



# **Nashville Regional Transportation Authority Committee Meetings Table of Contents**

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**Elizabeth Duff Transit Center at WeGo Central**

400 Dr. Martin L. King Jr. Blvd. | Nashville, TN 37219

**Wednesday August 13, 2025 | 1:00 p.m.**

The AUDIT & OPERATIONS Committees will meet immediately following the FINANCE Committee.

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**Finance Committee**

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**Audit Committee**

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**Operations Committee**

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# REGIONAL TRANSPORTATION AUTHORITY AGENDA

## FINANCE COMMITTEE

**Wednesday, August 13, 2025 | 1:00 p.m.**

**Elizabeth Duff Transit Center at WeGo Central  
400 Dr. Martin L. King Jr. Blvd.  
Nashville, TN 37219**

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**Chair – City of Franklin Mayor Ken Moore**  
Ed Cole - Davidson County Governor Appointee  
Mayor Billy Vogle - Robertson County

RTA Support Staff – Amanda Vandegrift, Deputy CEO of Finance & Administration

### FINANCE COMMITTEE

1. **Call to Order**
2. **Monthly Financial Compared to Budget Report**  
(Will be distributed at the meeting) – Amanda Vandegrift, Deputy CEO  
of Finance & Administration **R-FIN-D-25-004 Pg.**
3. **RTA Local Funding Issues Update** – Amanda Vandegrift, Deputy CEO  
of Finance & Administration **R-FIN-D-25-005 Pg. 2**
4. **Debt Obligation Notification for Line of Credit Extension** – Amanda  
Vandegrift, Deputy CEO of Finance & Administration **R-FIN-D-25-006 Pg. 5**
5. **RTA Regional Bus Service Reserves Policy Revision** – Amanda  
Vandegrift, Deputy CEO of Finance & Administration **R-FIN-A-25-002 Pg. 10**
6. **Other Business**
7. **Adjournment**

# Regional Transportation Authority

## *of Middle Tennessee*

- ☒ Committee Discussion Item    ☐ Exec. Committee Discussion Item    ☐ Board Discussion Item  
☐ Committee Action Item    ☐ Exec. Committee Action Item

Item Number:	RTA-FIN-D-25-005	Meeting Date:	8/13/2025
Item Title:	RTA Local Funding Issues Update		

### BACKGROUND:

#### RTA Corridor Funding Partner Status

The attached tables summarize the Regional Transportation Authority of Middle Tennessee (RTA) member dues and contributions required to support the Fiscal Year (FY) 2026 Approved Budget. This now includes changes related to the new contract with Anchor for regional bus services. Invoices for FY 2026 member dues and subsidy contributions were sent to RTA member partners in March 2025. As of August 6, 2025, we received \$135,547 in dues from 14 members and \$339,386 in contributions from Wilson County, Williamson County, Spring Hill, Franklin, Springfield, Lavergne, Smyrna, and Mt. Juliet.

One RTA member, Sumner County, did not pay the required membership dues of \$6,124 in FY 2025. The proposed changes to the RTA Bus Corridor Reserve Policy, considered as part of the next agenda item, would allow the RTA Board to use Sumner County reserves to pay these outstanding dues. Sumner County and Hendersonville continue to fully use reserves instead of providing contributions. Nine partners – Smyrna, Murfreesboro, MTSU, Lavergne, Rutherford County, City of Dickson, Dickson County, City of Springfield, and Robertson County – are providing fewer subsidies than required to support operations, requiring the continued depletion of reserves. While some partners have sufficient reserves available to continue this practice in the near term, many others will need to provide additional contributions beginning as early as this fiscal year (FY2026) to continue existing service:

- **WeGo Star** required \$126,000 in increased annual contributions to continue existing services in FY 2026. At the April 9, 2025, Wilson County Corridor Committee meeting, a verbal agreement was made for three partners (Mt. Juliet, Lebanon, and Wilson County) to increase their contributions by \$42,000 each. To date, we have only received the agreed-upon increases from Wilson County.
- **Southeast Corridor (84X/86X)** services require additional contributions from all corridor partners to continue existing operations in the near term. The most urgent partners for FY2026 were MTSU, Smyrna, and Lavergne, with all three reserves projected to be fully depleted in FY2026. Smyrna and Lavergne provided increased contributions to cover FY2026 services; however, MTSU has a remaining \$15,588 outstanding for the 84X service in FY2026. We expect this conversation to continue into the next calendar year as we begin to develop the FY2027 budget and determine required contributions for the year, where MTSU, Murfreesboro, Smyrna, and Lavergne may require an additional increase to continue existing 84X and 86X services. Rutherford County's reserve is estimated to be fully depletion in FY2029. The Rutherford County Corridor Committee will continue to discuss these issues in 2025, considering both contribution increases and/or service modifications.
- **87X** services are partially funded by Gallatin, but Sumner County and Hendersonville are estimated to fully expend their reserves by FY2031 and FY2032, respectively.
- **88X** services are estimated to fully expend available reserves by FY2029. In the near-term, the City of Dickson and Dickson County will need to increase contributions to the minimum required levels to maintain the remaining reserve funds and continue service beyond FY2029.
- **89X** partner City of Springfield and Robertson County are estimated to fully expend available reserves by FY2033 and FY2034, respectively. These two partners will need to increase contributions to the minimum required levels to maintain the remaining reserve funds and continue service beyond FY2034.

Alternatively, the 94X, 95X, and Davidson County (bus) reserves will continue to grow each year if partners continue to provide similar contribution levels. Notably, if the Southeast Corridor (84X/86X), 87X, and 89X were to discontinue service, RTA would no longer be eligible to use the federal Congestion Mitigation and Air Quality (CMAQ) funds to operate services along these corridors in the future. This would significantly increase future partner subsidies needed, making it less likely for partners and the RTA to restart any of these services in future years.

### RTA Federal and State Funding Status

Most RTA regional bus services are predominantly funded by federal CMAQ funds using an 80/20 match. The 2012 federal surface transportation reauthorization bill (MAP-21) introduced an exception that allows existing services to continue using CMAQ funds for operations with no time limit or expiration. WeGo STAR and Route 88X are not eligible for this funding. To date, a total of \$6,415,146 in federal funds is currently available for eligible RTA regional bus services in the CMAQ grant TN-2025-055-00. Approximately \$808,000 is expected to be used to close out FY2025. In addition to these funds, there is also \$3,479,406 in Carbon Reduction Program (CRP) federal funds awarded in January 2024 that we are currently working with TDOT to exchange for CMAQ funds. These resources are estimated to be depleted in early FY2029. WeGo STAR uses Federal 5307 Formula Funds with an 80/20 match for eligible maintenance and capital costs of contracting. Through prior RTA Board approval, some of the §5307 bus capital funds have been flexed for operating use with a 50/50 match requirement to fund contractor operation-related expenses on the 88X Dickson due to the ineligibility of this service for ongoing CMAQ support. A total of \$392,376 in §5307 formula funds is available for the 88X in TN-2024-020.

