

NASHVILLE METROPOLITAN TRANSIT AUTHORITY
Board of Directors Meeting

March 24, 2022

I. **Call to Order:** The regular meeting of the Nashville Metropolitan Transit Authority (Nashville MTA) Board of Directors was held at the Tennessee Bankers Association, located at 211 Athens Way, Ste. 100, Nashville, TN 37228 on Thursday, March 24, 2022.

II. **Roll Call of Persons Present:** Gail Carr Williams, Chair; Janet Miller, Vice-Chair; Walter Searcy, Member; Mary Griffin, Member; Jessica Dauphin, Member; Margaret Behm, Board Secretary; Chief Financial Officer Ed Oliphant; Chief Administrative Officer Rita Roberts-Turner; Chief Operating Officer Andy Burke; Chief Development Officer Trey Walker; Deputy Chief Operating Officer-Operations Systems Dan Freudberg; Director of Marketing & Communications Renuka Christoph; Director of System Safety & Risk Management Nicholas Oldham; Director of Maintenance Carl Rokos; Sr. Transit Planner Justin Cole; Director of Planning & Grants Felix Castrodad; and Sr. Executive Assistant & Board Liaison Monica Howse.

A quorum was established, and Chair Gail Carr Williams called the meeting to order at 2:38 p.m.

III. **Approval of Minutes:** Walter Searcy made a motion to approve the February 24, 2022 MTA Board minutes; the motion was seconded by Vice-Chair Janet Miller, and unanimously approved by the Board.

IV. **Public Comments:** Chair Gail Carr Williams opened the floor for public comments. The public was reminded that comments were limited to three minutes. The following members of the public had these comments:

Darius Knight

- Mr. Darius Knight's comments reflected several ongoing concerns over the condition of many of the older buses he has ridden. Specifically, the 700 Buses and the NABI buses.
- Mr. Knight expressed concerns that the new website is not user-friendly.
- Mr. Knight asked staff to consider incentives for retaining existing bus operators.
- Mr. Knight asked board members and staff to take some time to go down to Central and listen to the concerns of the customers.

V. **Operations & Finance Committee Report:** Committee Chair Walter Searcy introduced the following items for discussion and action:

a. **Monthly Financial Report Compared to Budget (OF-D-22-009):** Chief Financial Officer Ed Oliphant reported and reflected on the statement of operations for January 2022 compared to the budget and a balance sheet as of January 31, 2022

Vice-Chair Miller asked what the ridership was like for RTA, CFO Oliphant stated that ridership was at 25-30%. As the RTA is much more reliant on Downtown office workers as its customer base, ridership return has been substantially slower on the RTA than the MTA.

Walter Searcy asked CFO Oliphant about Premier Parking coming back with a forward-looking proposal. CFO Oliphant said that they would return to the full contract when they get back to \$115,000 dollar mark.

There was no further discussion at this time.

b. **External Audit Services (M-A-22-003):** Chief Financial Officer Ed Oliphant reported the following:

This past FY 2021 audit year fulfilled the contract terms with Crosslin to provide audit services on MTA's financial statements. In January 2022, MTA solicited bids for audit services by mailing Requests for Proposals (RFP) to 20 potential audit firms, advertising in the newspaper, and posting on the website. Inquiries were received from 5 audit firms on the project, but only two firms submitted a responsive and responsible proposal according to the terms of the RFP. After a telephone tabulation on why other firms did not submit, the reasons ranged from not wanting to adhere to our contract terms, wanting to only audit virtually and others were just not interested.

The evaluation committee met and reviewed the two responsive proposer submissions and based upon the criteria outlined in the RFP, the committee selected Crosslin to continue as MTA's external auditors.

Mary Griffin asked if we used an RFI process for audit services? CFO Oliphant said that we've used the RFI in the past, but not for audit services because we send direct mailings and advertise with the firms in town. He said that he's even reached out to some firms personally and some said that they didn't participate because of staffing issues.

Walter Searcy asked if Thomason Financial Resources bid on the project and how many other DBEs were received? CFO Oliphant said that Thomason Financial Resources will work with Crosslin as a DBE and will make up 15% of this contract and there were no other DBE's that bid on this project.

