



REGIONAL TRANSPORTATION AUTHORITY
Of Middle Tennessee

BOARD MEETING

Wednesday, June 15, 2022 | 9:30 a.m.

Tennessee Bankers Association
211 Athens Way
Nashville, TN 37228

1. **Call to Order**
2. **Approval of Minutes** – The January Board minutes were approved by the Executive Committee at the February 16, 2022 meeting.
3. **Public Comments**
4. **Finance Committee Report – Sumner County Mayor Anthony Holt**
 - **Monthly Financial Report Compared to Budget** – Ed Oliphant, CFO R-D-22-021 Pg. 1
 - **Fifth Third Line of Credit Renewal** – Ed Oliphant, CFO R-A-22-010 Pg. 4
 - **RTA/MTA Contract Renewal State WeGo Ride Services** – Ed Oliphant, CFO R-A-22-011 Pg. 5
 - **RTA/MTA WeGo Ride Program Revenue Sharing Agreement** – Ed Oliphant, CFO R-A-22-012 Pg. 6
 - **RTA/MTA Management Contract Renewal** – Ed Oliphant, CFO R-A-22-013 Pg. 8
 - **RTA/MTA Regional Bus and Shuttle Contract FY2023 Renewals** – Ed Oliphant, CFO R-A-22-014 Pg. 11
 - **WeGo Star Liability Insurance Renewal** – Ed Oliphant, CFO R-A-22-015 Pg. 12
 - **Commuter Train Reserve Policy** – Ed Oliphant, CFO R-A-22-016 Pg. 13
 - **FY2023 Proposed Operating Budget** – Ed Oliphant, CFO R-A-22-017 Pg. 15
 - **RTA FY2023 Capital Investment Plan Update** – Felix Castordad, Director of Planning & Grants R-A-22-018 Pg. 21
 - **Disadvantaged Business Enterprise (DBE) Program Updates** – Rachel Johnson, Procurement and DBE Liaison R-D-22-022 Pg. 22
5. **Operations Committee Report – Mayor Rick Bell, Chair**
 - **RTA Monthly Operating Statistics** – Andy Burke, COO R-D-22-023 Pg. 24
6. **CEO's Report – Stephen G. Bland, CEO**
7. **Chair's Report – Mayor Randall Hutto, Chair**
8. **Other Business**
9. **Adjournment**

Note: A meeting of the Executive Committee has been scheduled concurrently with the full Board Meeting. In the event a quorum of the Board cannot be achieved, the Executive Committee will meet to conduct the scheduled business of the Board. If a quorum of the Board is present, there will be no Executive Committee meeting.



REGIONAL TRANSPORTATION AUTHORITY
Of Middle Tennessee

EXECUTIVE COMMITTEE MEETING

Wednesday, June 15, 2022 | 9:30 a.m.

Tennessee Bankers Association
211 Athens Way
Nashville, TN 37228

1. **Call to Order**
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7. **Chair’s Report – Mayor Randall Hutto, Chair**
8. **Other Business**
9. **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-D-22-021	Meeting Date:	06/15/2022
Item Title:	Monthly Financial Report Compared to Budget		

BACKGROUND:

Attached is a statement of operations for the month of April 2022 compared to the budget and a balance sheet as of April 30, 2022.

While year-to-date through April fare revenues continue to lag behind budgeted estimates, we did see regional bus revenues exceed estimates and train revenues broke even for the month of April as ridership continues to slowly recover. You will note in the YTD columns that Services Expense is favorable by \$1.26 million due to budgeting for full-service levels and actually running at a reduced service level through September 2021 for all services and continuing to operate regional bus services operated by Gray Line at a reduced level through April due to driver shortages being experienced by Gray Line who operates all regional bus services except the Southeast Corridor to Rutherford County which is operated by Nashville MTA.

We will begin to catch up on our use of CARES as we progress towards the end of the fiscal year but will see our Capital Operating Reimbursements continue to stay unfavorable which reflects the favorable balances in the Services Expense line as a result of running reduced services on the train through September 2021. Since we did not incur the operating expenses, we did not need all the Capital Operating grant revenue.

As of April 30, 2022, RTA owed Nashville MTA approximately \$237,000 for services provided to and from Rutherford County as well as management fees due. RTA also had an account receivable from Nashville MTA of approximately \$33,000 for fares collected as well as Easy Ride revenue sharing due.

CURRENT STATUS:

Chief Financial Officer Ed Oliphant will be available to answer any questions regarding the statements at the Board meeting.

APPROVED:



Chief Financial Officer

June 10, 2022

Date

Regional Transportation Authority
Statement of Operations Compared to Budget
For the Period Ending April 30, 2022
UNAUDITED