### Estimated RTA Partner Reserve Depletion Dates

Service	RTA Partners	FY26 Minimum Partner Contribution	FY26 Partner Contribution	FY26 Reserves Used	FY26 Increase Needed	Total FY26 Partner Contribution	Reserve Balance FYE26	Estimated FY Reserve Depleted
<b>WeGo Star</b>	Mt. Juliet	\$72,000	\$72,000			\$72,000	\$60,000	<b>FY27</b>
	Lebanon	\$96,408	\$96,408			\$96,408	\$108,816	<b>FY28</b>
	Wilson County	\$92,000	\$92,000			\$92,000	\$100,000	<b>FY28</b>
	Davidson County - Rail	\$1,871,800	\$1,871,800			\$1,871,800	\$1,365,592	
<b>84X/86X</b> Southeast Corridor	City of Murfreesboro	\$57,799	\$33,610	\$24,189		\$57,799	\$26,840	<b>FY27</b>
	MTSU	\$57,799	\$25,000	\$17,211	\$15,588	\$57,799		<b>fully depleted</b>
	Smyrna	\$21,531	\$10,000	\$11,531		\$21,531	\$5,885	<b>FY27</b>
	Lavergne	\$21,531	\$15,924	\$5,607		\$21,531	\$845	<b>FY27</b>
	Rutherford County	\$79,330	\$49,220	\$30,110		\$79,330	\$114,557	<b>FY29</b>
<b>87X</b>	Sumner County	\$32,304		\$32,304		\$32,304	\$192,312	<b>FY31</b>
	Gallatin	\$32,304	\$55,597			\$55,597	\$326,165	
	Hendersonville	\$32,304		\$32,304		\$32,304	\$214,971	<b>FY32</b>
<b>88X</b>	City of Dickson	\$53,255	\$24,000	\$29,255		\$53,255	\$104,511	<b>FY29</b>
	Dickson County	\$53,255	\$24,000	\$29,255		\$53,255	\$104,511	<b>FY29</b>
<b>89X</b>	City of Springfield	\$24,357	\$15,000	\$9,357		\$24,357	\$102,109	<b>FY33</b>
	Robertson County	\$24,357	\$15,000	\$9,357		\$24,357	\$140,197	<b>FY34</b>
<b>94X</b>	City of Clarksville	\$40,683	\$51,301			\$51,301	\$257,328	
	Montgomery County	\$40,683	\$51,301			\$51,301	\$257,328	
<b>95X</b>	Franklin	\$32,791	\$56,185			\$56,185	\$281,231	
	Williamson County	\$32,791	\$78,040			\$78,040	\$410,319	
	Spring Hill	\$32,791	\$42,237			\$42,237	\$254,275	
<b>All Bus</b>	Davidson County - Bus	\$262,714	\$320,200			\$320,200	\$1,480,831	

**STATUS:**

Deputy CEO for Finance and Administration Amanda Vandegrift will review the status of partner funding (local, state, and federal) and answer questions.

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**APPROVED:**

*Deputy CEO of Finance and Administration*

**8/13/2025**

*Date*

# Regional Transportation Authority

## of Middle Tennessee

☒ Committee Discussion Item    ☐ Exec. Committee Discussion Item    ☐ Board Discussion Item  
☐ Committee Action Item    ☐ Exec. Committee Action Item

Item Number:	R-FIN-D-25-006	Meeting Date:	8/13/2025
Item Title:	Debt Obligation Notification for Line of Credit Extension		

### BACKGROUND:

In the June 2025 meeting, the RTA Board authorized the renewal of its line of credit with Fifth Third Bank up to \$5 million, effective July 1, 2025, with a starting line of credit of \$1.5 million. While line of credit usage has significantly decreased in recent years, it remains difficult to forecast the availability of future federal grant funding. Over the years, there have been numerous times the federal government has delayed the release of funding awards, creating cash flow issues for RTA. Consequently, the line of credit continues to be an important tool for RTA to manage cash flow.

The State of Tennessee Comptroller's Office requires all public entities to submit a report of debt obligation within 45 days of entering into any debt agreement. This report must also be presented to the governing body of the public entity and be included in a public meeting. As such, a copy of the accepted submission, included here for reference, was filed with the Comptroller's Office on July 23, 2025. Acknowledgement of Acceptance was electronically received from the Comptroller's office on July 30, 2025.