The NICE Committee recommended that the Board approve a contract with Crosslin as external auditors for Nashville MTA for a cost not to exceed \$262,000 over a term of five years.

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

- c. **Acquisition of Standard 40' Transit Coaches (M-A-22-004)**: Chief Administrative Office Rita Roberts-Turner and Director of Maintenance Carl Rokos presented the following report:

Previously adopted capital plans of the Metro Transit Authority scheduled the replacement of fourteen (14) articulated buses in FY2022 and fifteen (15) standard 40' buses in FY2023. In October 2021, the staff scheduled the purchase of fourteen (14) articulated buses from New Flyer Incorporated, but this acquisition was deferred for the agency to perform additional due diligence with respect to this contractor.

During the ensuing months, this due diligence was undertaken with the cooperation of the supplier, New Flyer Incorporated, and we anticipate an award recommendation in April 2022. As part of the Metro, Capital Spending Plan adopted this past Fall, the Metropolitan Transit Authority was awarded two projects relative to the acquisition of heavy-duty transit coaches – an award of \$10,000,000 for replacement buses, and an award of \$2,000,000 for expansion buses to support service improvements included in the Better Bus initiative and the Metro Nashville Transportation Plan.

As has been reported in prior Board meetings, worldwide supply chain issues have been impacting various sectors that supply WeGo Public Transit with goods and services, and our aging fleet means that time is of the essence in terms of contract awards for replacement vehicles and to support future service expansion as proposed in our budget submissions to Metro Nashville. Currently, we are leading a consortium of Tennessee public transit agencies in the procurement of a contract to supply a variety of heavy-duty bus types – including zero emission vehicles – from which all consortium members will be able to purchase fleet in the next few years. Unfortunately, we do not anticipate this contract to be bid and awarded until later in 2022. Given the delay already sustained in bus acquisition, and ongoing concerns over delays in future deliveries due to global supply-chain issues; staff investigated other options for acquiring the necessary fleet more quickly.

We have identified a contract for standard 40' clean diesel transit coaches that was competitively procured following Federal regulations by Washington State on behalf of the transit operators in that state. This contract allows for the assignment of some of these

vehicles to other Federal Transit Administration (FTA) grantees, and the State of Washington has agreed to assign some of the vehicles from the contract to Nashville. This process is permissible under Federal regulations for cooperative procurements and is the same method we used two years ago to acquire articulated transit buses under a contract of the Commonwealth of Virginia. The Procurement Department followed the FAST Act requirements by ensuring the State of Washington's contract that was awarded was conducted under full and open competition and is not subject to geographical preferences. Upon the Board's authorization to proceed with the procurement, WeGo's Third Party inspector, First Transit, will conduct the required Pre-Award Audit to validate that the overall bus components comply with federal requirements for a minimum 70% American Built Content and final assembly requirements, proving compliance to Buy America requirements.

If approved, fifteen (15) of these buses will replace fixed route vehicles that have previously been retired along with those that have met the end of their useful life and are no longer recommended for service. The additional five (5) would support future service expansion as outlined in the Better Bus strategy as funding from Metro allows. Authorization of this purchase will be consistent with the agency's efforts to execute a more balanced schedule for capital spending and fleet replacement. Considering the lead time for production, the maintenance staff anticipates delivery dates for twenty (20) vehicles in the Spring of 2023.

Staff requested the Board provide the Chief Executive Officer authorization to use the Washington State contract form to procure twenty (20) standard 40' clean diesel transit coaches from Gillig Corporation at a cost of \$642,360 per bus including tools and training for a not to exceed the amount of \$12,847,200.00. Fifteen (15) of these buses would replace older model buses that have exceeded their useful life as called out in the most recent MTA Capital Improvement Plan, and five (5) would expand the fleet to support future service expansion as adopted in the Better Bus service strategy and Metro Nashville Transportation Plan. This authorization is contingent upon the First Transit audit verifying that the purchase complies with all federal pre-award requirements. Funding for this purchase is available through a combination of Federal Section 5307 Formula Capital Funding and Metro Nashville Capital Spending Plan funds and has been incorporated into the prior agency, Metro, and regional transportation plans.