	Actual Month	Budget Month	Month End Variance	F/ U	Prior Year Y-T-D	Actual Y-T-D	Budget Y-T-D	Y-T-D Variance	F/ U	Budget
Revenue from Operations:										
R&R Revenues	\$20,085	\$16,440	\$3,645	F	\$101,230	\$131,906	\$155,005	(\$23,099)	U	\$185,757
Train Revenues	22,347	22,658	(311)	U	74,413	159,832	226,448	(66,616)	U	272,939
Special Events	0	6,130	(6,130)	U	0	87,099	57,560	29,539	F	74,250
Advertising	0	1,000	(1,000)	U	0	0	8,180	(8,180)	U	9,900
Other Non-Trans Revenue	12,077	12,404	(327)	U	235,147	250,449	251,502	(1,053)	U	267,872
Total Operating Revenue	54,509	58,632	(4,123)	U	410,790	629,286	698,695	(69,409)	U	810,718
Federal/State/Local Income:										
Local Assistance	218,107	125,000	93,107	F	671,660	1,304,422	1,415,000	(110,578)	U	1,561,751
Regional Assistance	10,251	0	10,251	F	876,827	563,217	617,625	(54,408)	U	647,625
State Assistance	0	0	0	F	633,400	642,300	633,400	8,900	F	633,400
Federal Assistance - CMAQ	201,352	113,555	87,797	F	1,031,104	1,215,555	1,140,959	74,596	F	1,373,477
Federal Assistance - CARES Act	41,369	395,000	(353,631)	U	891,582	1,424,688	1,930,563	(505,875)	U	2,710,068
Total Assistance Income	471,079	633,555	(162,476)	U	4,104,573	5,150,182	5,737,547	(587,365)	U	6,926,321
Capital Revenue:										
Capital Operating Reimbursement	24,353	102,702	(78,349)	U	1,604,377	272,818	1,031,912	(759,094)	U	1,242,208
American Rescue Plan Operating	0	0	0	F	0	1,000,000	1,000,000	0	F	1,000,000
Total Capital Income	24,353	102,702	(78,349)	U	1,604,377	1,272,818	2,031,912	(759,094)	U	2,242,208
Total Revenue	\$549,941	\$794,889	(\$244,948)	U	\$6,119,740	\$7,052,286	\$8,468,154	(\$1,415,868)	U	\$9,979,247
Expenses from Operations:										
Management Contract - MTA	\$70,338	\$70,338	\$0	F	\$703,380	\$703,380	\$703,380	\$0	F	\$844,056
Services	549,462	685,501	136,039	F	4,310,708	5,295,425	6,692,234	1,396,809	F	8,089,201
Fuel	40,913	26,388	(14,525)	U	285,049	296,051	265,142	(30,909)	U	319,175
Materials and Supplies	0	1,916	1,916	F	8,980	18,006	19,151	1,145	F	22,975
Utilities	11,993	14,803	2,810	F	124,770	143,661	147,395	3,734	F	177,010
Casualty and Liability	34,206	41,080	6,874	F	385,239	354,750	414,570	59,820	F	496,730
Other	0	2,685	2,685	F	11,634	11,488	24,875	13,387	F	30,100
Total Operating Expenses	706,912	842,711	135,799	F	5,829,760	6,822,761	8,266,747	1,443,986	F	9,979,247
Surplus / (Deficit)	(\$156,971)	(\$47,822)	(\$109,149)	U	\$289,980	\$229,525	\$201,407	\$28,118	F	\$0
Capital Grant Revenue	2,898,189		2,898,189	F	4,251,966	6,370,506	6,370,506		F	0
Gain / (Loss) on Sale	0		0	F	0	0	0	0	F	0
Vanpool Replacement Revenue Fund	0		0	F	1,250	307	307		F	0
Depreciation	(299,190)		(299,190)	U	(2,047,468)	(2,912,766)	(2,912,766)		U	0
Surplus / (Deficit)	\$2,442,028	(\$47,822)	\$2,489,850	F	\$2,495,728	\$3,687,572	\$201,407	\$3,486,165	F	\$0

Regional Transportation Authority

Comparative Balance Sheets

	Month Ended April 30, 2022	Month Ended June 30, 2021
	(unaudited)	(preliminary)
CURRENT ASSETS		
Cash and cash equivalents	\$950,898	\$976,448
Receivables from federal, state and local government	2,209,372	656,134
Accounts receivable	78,137	155,121
Materials and supplies	401,428	434,672
Prepaid expense and other	103,095	43,095
Total Current Assets	3,742,930	2,265,470
PROPERTY AND EQUIPMENT		
Land	3,382,052	3,382,052
Building, shelter and benches	19,355,429	16,730,983
Guideway Improvements	7,703,596	6,594,944
Revenue equipment and parts	26,921,344	22,773,460
Office equipment	556,150	526,144
Work-in-Progress	4,591,535	6,123,347
	62,510,106	56,130,930
Less: Accumulated Depreciation	(19,599,385)	(16,686,619)
Total Property and equipment, net	42,910,721	39,444,311
OTHER ASSETS		
Cash and investments restricted	5,600,707	4,575,088
TOTAL ASSETS	\$52,254,358	\$46,284,869
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$609,325	\$703,289
Accrued expenses	21,084	24,500
Deferred Revenue	3,144,607	2,284,334
Note Payable	1,500,000	0
Total Current Liabilities	5,275,016	3,012,123
NET ASSETS		
Invested in capital assets	42,910,721	39,444,311
Restricted - Self Insurance Reserve	1,000,000	1,000,000
Restricted - Administrative Reserve	1,000,000	1,000,000
Restricted - Reserve for van pool replacement	456,100	517,374
Restricted - Regional Bus Reserve	3,144,607	2,057,714
Unrestricted	(5,219,658)	(2,985,841)
Current Year Surplus / (deficit)	3,687,572	2,239,188
Total Net Assets	46,979,342	43,272,746
TOTAL LIABILITIES AND NET ASSETS	\$52,254,358	\$46,284,869

	Current	> 30 days	> 60 Days	> 90 days	Total
Accounts Receivable	\$78,137	\$0	\$0	\$0	\$78,137
	100.0%	0.0%	0.0%	0.0%	100.0%
Accounts Payable	\$609,049	\$0	\$190	\$86	\$609,325
	100.0%	0.0%	0.0%	0.0%	100.0%

Regional Transportation Authority

of Middle Tennessee

Board Action Item

Item Number:	R-A-22-010	Meeting Date:	06/15/2022
Item Title:	Fifth Third Revolving Line of Credit Renewal		

BACKGROUND:

RTA has had a new operating line of credit through Fifth-Third Bank for the last two years in the amount of \$5 million for general borrowings to cash flow expenses for RTA. The maturity date for the current line of credit is June 30, 2022. While the renewal two years ago for the master line of credit agreement was for a term of 5 years, the line of credit must be renewed in one year increments due to banking regulations.