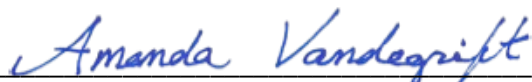
### CURRENT STATUS:

On July 1, 2025, we entered into a Revolving Credit Promissory Note with Fifth Third Bank for up to \$5 million with an expiration of the note on June 30, 2026. 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, 2026
Interest Rate	Variable – Prime minus 1.8%
Legal Fees	\$1,250 paid to Dickenson Wright Law Firm representing Fifth Third Bank
Non-Use Fee	7.5 basis points on the daily unused principal amount of the Note, charged quarterly. The maximum fee will not exceed \$3,750.

As soon as any designated grant funds are received, any related outstanding loan balance will be paid down to minimize our interest expense.

### APPROVED:



Deputy CEO of Finance and Administration

8/13/2025

Date



## Report On Debt Obligation

Receipt Date: 07/25/2025

Entity and Debt Information		
<b>Entity Name</b>		
Regional Transportation Authority		
<b>Entity Address</b>		
430 Myatt Drive Nashville, Tennessee 37115		
<b>Debt Issue Name</b>		
Line of Credit Note, Series 2025		
<b>Series Year</b>		
2025		
<b>Debt Issue Face Amount</b>		
\$5,000,000.00		
<b>Face Amount Premium or Discount?</b>		
N/A		
<b>Tax Status</b>		
Tax - Exempt		
<b>Interest Type</b>	<b>Other Interest Type Description</b>	
Other	PRIME less 1.8% and a Non-Use fee of 7.5 Basis Points, paid quarterly	
<b>Debt Obligation</b>		
Note - Revenue Anticipation Note		
<b>Moody's Rating</b>	<b>Standard &amp; Poor's Rating</b>	<b>Fitch Rating</b>
Unrated	Unrated	Unrated
<b>Other Rating Agency Name</b>	<b>Other Rating Agency Rating</b>	
N/A	N/A	
<b>Security</b>		
Revenue		
<b>Type of Sale Per Authorizing Document</b>		
Negotiated Sale		
<b>Dated Date</b>	<b>Issue/Closing Date</b>	<b>Final Maturity Date</b>
6/30/2025	6/30/2025	6/30/2026

### Debt Purpose

Purpose	Percentage	Description
Other	100%	Public Transportation / Cash Flow
Education	0%	N/A
General Government	0%	N/A
Refunding	0%	N/A
Utilities	0%	N/A

### Cost of Issuance and Professionals

Does your Debt Issue have costs or professionals?

Yes

Description	Amount	Recurring Portion	Firm Name
Legal Fees - Bank Counsel	\$1,500.00	N/A	Fifth Third Bank
TOTAL COSTS	\$1,500.00		



### Maturity Dates, Amounts, and Interest Rates

#### Comments

Year	Amount	Interest Rate
2026	\$5,000,000.00	PRIME Less 1.8%
TOTAL AMOUNT	\$5,000,000.00	

\*See final page for Submission Details and Signatures\*

### Submission Details and Signatures

Is there an official statement or disclosure document, as applicable, that will be posted to EMMA: <https://emma.msrb.org/>

No

#### Signature - Chief Executive or Finance Officer of the Public Entity

**Name**

Shelly McElhaney

**Title/Position**

Director of Finance

**Email**

shelly.mcelhaney@nashville.gov

**Alternate Email**

N/A

#### Signature - Preparer (Submitter) of This Form

**Name**

Janet Poynter

**Title/Position**

Accounting Manager

**Email**

janet.poynter@nashville.gov

**Alternate Email**

N/A

**Relationship to Public Entity**

Accounting Manager

**Organization**

The Regional Transportation Authority

#### Verification of Form Accuracy

By checking the box below as the signing of this form, I attest the following:

1. I certify that to the best of my knowledge the information in this form is accurate.
2. The debt herein complies with the approved Debt Management Policy of the public entity.
3. If the form has been prepared by someone other than the CEO or CFO, the CEO or CFO has authorized the submission of this document.

