, he noted, we would have to talk with them as to their availability of equipment. Gray Line has been very responsive about the Clarksville service. Beyond their limitations, he added, there are other contractors that we could go to, if needed, so there would probably not be a restriction due to equipment.

XI. **Chair’s Report:** Chair Graves reported that this Friday (March 23) there will be a follow up meeting regarding dedicated funding. It will be at 10:00 a.m. at the Schermerhorn Symphony Center in the Mike Curb room. The meeting will finish at 11:30 or 12:00 and lunch will follow. She noted that this is limited to Mayors and alternates cannot attend. Lewis Lavine will facilitate the meeting again as he did in January. Michael Skipper and Jim McAteer have made arrangements for parking at the Pinnacle Building which is directly across from the entrance door to be used at the Schermerhorn.

XII. **Other Business:** Governor Appointee Ed Cole announced that the week of April 16th is Transit Week, with a Transit Means Business event on the 18th; he noted there would be more information about that and other events of that week forthcoming. Additionally, Mr. Cole noted that Leadership Middle Tennessee will be in Wilson County on the 18th talking about transportation and other things.

XIII. **Adjournment:** The meeting was adjourned at 10:52 a.m.

Respectfully,

*Ed Cole*

Governor Appointee
RTA Secretary