While we continue to reduce the frequency of need to utilize the line, it is sometimes difficult to forecast the availability of future federal grant funding. Consequently, we believe it is imperative to renew the line of credit to ensure timely cash flow for expenses. One of the fees on the line is a non-use fee of 7.5 basis points charged quarterly for any unused portion of the line. In order to minimize that expense, we are recommending to initially only open \$3.0 million of the line to be subject to the non-use fee and should we need additional capacity, at the discretion of management, we would contact the bank to open the additional line up to \$5 million in \$500,000 increments as needed. All covenants have been met on the current line of credit. The additional costs to renew the line include attorney's fees and a small closing fee.

The interest rate under the line will be changing from past agreements. Historically, the banking industry has used the LIBOR rate as the basis for charging interest. However, regulatory bodies in the US and abroad decided that based on diminishing use of interbank funding transactions that underpinned LIBOR and the concern that this made LIBOR less market-based and an increasingly more subjective rate that could be susceptible to manipulation, LIBOR would be phased out in favor of indexes that would be more regulated or with a greater market support such as the Prime rate and SOFR (Secured Overnight Funding Rate). The Federal Reserve's created agency, the Alternative Reference Rates Committee (ARRC), directed banks that LIBOR cessation would occur no later than June 30, 2023, and that no new loan origination would use that index after December 31, 2021. Consequently, RTA's renewal must go through the conversion process from LIBOR to an alternative rate. The Prime rate is a lagging indicator of interest rates and only changes when the Federal Reserve (Fed) adjusts interest rates while SOFR is a leading indicator in that it bakes in anticipated rate changes before Fed adjustments. Since we are in an environment of increasing interest rates by the Fed due to inflationary pressures, the new line of credit will be based upon Prime minus 1.8% and the same non-use fee of 7.5 basis points. These expenses have been included in the annual budget.

Any borrowings are contingent upon the receipt of federal funding when the grant funding becomes available. The line of credit is for general use to pay for expenses incurred that are reimbursable by a federal grant

RECOMMENDATION:

The Finance Committee recommends that the Board authorize the CEO to enter into the third year of a five-year revolving line of credit agreement for up to \$5.0 million with Fifth Third Bank based upon the terms explained above with a term from July 1, 2022 to June 30, 2023 based upon the terms described above.

APPROVED:

Board Secretary

June 15, 2022

Date

Regional Transportation Authority

of Middle Tennessee

Board Action Item

Item Number:	R-A-22-011	Meeting Date:	06/15/2022
Item Title:	RTA/MTA Contract Renewal for State WeGo Ride Services		

BACKGROUND:

The Regional Transportation Authority of Middle Tennessee (RTA) and the Nashville Metropolitan Transit Authority (Nashville MTA) have established a positive working relationship over the years on a regional EasyRide program involving the State of Tennessee.

For several years, the Nashville MTA along with the RTA has participated in the WeGo Ride program with the State of Tennessee where both agencies provide transit rides to State employees, and the State reimburses both the Nashville MTA and RTA on a cost-per-ride basis. The Nashville MTA has been the principle in this contract with the State of Tennessee and RTA's portion of the rides provided is passed through via a separate agreement with the Nashville MTA. The State has agreed to a new contract with the Nashville MTA for the WeGo Ride Program for July 1, 2022, through June 30, 2023, at a cost per ride set at a weighted average of \$2.50 per ride. New to the contract this year is the State's ability to sign up for vanpool services through RTA's third-party contractor, The TMA Group, which manages all of RTA's van pooling services. The cost per ride per month for these services is set at \$65 per month per rider. The total contract between Nashville MTA and the State is set not to exceed \$1.75 million.

An analysis of state employee ridership for both the Nashville MTA and RTA services is usually performed to confirm the cost per ride passed through to RTA. However, due to the severe drop in ridership, an updated analysis would not accurately reflect the pass-through pricing. Consequently, we are recommending that the effective rate of \$3.15 per ride which has been consistent over the last several years should be maintained for FY2023. The higher rate being passed through to RTA from the Nashville MTA has merit since RTA's fares for regional bus service and train service are proportionately higher than the Nashville MTA's base fares. With the addition of vanpool services, the \$65 rate per passenger per month will also be passed through to RTA.

RECOMMENDATION:

Based upon the explanation above, the Finance Committee recommends that the Board approve RTA entering into a contract with the Nashville MTA that calls for the Nashville MTA to reimburse RTA for WeGo Ride trips provided to State employees participating in the WeGo Ride program at a rate of \$3.15 per ride for regional bus rides and \$65 per passenger per month that utilizes vanpool services. The contract period will be for one year, beginning July 1, 2022, through June 30, 2023.

APPROVED:

Board Secretary

June 15, 2022
Date

Regional Transportation Authority

of Middle Tennessee

Board Action Item

Item Number:	R-A-22-012	Meeting Date:	06/15/2022
Item Title:	RTA/MTA WeGo Ride Program Revenue Sharing Agreement		

BACKGROUND:

In June 2020, the Board approved for the first time, a WeGo Ride Program Revenue Sharing Agreement with Nashville MTA for the new WeGo Ride Program. The WeGo Ride Program is an employer-paid transit pass program to provide employee commuter benefits on Nashville MTA and RTA services in Middle Tennessee under the name WeGo Public Transit. FY2021 was the first year for the new pilot WeGo Ride program to reach out to new companies to promote employer-paid transportation for their employees. To remind the Committee, the following are the objectives of the program:

- All: Simplify program transportation benefits;
- All: Simplify program administration;
- All: Simplify program fee structure to better predict costs and revenues for annual budgeting;
- MTA/RTA: Protect existing program revenue;
- MTA/RTA: Grow program participation to increase overall ridership and operating revenue;
- MTA/RTA: Increase transparency between the two agencies on program revenue and ridership;
- Business Partners: Manage and reduce both direct and indirect transportation costs;
- Business Partners: Provide sustainable and competitive employee benefits.