☒ Verify Form Accuracy

**Date to be Presented at Public Meeting**

08/20/2025

**Date to be emailed/mailed to members of the governing body**

08/20/2025

**Final Confirmation:**

I hereby submit this report to the Division of Local Government Finance of the Tennessee Comptroller of the Treasury and understand my legal responsibility to: File this report with the members of the governing body no later than 45 days after the issuance or execution of the debt disclosed on this form. The Report is to be delivered to each member of the Governing Body and presented at a public meeting of the body. If there is not a scheduled public meeting of the governing body within forty-five (45) days, the report will be delivered by email or regular US mail to meet the 45-day requirement and also presented at the next scheduled meeting.

# Regional Transportation Authority

## *of Middle Tennessee*

☒ Committee Discussion Item      ☐ Exec. Committee Discussion Item      ☐ Board Discussion Item  
☐ Committee Action Item      ☐ Exec. Committee Action Item

Item Number:	RTA-FIN-A-25-002	Meeting Date:	8/13/2025
Item Title:	RTA Regional Bus Service Reserves Policy Revision		

### BACKGROUND:

RTA member jurisdictions make two forms of payment to the RTA: (1) all members pay dues, which (by statute) are assessed at \$0.10 per resident as counted in the most recent census and (2) jurisdictions that receive bus or rail service pay a proportional share of the cost of that service based on the level of service/cost of service, any offsetting revenues such as operating income and State/Federal grants, and the number of local jurisdictions in a specific service corridor among whom the net deficit is divided.

In 2017, the RTA Board established a corridor reserve policy to recognize the risk associated with certain funding sources for regional bus service, particularly the Federal CMAQ program. The intent of the reserve policy was to allow each corridor to establish sufficient reserves to provide for an orderly “wind down” of service in the event major funding sources were discontinued. Over the ensuing years, each corridor accumulated varying levels of reserves, which are deposited in a separate bank account and tracked for each contributing jurisdiction. The balances of these reserve funds are reported out to the RTA Board annually and upon request. Use of the reserves is governed by the RTA’s Regional Bus Service Reserve Policy, adopted by the RTA Board on December 13, 2017. In 2022, the reserve approach was expanded to include the WeGo Star Corridor. Over the years, several jurisdictions have applied portions of their reserves to their annual service contribution requirement, while others have sustained their required annual contribution, allowing their reserve balances to continue to build. As originally written, the reserve policy states that reserves may only be applied to operating costs, and not to member dues.

This year, for the first time, a member jurisdiction that has not expressed an intent to leave Authority membership has not paid its annual dues assessment. This member has a significant reserve balance. This issue was brought to the attention of the Finance Committee, which requested that the Authority’s General Counsel examine the legality of applying reserves to outstanding dues balances, as well as service costs. The General Counsel indicated that the Authority’s enabling legislation was generally permissive of practices of the Authority to encourage and maximize participation by member (and prospective) member jurisdictions, and that the law would not preclude the use of reserves toward annual membership dues, provided the Authority’s Board adopted a policy that allowed such an application.

Based on this assessment, it is recommended that the following change (in bold) be made to the Authority’s reserve policy, which is attached with the recommended amendment:

The reserve may only be used for regional bus service operating costs and will be used at the discretion of each individual member to cover any potential shortfalls as determined through the annual budget process. **The reserve may be used by the RTA Board, upon a majority vote of the RTA Board, to pay outstanding annual assessments owed by RTA members. Such approval may be incorporated into the Authority’s annual budget approval action.**

**RECOMMENDATION:**

Staff requests that the Finance Committee recommend that the Board adopt the attached Regional Bus Service Reserve Policy dated August 13, 2025, and that approval of specific jurisdictions for the use of their reserves toward dues payments be incorporated into the annual budget resolution.