Chair Carr Williams asked if these buses would include a maintenance plan. CAO Roberts-Tuner confirmed that it would.

Vice-Chair Miller asked Walter Searcy if he would provide the board with an update of the New Flyer purchase. Walter Searcy said that we have met with the New Flyer team and have come to a resolution, and CEO Bland will most likely come with a recommendation at the April Board meeting.

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

- d. **Monthly Operating Statistics (OF-D-22-010)**: Chief Operating Officer Andy Burke reported and reflected on the monthly operating statistics report through January 2022.

There was a general discussion about ridership. Vice-Chair Miller said with a lot of companies allowing for a hybrid schedule that she would be shocked if ridership would return to 100%. COO Burke said that he's curious about how the "return to work" policies will impact ridership, but they are continuing to watch the trends and will provide updates.

He said the RTA commuters are slower to come back than our MTA services due to the much heavier reliance of RTA on downtown office commuters, but that WeGo Star train ridership has been strong for special events.

Overall, these are the kinds of things that we are going to be watching as we see ridership improve.

There was no further discussion at this time.

VI. New Initiative & Community Engagement Committee Report: Vice-Chair Janet Miller presented the following items for discussion:

a. Clarksville Pike Greater St. John MBC Ground Lease (M-A-22-005): Chief Administrative Officer Rita Roberts-Turner presented the following:

As discussed at the Board's January 27, 2022, meeting, the North Nashville Transit Center, and associated improvements consist of four distinct capital project efforts with separate funding sources and project budgets. Together, these efforts provide not only the long-term real estate and infrastructure for the facility but also extend beyond the transit center property to improve multimodal connectivity. The four capital projects tied to the North Nashville Transit Center include:

- Long term ground leases for the facility and a companion station in the outbound direction on Clarksville pike,
- The site preparation, design, and construction of the transit center facility,
- Enhanced on-street stations along Clarksville Pike to provide a real-world laboratory environment for bus rapid transit level platform boarding concepts, and
- Neighboring pedestrian improvements to connect the neighborhood to the transit center facility.

As part of these capital improvements, WeGo has been in discussions with Greater St. John Missionary Baptist Church regarding a ground lease for approximately 0.20 acres along Clarksville Pike to facilitate construction of an on-street outbound station complimentary to the transit center. Lease payments for this property would be adopted annually in the organization's capital budget and are eligible for funding through most of the Authority's typical capital project funding sources.

In accordance with Federal Transit Administration (FTA) regulations, the property was duly appraised and the reported fair market value of \$17,500 per year was approved by the agency. Staff along with MTA legal counsel have been in negotiations for several months with the property owner, and have agreed upon the following terms:

- Landlord:** Greater St. John Missionary Baptist Church
- Tenant:** Metropolitan Government of Nashville and Davidson County, Tennessee, as Property of and for the Benefit of the Metropolitan Transit Authority d/b/a WeGo
- Premises:** A portion of the property located at 2200 26th Avenue North Nashville, TN 37208
- Acreage: 7,500 square feet or 0.17 +/- acre
- Term:** Initial Term: Fifty (50) years
- Options: Two (2) consecutive periods of ten (10) years each
- Rent:** The Rent shall be \$17,500.00 per year due as an annual lump sum on the 1st of April each year for the first 10 years. Rent will increase by 15% at the end of each ten-year period including any renewal terms as follows:

<u>Years:</u>	<u>Annual Rent:</u>
1-10	\$17,500.00
11-20	\$20,125.00
21-30	\$23,143075
31-40	\$26,615.31

41-50	\$30,607.61
51-60	\$35,198.75
61-70	\$40,478.56

Use: The Premises shall be used as a transit facility and related uses.

Other Terms: Tenant will relocate the sign currently located on the Premises at Tenant's expense.

We believe this property is extremely advantageous to advance our services to the community and would like to move forward with executing the ground lease for purposes of beginning necessary due diligence activities, with frequent status updates to the Board.