Current and potential business partners continue to express a strong preference for a consolidated pass program – one in which their employees could utilize a single pass for both Nashville MTA and RTA services. Under the Revenue Sharing Agreement, Nashville MTA is the master contractor under the program with revenue splits between the Nashville MTA and RTA that fairly compensates both agencies relative to the overall use of the program.

The revenues collected from business partners of the pilot WeGo Ride Program are assigned to each agency based on a formula that weights average fare (which will skew toward the RTA due to a higher fare structure) and ridership (which will skew toward MTA due to generally higher rates of usage) equally. The annual "conflict of interest review" that is discussed annually includes a review of how revenue assignment was calculated for the preceding period with testing of these calculations incorporated into both agencies' external audit scope.

While the program only had 3 customers in the initial first year through June 30, 2021, the program has picked up some momentum with more than 15 businesses currently using the program. The revenue split calculation for the program will be done at the end of June once all ridership for both agencies has occurred. It is the staff's intent to continue and promote this program which will require a renewal of this agreement since it is due to expire on June 30, 2022.

RECOMMENDATION:

The Finance Committee recommends that the Board approve the renewal of the WeGo Ride Program Revenue Sharing Agreement with Nashville MTA for the period of July 1, 2022, through June 30, 2023, based upon the formula explained above and that Nashville MTA will continue to be the Master Contractor for the WeGo Ride Program and will share revenues with RTA based upon the calculated formula. Each Board will review the agreement on an annual basis to assess if any changes should be made to the Agreement going forward.

APPROVED:

Board Secretary

June 15, 2022

Date

Regional Transportation Authority

of Middle Tennessee

Board Action Item

Item Number:	R-A-22-013	Meeting Date:	06/15/2022
Item Title:	RTA/MTA Management Contract Renewal		

BACKGROUND:

RTA is currently operating under a management contract with MTA in which MTA provides management services overseeing all operations of the RTA. The current contract was approved by the RTA Board in 2021 for five years with an expiration of June 30, 2026. The current annual contract value is \$844,056 which became effective July 1, 2021. MTA has proposed a 2% increase for a total annual contract of \$860,940 which has been included in the proposed FY2023 budget. The contract terms include a provision that allows the compensation to be adjusted beginning July 1, 2022, and each year thereafter for the life of the contract by mutual agreement of both parties. The contract states that “MTA Staff will provide executive leadership and administrative support for the RTA to carry out Financial Duties and Administrative Duties as provided herein, which shall include but not be limited to, operations, maintenance and acquisition of properties, finances, facilities and equipment, and the employment of personnel, or contracting for services, and the execution and implementation of RTAMT powers and duties set forth in Tennessee Code Annotated §§64-8-101 et. Seq and 64-8-201, et. Seq. all of which MTA is authorized to undertake and accomplish.”

The contract value has historically been adjusted 2% to 3% every two years to account for wage and inflationary increases absorbed by MTA since MTA does not charge RTA for any separate overhead expenses such as office space, utilities, materials, supplies, etc.

The following list, while not exhaustive, gives a good representation of what functions and tasks are being performed for RTA.

Customer Relations

- Call center for customer inquiries
- Customer counter ticket sales
- Bulk ticket sales online and phone orders
- Manage Emergency Ride Home Program
- Management of consignment sales
- Printing and distribution of route schedules
- Management of State Easy ride card program
- Maintain phone systems for call center

Facilities and Development/Engineering

- Use of bus bays downtown for regional buses
- Provide office space, office equipment, and computer network support
- Maintenance of train stations
- Maintain Park & Ride lots
- Construction management for Hamilton Springs
- Leasing of stations for special events
- Acquire property for stations and park & ride lots
- Mt Juliet Station parking lot expansion

Financial

- Annual Financial Audit Report
- Monthly financial statements compared to budget
- Develop annual operating budgets
- Management of Regional partner bus reserves
- Accounts payable
- Cash management
- Negotiations for banking line of credit
- Regular banking relationships
- Maintain accounting general ledgers
- Collect and account for fare collection
- Invoicing and collection of ticket sales
- Required annual reporting to various government agencies
- Manage and complete audit finding action plans to avoid repeat findings
- Monitor and spot check train parts inventory
- Surprise audits for train tickets sold on the train
- State Comptroller Audits

Planning, Grants, and Scheduling

- Monitor and manage the Transportation Improvement Plan (TIP)
- Grant Applications
- Grant revisions and amendments
- Grant compliance
- Quarterly grant reporting to FTA
- Quarterly meetings with FTA for rail oversight
- Public Hearings on schedule or fare changes
- Service planning for regional bus service
- Management and monitoring of all routes for schedule adherence
- Route adjustments due to change in Park & Ride lot locations
- Title VI plan, compliance, and monitoring
- Develop FTA required Transit Asset Management Plan
- Searching for new park & ride locations
- Represent RTA in MPO Technical Coordinating Committee meetings
- Coordinate and work with MPO and regional partners on annual federal funding allocations
- National Transit Database (NTD) monthly and annual reporting to FTA
- Meet with businesses, municipalities, and stakeholders regarding service requests
- Conduct regional studies – Northwest Corridor, Regional Park & Ride, Regional Strategic Plan (nMotion)

Operations and Safety

- Manage and monitor Gray Line buses
- Manage and monitor commuter rail services
- Manage third party quality control contractor
- Maintain fare box and ticket vending machines
- Have supervisors at Riverfront schedule adherence of train and address customer questions
- Have Supervisors at downtown intermodal for schedule adherence and answer customer questions
- Provide all radio communications
- Federal Rail audits
- State track inspection audits
- Procure annual insurance policies for liability, property damage, and director and officer's
- Coordinate with third party administrator for any accidents or injuries
- Reconcile month regional bus invoices to scheduled service and charge liquidated damage for schedule adherence failures
- Manage security at Riverfront Station and our downtown transfer facility
- Inspect 3rd party vehicles and rail equipment and vehicles and review maintenance records

Marketing

- Website development and management
- Create Route schedules
- Manage and promote special events
- Manage to advertise
- Production of brochures and system maps
- Social media
- Public information
- Media relations
- Public records requests
- Marketing promotions

Executive

- Interaction with regional mayors
- Budget presentations to Nashville Mayor and Metro Council
- Public hearings
- Develop and manage capital budgets
- Capital project oversight
- Short-term and long-term planning
- Quarterly Nashville & Eastern Rail Authority Board meetings
- Cheatham County Rail Authority Planning
- Donelson Transit-Oriented Development discussion

While this is not a completely exhaustive list of duties and responsibilities, it demonstrates the value RTA receives for the management services provided by MTA staff. If you look at the total budgeted general and administrative costs including the management fee, it totals approximately \$1.3 million, or 12.4%, of total budgeted operating costs.