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**APPROVED:**

*Deputy CEO of Finance and Administration*

**8/13/2025**

*Date*

# Regional Transportation Authority of Middle Tennessee

## REGIONAL BUS SERVICE RESERVES

**History:** *In October 2017, the Comptroller of the Treasury of the State of Tennessee published a performance audit report that highlighted the need to develop an official policy regarding the establishment of a reserve for the Regional Transportation Authority of Middle Tennessee's (RTA) regional bus service and a method to manage the reserve. In practice, the RTA established a reserve through the budget process in 2016 in an attempt to stabilize the annual budget process for all the RTA members who receive and pay for regional bus service within their respective jurisdictions. With the uncertainty of receiving federal grant support on an annual basis, the reserve will help smooth out future annual subsidy requests for each of RTA's member cities and counties.*

### I. Regional Bus Service Reserve Policy

The Governing Body is establishing a regional bus service reserve policy as a tool to help stabilize annual subsidy amounts requested from regional members for the operation of RTA's regional bus services. The reserve is not required but will be utilized at the discretion of the RTA Board. The amount of the reserve will be determined on a corridor-by-corridor basis and will be based upon a recommendation from RTA's third-party contracted management on an annual basis through the annual budget process. The amount of the reserve must be agreed upon by each corridor member and approved by the RTA Board. An annual budget cost estimate will be calculated for each corridor, and the reserve will be added on top of the estimated cost for each of the members. The excess contributions over actual costs will be set aside and maintained by members within each corridor in a separate master bank account.

The reserve may be used for regional bus service operating costs and will be used at the discretion of each individual member to cover any potential shortfalls as determined through the annual budget process. The reserve may be used by the RTA Board, upon a majority vote of the RTA Board, to pay outstanding annual assessments owed by RTA members. Such approval may be incorporated into the Authority's annual budget approval action.

Date August 13, 2025



# **REGIONAL TRANSPORTATION AUTHORITY AGENDA**

## **AUDIT COMMITTEE**

**Wednesday, August 13, 2025 | 1:00 p.m.**

**Elizabeth Duff Transit Center at WeGo Central  
400 Dr. Martin L. King Jr. Blvd.  
Nashville, TN 37219**

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**Chair – City of Franklin Mayor Ken Moore**  
Ed Cole - Davidson County Governor Appointee  
Mayor Billy Vogle - Robertson County

RTA Support Staff – Amanda Vandegrift, Deputy CEO of Finance & Administration

### **AUDIT COMMITTEE**

- 1. Call to Order**
- 2. RTA Auditing Services** – Shelly McElhaney, Director of Finance      **R-AUD-A-25-001   Pg. 14**
- 3. Other Business**
- 4. Adjournment**

# Regional Transportation Authority of Middle Tennessee

☐ Committee Discussion Item    ☐ Exec. Committee Discussion Item    ☐ Board Discussion Item  
☒ Committee Action Item    ☐ Exec. Committee Action Item

Item Number:	RTA-AUD-A-25-001	Meeting Date:	8/13/2025
Item Title:	RTA Auditing Services		

## BACKGROUND:

RTA's FY2024 audit fulfilled the contract terms with Crosslin PLLC to provide audit services for RTA's financial statements. On March 17, 2025, RTA published a new RFP for audit services on WeGo's website as well as on TransitTalent.com. Inquiries were received from multiple potential audit firms, and ultimately received three proposals. These proposals, deemed timely and responsive, were received from:

- Crosslin, Certified Public Accountants
- Clifton Larson Allen, CPA's, Consultants, Wealth Advisors
- Mauldin & Jenkins LLC

The evaluation committee met and reviewed the three submissions, and based on the criteria outlined in the RFP, the committee selected Crosslin to continue as RTA's external auditors. The RFP called for a contract term of five years. Crosslin proposed the following costs for each of the next five years with a total contract value of \$145,000:

FY2025	\$27,500
FY2026	\$28,250
FY2027	\$29,000
FY2028	\$29,750
FY2029	\$30,500

Thomason Financial Resources will serve as a Disadvantaged Business Enterprise (DBE), which represents approximately 20% of this contract. Crosslin prices are fixed and comparable to the current market for annual audit services. Management does not currently anticipate there to be a need for additional services, but there may be an occasion when a deeper dive into a specific focus area is desired. For any of these types of unanticipated services, standard hourly rates will apply. The contract allows either party to cancel annually as opposed to optional years.