Chair Carr Williams said that it was great to see this project come to fruition and gave special thanks to CAO Roberts-Turner for her leadership on this project, and CDO Walker for working on the designs to help create this “across the street” kind of opportunity for our community to access our North Nashville Transit Center. It’s a real win for Nashville.

The Nice Committee recommended the Board give the Chief Executive Officer the authority to enter into a lease agreement with Greater St. John Missionary Baptist Church under the general terms outlined above

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

- b. Improving Bus Stops with Development (NICE-D-22-014):** Senior Transit Planner Justin Cole presented an overview of WeGo's involvement in the development review process, including examples of current and future transit stop improvements accompanying new developments across the city. The presentation also highlighted ongoing challenges and barriers to incorporating transit stop improvements with development.

There was a general discussion about developers and how we interact with them. Justin Cole said that they are engaged with Developers, and they participate in monthly calls. He and CAO Robert-Turner said that we are also seeing more developers reaching out about the benefit of transit and them wanting to partner with us. Vice-Chair Miller said that developers want to be successful and would like a new feature to attract their customers.

Margaret Behm said that she loved what the planning team was doing. She said there are a lot more opportunities to be making headway with MDHA, and invited Justin to give her a call to discuss how they can be more proactive and discuss what regulations and ordinances are in place. Walter Searcy added that we must also partner with TDOT since many of the corridors are under their jurisdiction.

Jessica Dauphin asked if improvements and new developments were codified through Council for the SP and TIS for the developers, or is it purely luck that someone sees that it’s along a transit corridor and calls us? He said that they are reviewers for planning, when they get these submittals for rezoning, and when there is one that lines up with one of our transit corridors, we work with them to add in that condition.

Jessica Dauphin asked if bus stops, and shelters are being looked at based on current ridership or projected future ridership. Justin Cole said that bus stops are looked at for future ridership.

Vice-Chair Miller asked about the cost of bus stops. Justin Cole said that it varies by what type of project it is. If we build it, there is a construction cost; if they are already in a building project, it is simple for them to add on to the project, but the average cost of a bus shelter is \$10K.

There was no further discussion.

VII. CEO's Report: CEO Steve Bland provided the following report for Chair Carr Williams to present on his behalf in his absence.

1. We hope you all can join us at 11:00 on Thursday, March 31 for the ribbon cutting of the Transit Center adjacent to Hillsboro High School. Mayor Cooper, Council Member Pulley, Metro Schools Director Battle, and many others will join us to celebrate the opening of this facility.
2. Work on our other transit center projects continues at a steady pace, with construction bid documents for North Nashville scheduled to be released within the next month. We are also awaiting a finding from the Federal Transit Administration on the Hickory Hollow Transit Center under the National Environmental Protection Act. This determination will be critical in allowing us to advance toward property acquisition and pursue Federal funding opportunities under the new Infrastructure Law for this facility.
3. We are scheduled to meet with the staff of the Mayor's Office and Metro Finance to discuss our FY2022-23 operating budget request.
4. On the RTA side, Gray Line continues to have issues with Operator hiring and, as a result, the RTA has to keep a reduced schedule of commuter bus service in place. The exception is for the Rutherford County corridor operated by the MTA, and for the WeGo Star commuter train operated by a subsidiary of RJ Corman. We are currently examining several options to work with Gray Line to restore full service.

VIII. Chair's Report: Chair Carr Williams is looking forward to the ribbon cutting at Hillsboro High School.

Chair Carr Williams acknowledged and thanked the staff for the amazing reports that were presented at the meeting. She said that the reports showed so much progress and spoke volumes of the work and challenges that have been done by the staff throughout the pandemic. She said that everyone has been visionaries on how they see transit, not just for today, but for the future as well.

Chair Carr Williams said that she was excited that all the board members were present at the board meeting and that everyone was safe and healthy.

IX. Other Business: There was no other business to come before the Board at this time.

X. Adjournment: With no further business, Chair Carr Williams called for a motion to adjourn the meeting, a proper motion was made and seconded and the meeting was adjourned at 3:47 p.m.

Attested:

Gail Carr Williams
Chair

Margaret L. Behm
Secretary