RECOMMENDATION:

The Finance Committee recommends that the Board approve the new amount for the contract for MTA to manage and oversee all operations of the RTA at an annual cost of \$860,940, or \$71,745 per month. The contract price shall become effective July 1, 2022 and terminate June 30, 2026.

APPROVED:

Board Secretary

June 15, 2022
Date

Regional Transportation Authority

of Middle Tennessee

Board Action Item

Item Number:	R-A-22-014	Meeting Date:	06/15/2022
Item Title:	RTA/MTA Regional Bus and Shuttle Contract FY2023 Renewals		

BACKGROUND:

A positive working relationship has been established for many years between the Regional Transportation Authority of Middle Tennessee (RTA) and the Nashville Metropolitan Transit Authority (Nashville MTA) on regional transit programs.

Each year, the RTA contracts with the Nashville MTA for regional transit services for Davidson/Rutherford County Commuter Bus services to Murfreesboro, Tennessee, as well as connecting bus services to support the commuter train service for the WeGo Star in Nashville, Tennessee. The RTA desires to renew these contracts for the period of July 1, 2022, through June 30, 2023. Since there are different funding sources for the regional bus services and the connecting bus services, two separate contracts are required.

Contract 1 – Under the new contract for the regional bus service between Davidson and Rutherford Counties (Routes 84X and 86X), the RTA will pay the Nashville MTA for up to 53.57 hours of daily service at a rate of \$116.98 per hour, or an amount not to exceed \$1,591,725, covering 254 days of weekday transit service contained in the contract. The \$116.98 represents a 3.0% increase in the contract price compared to the prior year.

Contract 2 – Under the new contract for connecting bus services for Davidson County (Routes 64 and 93), the RTA will pay the Nashville MTA up to 11.11 hours of daily service at a rate of \$116.98 per hour, or \$330,110, covering the 254 days of weekday transit service contained in the contract. The \$116.98 represents a 3.0% increase in the contract price compared to the prior year.

A fuel escalator clause will again be included in all the new contracts to protect the Nashville MTA should the average fuel prices escalate above \$3.25 per gallon. The clause stipulates that for every 25-cent increase in the monthly average per-gallon cost of fuel, the hourly rate will increase by \$1.50 per hour for that month and going forward. This will cover the Nashville MTA's increase in operating costs due to increased fuel costs. This escalator is above and beyond the contracted amounts mentioned above. This will likely not be a factor for RTA since Nashville MTA has hedged approximately 80% of projected diesel fuel consumption to achieve an average price of approximately \$3.12 per gallon.

RECOMMENDATION:

The Finance Committee requests that the Board approve the renewal of contracts with Nashville MTA consisting of Contract 1 for regional bus services and Contract 2 for connecting bus services supporting commuter rail. Both contracts are for a period of one year beginning July 1, 2022, through June 30, 2023, for the following base amounts:

Contract #1 for a not-to-exceed amount of \$1,591,725 for regional bus service; and
Contract #2 for \$330,110 for connecting buses supporting commuter rail.

APPROVED:

Board Secretary

June 15, 2022

Date

Regional Transportation Authority

of Middle Tennessee

Board Action Item

Item Number:	R-A-22-015	Meeting Date:	06/15/2022
Item Title:	WeGo Star Liability Insurance Renewal		

BACKGROUND:

We have been working with our insurance broker regarding the renewal of our \$30 million liability insurance coverage for commuter rail which is due to expire on June 30, 2022. As stipulated within the Tri-Party Agreement between the Regional Transportation Authority of Middle Tennessee (RTA), Nashville & Eastern Railroad, and Nashville and Eastern Rail Authority, the RTA provides the first \$1 million through its own supplemental insurance reserve account. The remaining \$29 million per occurrence and \$58 million aggregate excess policy is what we receive pricing for each year. The current policy with Aspen Specialty Insurance and Liberty Surplus International Insurance companies had a total premium of \$295,562. This was a 9.8% decrease from the prior year due to low ridership on the WeGo Star which is the main driver of liability insurance premiums. All the insurance carriers have a minimum (floor) they will charge for an annual premium and then have a truing up at the end of the fiscal year based upon an audit of how many riders used the train. The floor (in terms of ridership) set by Aspen and Liberty was 174,570 rides. WeGo Star will not achieve that ridership number and thus will end this fiscal year with a floor premium of \$295,562.

Our broker typically contacts all the insurance companies in the passenger rail insurance market to receive market quotes for WeGo Star coverage. The market for commuter rail liability insurance is very limited and consists of only four companies that will provide quotes.