## RECOMMENDATION:

Staff requests that the Audit Committee recommend to the RTA Board to enter into a five (5) year contract for annual external audit services with Crosslin PLLC for a total contract value of \$160,000, including \$145,000 for annual audit services and a contingency amount of \$15,000 for any unanticipated audit services that may be needed over the contract period.

## APPROVED:

  
Deputy CEO of Finance and Administration

8/13/2025

Date



# **REGIONAL TRANSPORTATION AUTHORITY AGENDA**

## **OPERATIONS COMMITTEE**

**Wednesday, August 13, 2025 | 1:00 p.m.**

**Elizabeth Duff Transit Center at WeGo Central  
400 Dr. Martin L. King Jr. Blvd.  
Nashville, TN 37219**

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**Chair – Mayor Rick Bell**

Mayor Billy Vogle - Robertson County

Ken Davis - Wilson County Governor's Appointee

RTA Support Staff – Debbie Frank, Deputy CEO of Growth & Development

### **OPERATIONS COMMITTEE**

- 1. Call to Order**
- 2. Donelson Joint Development Update** – Debbie Frank, Deputy CEO of Growth & Development **R-OP-D-25-001 Pg. 16**
- 3. Other Business**
- 4. Adjournment**



# Regional Transportation Authority

## of Middle Tennessee

☒ Committee Discussion Item    ☐ Exec. Committee Discussion Item    ☐ Board Discussion Item  
☐ Committee Action Item    ☐ Exec. Committee Action Item

Item Number:	R-OP-D-25-001	Meeting Date:	8/13/2025
Item Title:	Donelson Joint Development Update		

### BACKGROUND:

On June 13, 2022, RTA received an unsolicited proposal from H.G. Hill and Southeast Venture (HGH/SV) to lease a portion of the existing RTA property adjacent to Donelson Station to facilitate the development of a mixed-use complex of housing, commercial, and retail space to complement the rail station and to generate long-term revenue for the Authority. As part of the overall project, parking for rail patrons would be sustained, and the overall functionality of the station would be improved. The proposal also includes an area for a transit center that would facilitate bus service to the airport and connections to other routes.

Following the necessary procedures in the Authority's formally adopted Unsolicited Proposals Policy, on October 19, 2022, the Board authorized the Chief Executive Officer to enter into a twenty-four (24)-month period of exclusion negotiation for RTA and HGH/SV to develop a formal joint development agreement that encompasses a design plan for the transit-related improvements, a long-term ground lease, and other long-term financial arrangements as the developer refines the plans for the rest of the project to present a final project plan for FTA and RTA Board approval.

Since the period of exclusive negotiation began, substantial work (studies, programming/design, property negotiations, appraisals, etc.) critical to a formal joint development agreement has been completed. RTA has also secured local, state, and federal funding of just over \$29 million to advance public infrastructure improvements on this project, including station improvements, transit center construction, and various supporting infrastructure such as quiet zone implementation and intersection upgrades.

While substantial progress has been made since 2022, additional time was needed to finalize the design plan, financial arrangements, and ground lease agreement. On September 18, 2024, the RTA Board approved an extension of the period of exclusive negotiation with HGH/SV for one (1) year to October 19, 2025. If terms cannot be reached that are acceptable to the RTA Board and FTA, the project will not proceed as a joint development. However, RTA would advance the transit center, station improvement, and public infrastructure elements of the project.

### CURRENT STATUS:

Debbie Frank, Deputy CEO for Growth and Development, will provide a project update during a joint meeting of the Finance, Operations, and Audit Committees.

### APPROVED:



Deputy CEO of Growth & Development

8/13/2025

Date