We have received a quote for FY2023 from Aspen Specialty Insurance as the primary and Liberty Surplus Insurance Corporation as the second layer that is \$1,000 less than last year. Both companies continue to have an excellent bond ratings. Due to the ongoing impact, the pandemic is having on ridership, the quotes were done consistent with last year's methodology being based upon a minimum floor price and the other two insurance providers could not match Aspen and Liberty's proposal. The \$29 million per occurrence/\$58 million in the aggregate cost has been confirmed at a price of approximately \$294,562 which is a 0.3% decrease over the prior year. Aspen will be covering the primary layer of \$18 million/\$36 million aggregate and Liberty has the second layer of \$11 million/\$22 million aggregate. The benchmark for ridership was increased slightly to 179,000 compared to 174,570 last year, or approximately \$1.69 per ride. For the renewal policy, should the ridership return sooner than anticipated and we exceed the benchmark, RTA would have to pay additional premiums at approximately \$1.65 times the number of rides over the benchmark. We are currently estimating fares and ridership to still be off by as much as 60% to 70% compared to pre-pandemic levels of approximately 280,000 rides. Consequently, we do not believe ridership on the train will exceed the benchmark.

RECOMMENDATION:

The Finance Committee recommends that the Board approve the insurance policy for \$29 million of train liability insurance coverage (with a \$58 million aggregate) for the policy year from July 1, 2022, through June 30, 2023, to be awarded to Aspen Specialty Insurance and Liberty Surplus Insurance Corporation for a total base annual premium of \$294,562 with the caveat that if the annual ridership exceeds the benchmark of 179,000 rides, RTA will pay an additional premium at a rate of \$1.65 per ride given over the benchmark. RTA will continue to maintain the supplemental insurance reserve of \$1 million, making our total liability insurance coverage \$30 million.

APPROVED:

Board Secretary

June 15, 2022

Date

Regional Transportation Authority

of Middle Tennessee

Board Action Item

Item Number:	R-A-22-016	Meeting Date:	06/15/2022
Item Title:	Commuter Train Reserve Policy		

BACKGROUND:

In the December 2017, the RTA Board established a written policy for a regional bus reserve that resulted from a sunset audit report finding from the Audit Division of the Comptroller of the Treasury Office for the State of Tennessee. This regional bus reserve has performed well and grown since its inception. It was established by the Board as a good business practice and stabilize regional partners annual contributions while at the same time build operating reserves to only be used should there be an interruption in funding sources and allow the regional bus operations to continue while alternative funding can be identified or allow operations to wind down in an orderly fashion. It was important to establish written policies in order to ensure that the reserve is properly defined for a specific purpose and administered according to their specific use.

Management is recommending that a similar reserve be established for the commuter rail operations as a good business practice to have operating reserves in place should there be any interruption in revenue funding to allow time to identify alternative funding should the interruption be temporary in nature or allow for commuter rail operations the ability to wind down in an orderly fashion should no alternative funding identified. The reserves will be established through the normal budget process.

The above policy has been included here for the committee's review and questions.

RECOMMENDATION:

The Finance Committee recommends that the Board officially adopt the Regional Commuter Train Operatin Reserve Policy.

APPROVED:

Board Secretary

June 15, 2022

Date

Regional Transportation Authority of Middle Tennessee

COMMUTER TRAIN SERVICE RESERVE POLICY

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. The RTA Board has determined that the same concept should be applied to the WeGo Star Commuter Train services as well. With the uncertainty of receiving federal grant support on an annual basis and sound business management, the reserve will allow the commuter rail services to continue operating until alternative funding can be identified or allow the services to be wound down in an efficient manner.*

I. Commuter Train Service Reserve Policy

The Governing Body is establishing a commuter train service reserve policy as a tool to help stabilize annual subsidy amounts requested from regional members for the operation of RTA's WeGo Star commuter train services as well as adoption of sound business practices. The reserve is not required, but will be utilized at the discretion of the RTA Board. The amount of the reserve will be determined by the East corridor members supporting the commuter rail services 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 the East Corridor members and approved by the RTA Board. An annual budget cost estimate will be calculated for each corridor and the reserve will be added, when appropriate as determined by the RTA Board, on top of the estimated cost for each of the members. The excess contributions over actual costs needed for operations will be set aside and maintained by management in a separate master bank account.

The reserve may only be used for commuter train service operating costs and will be used at the discretion of the East Corridor members to cover any potential shortfalls as determined through the annual budget process.

Date Adopted – June 15, 2022

Regional Transportation Authority

of Middle Tennessee

Board Action Item

Item Number:	R-A-22-017	Meeting Date:	06/15/2022
Item Title:	Proposed Operating Budget for FY2023		

BACKGROUND:

Last month, we had some very good discussions with the RTA Executive Committee regarding the proposed budget for next year as well as a look ahead through FY2026. The attached proposed FY2023 operating budget reflects the direction of the committee to maintain all Member city/county contributions at current levels. It also assumes full availability of Congestion Mitigation and Air Quality Funds (Federal funding provided through TDOT) for the upcoming years, as residual funds from our last CMAQ grant award will be sufficient to do so. We will be up for renewal of this CMAQ program in the coming year for anticipated use starting in FY2025. The following are significant issues and assumptions underlying the proposed budget:

COVID-19 and Its Impacts on the Operating Budget

In last year’s presentation to the Board for the FY2022 budget, staff had prepared optimistic and pessimistic scenarios as it related to the rate of return to the percentage of pre-pandemic ridership by 2025. Based on what we have seen so far through 2022, we have not even achieved last year’s pessimistic forecast and, after discussions with the Executive Committee, have incorporated the following assumptions for some of our unknown issues through 2026:

Scenario	Full Service Restored	Estimated End-of-Year Percentage of Pre-Pandemic Ridership	TDOT CMAQ 3-Year Funding Allocation	Annual Local Contributions	Total End-of-Year Corridor Reserves
Pessimistic	Fall 2022	FY2023 – 24% FY2024 – 32% FY2025 – 40% FY2026 – 50%	\$10,608,620	Remain the Same	FY2023– \$3,769,260 FY2024– \$4,483,893 FY2025– \$4,661,296 FY2026– \$4,839,775

Regional Bus Corridor reserves were established by the RTA Board in FY2016 to provide a form of “rainy-day” fund in the event of disruption of CMAQ funding or now, the impacts of the pandemic. The original goal was to get each corridor to a point where it had a minimum of one year of operating expenses for that corridor in reserve to allow sufficient time to adjust to whatever funding reality might be facing the RTA at any given point in time. The projection above gives a snapshot of the total of all bus corridor reserves, but the following table breaks these down into each specific corridor at the end of FY2026:

End-of-Year Corridor Reserve Projections			
	New Pessimistic		New Pessimistic
Dickson	\$310,023	Montgomery	\$555,710
Robertson	\$257,064	Rutherford	\$248,117
Sumner	\$965,958	Wilson	\$0
Williamson	\$942,176	Davidson	\$1,560,328

Similar to the regional bus reserve and as a result of the recommendation previously discussed in this committee meeting to now establish a Commuter Train Operating Reserve, this proposed budget assumes that a portion of

Metro Nashville’s subsidy (\$1.36 million) and all \$134,408 in subsidies from the Wilson County partners will be applied to the new reserve and CARES Act funding will be used to cover the operating expenses that would have been covered by those train subsidies.

Recognizing that one of the most pressing capital projects need for RTA is the development of well-located, purpose-built park-and-ride lots to maximize ridership opportunities, there is also a long-term need to develop local funding to be applied in each of the necessary corridors to match possible State and Federal funds for this purpose (likely a 10% local match requirement). Staff is recommending a status quo approach as it relates to regional bus reserves and have all partners continue with the same contributions and continue building reserves for FY2023 until we have had more time to develop the park and ride expansion plans.

Federal Response: The CARES Act and American Rescue Plan Act

RTA continues to utilize the \$13,786,259 in Coronavirus Aid, Relief and Economic Security (CARES) Act funding awarded back in March 2020 as the federal government’s first response to the impacts of COVID-19. These dollars are extremely flexible and represent 100% funding requiring no match and can be used for both operating and capital needs with an anticipated run out of use over the next 2 years through FY2024. As part of RTA’s pandemic response team, we planned how supplemental Federal support would be utilized to sustain current services for our customers and our assumptions included:

1. Sustained operating revenue losses, through the remainder of current year FY22, and likely, through FY2024.
2. Capital projects related to enhanced rail services and identification of park and ride properties for regional bus services.

Based on these assumptions, our CARES Act funding was apportioned as follows:

1. Sustain operating expenses in light of operating revenue loss and contractual or inflationary increases in operating expenses -	\$9,786,259
2. Continued engineering assessment of Star service upgrades -	\$2,000,000
3. Park and ride expansion -	\$2,000,000

Total:	\$13,786,259
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As you know, RTA was also awarded additional funding through the Biden Administration’s American Rescue Plan Act with RTA receiving \$1 million. These dollars are not as flexible as CARES Act funding and are 100% funding requiring no match but must be used for operating expenses with only rare exceptions for capital use. The rules also require it to be spent as quickly as possible with very little run-out use. Based upon these stringent requirements, all \$1 million of RTA’s award was used in FY2022 offsetting federal 5307 dollars that would have been used for operating costs associated with PM and capital cost of contracting.

Annual Review of Fares and Lease Rates for Riverfront Station

The present fare structure for regional bus service and the commuter rail have been in place since Nashville MTA began managing the RTA in December 2008 except for two fare increases, with the most recent of 5% across the board approved in 2016. RTA has implemented a new account-based touchless fare collection system in partnership with Nashville MTA that is now fully operational.

We propose maintaining the current fare structure for FY2023 with the intent of reassessing the structure during the next year once we will see live data from the new fare collection system as ridership hopefully gets closer to pre-pandemic levels and have a better feel for our passenger’s new post-pandemic travel patterns. We will address the overall fare structure with particular focus on the fares for commuter rail. Of particular interest is the outlier fare at Donelson Station of \$2 that has been in place since 2006.

RTA Proposed FY2023 Budget

The Regional Transportation Authority of Middle Tennessee’s (RTA) budget proposal for FY2023 has an overall increase of \$1.97 million, or 18.3%, to \$12.73 million compared to \$10.76 million in FY2022. This represents an increase of approximately \$1.9 million, or 38.0%, to \$6.9 million in the commuter train services budget as well as an increase of approximately \$73,700, or 1.3%, to \$5.8 million in the regional bus services budget. The increase in train services is primarily due to significantly higher diesel pricing and contractual increases from our third-party service providers with a 4.9% contractual increase from Transit Solutions Group, our train operator, and a proposed 3% increase in train shuttle services provided by Nashville MTA. The other major contributing

factor for the increase in train relates to the previously mentioned utilization of CARES Act funding in order to apply a portion Metro Nashville's and all of the Wilson County partner's train subsidies to the new Commuter Train Reserve. The regional bus service increases are due to contractual increases from both Nashville MTA and Gray Line, RTA's third-party bus operators.

The attached proposed budget also includes the following assumptions:

- CARES Act funding being used in this budget is approximately \$4.5 million
- \$1.5 million of CARES Act funding will be used to replace a portion of Metro Nashville's and all the Wilson County partner's train subsidies so that the subsidies can be applied to the new Commuter Train Operating Reserve
- Federal 5307 used for the capital cost of contracting operating expenses will increase \$1 million back to historical levels after the one-time use of Rescue Plan funding in FY2022
- the State will continue its operating subsidy as well as support for the regional bus services
- the Tennessee Department of Transportation (TDOT) will continue the support for the WeGo Ride program (payment for state employees to ride transit services); and,
- Full CMAQ funding as previously planned is being utilized for FY2023. These funds will be available regardless of a final decision by TDOT on our upcoming application for renewal of CMAQ funding for the next 3 years.

The revenues needed to cover the operating expenses will come from CARES Act funding, fare revenues, advertising and rental revenues, federal Congestion Mitigation Air Quality (CMAQ) grant funding, state, local, and regional subsidy support, as well as federal formula 5307 capital funding that will be converted to operating revenue through the preventive maintenance and capital cost of the contracting process.

This proposed budget also assumes that up to \$5 million from the line of credit will be available for use throughout the fiscal year. This is for cash flow purposes only, with full repayment over the course of the fiscal year.

Two versions of the proposed FY2023 Budget have been included for your reference. One version is the traditional format of the regional bus and train operations while the other represents the budget by regional partners including forecasts through FY2026.

One additional topic was discussed in May's Executive Committee meeting that needs to be brought to the attention of the Board. While it does not have a bearing on the approval of the FY2023 operating budget being presented here, there was some discussion about RTA's future year forecasts as it relates to the WeGo Star operation in the East Corridor and the fact that the one-time CARES Act funding will be depleted during FY2024. The forecasts through FY2026 reflect very slow ridership recovery and continued high fuel cost which result in structural deficits starting during FY2024. While there will be reserves in place to address these deficits in the short-term, serious conversations will need to take place with the East Corridor Committee and Board to discuss how the corridor will address the inevitable structural deficits reflected in FY2025 and beyond.

Chief Financial Officer Ed Oliphant and CEO Steve Bland will review both budgets at the committee meeting.

RECOMMENDATION:

The Finance Committee recommends that the Board adopt the proposed FY2023 budget as presented.

APPROVED:

Board Secretary

June 15, 2022

Date

**Regional Transportation Authority
FY2023 Proposed Budget**

	Proposed RTA REGIONAL BUS FY2023	Proposed RTA TRAIN FY2023	TOTAL Proposed Budget for FY2023	TOTAL Approved Budget for FY2022	Dollar Variance	Percent Variance
Revenues From Operations						
Ticket Sales Revenues	\$185,757	\$200,155	\$385,912	\$458,696	(\$72,784)	-15.9%
Rail Operations Advertising Revenue		9,000	9,000	9,000	0	0.0%
Ticket Revenue from Special Events		74,250	74,250	74,250	0	0.0%
Membership Dues	169,932	0	169,932	169,932	0	0.0%
Miscellaneous Other Revenues	0	98,840	98,840	98,840	0	0.0%
Total Operating Revenue	355,689	382,245	737,934	810,718	(72,784)	-9.0%
Federal/State/Local Support Income						
Wilson County, Lebanon, Mt Juliet		134,408	134,408	134,408	0	0.0%
Metro Nashville Government	320,200	1,500,000	1,820,200	1,820,200	0	0.0%
Regional Subsidies	1,070,802		1,070,802	1,033,335	37,467	3.6%
JARC/NF	0		0	0	0	0.0%
State Support	475,379	166,921	642,300	633,400	8,900	1.4%
CMAQ	1,465,446		1,465,446	1,373,477	91,969	6.7%
CARES Act Funds	1,988,235	2,540,988	4,529,223	2,710,068	1,819,155	67.1%
Federal 5307 (Maint. & Capital Cost of Contracting)	155,788	2,173,969	2,329,757	1,242,208	1,087,549	87.5%
Federal RESCUE Plan Funding	0	0	0	1,000,000	(1,000,000)	-100.0%
Total Support Income	\$5,475,850	\$6,516,286	\$11,992,136	9,947,096	2,045,040	20.6%
Total Revenue	\$5,831,539	\$6,898,531	\$12,730,070	\$10,757,814	\$1,972,256	18.3%
Expenses :						
Mgmt Contract with MTA	430,471	430,471	860,942	844,056	16,886	2.0%
Marketing	84,560	82,710	167,270	167,270	0	0.0%
Legal Fees	15,000	22,000	37,000	47,000	(10,000)	-21.3%
Audit Fee	15,000	21,800	36,800	36,800	0	0.0%
Software & Web Maintenance	57,000	0	57,000	54,680	2,320	4.2%
Interest Expense - Line of Credit	0	19,500	19,500	19,500	0	0.0%
Bank Service Charges	3,500	14,300	17,800	17,800	0	0.0%
Consultant / Other Labor	7,000	32,160	39,160	89,200	(50,040)	-56.1%
Contract - Fare Collections	71,000	129,000	200,000	200,000	0	0.0%
Contract - Station Maint & Security	0	189,000	189,000	189,000	0	0.0%
Contract - Track Usage, Maint & Dispatch	0	753,920	753,920	824,175	(70,255)	-8.5%
Contract - Transit Services (Bus)	4,347,594	330,110	4,677,704	4,588,185	89,519	2.0%
Contract - Transit Services (Rail)	0	1,900,350	1,900,350	1,810,291	90,059	5.0%
Contract - MCS Special Event Trips	0	42,610	42,610	41,300	1,310	3.2%
Fuel	0	731,790	731,790	319,175	412,615	129.3%
Consumable Supplies	8,800	14,975	23,775	23,775	0	0.0%
Printing & Publishing	2,000	15,300	17,300	17,300	0	0.0%
Travel & Training	1,000	0	1,000	1,000	0	0.0%
Partner Reserves	767,634	1,500,000	2,267,634	778,567	1,489,067	191.3%
Dues & Membership Fees	4,000	7,000	11,000	11,000	0	0.0%
Insurance	4,000	486,770	490,770	496,730	(5,960)	-1.2%
Utilities	8,980	174,765	183,745	177,010	6,735	3.8%
Contract - Emergency Ride Home	4,000	0	4,000	4,000	0	0.0%
Total Operating Expenses	\$5,831,539	\$6,898,531	\$12,730,070	\$10,757,814	\$1,972,256	18.3%
Annual Surplus / (Deficit)	\$0	\$0	\$0	\$0	\$0	

Regional Transportation Authority Budget for FY2023, Forecasts for FY2024-FY2026

Budget by Partner	FY2022 Approved Budget	FY2023 PROPOSED	FY2024 PROJECTED	FY2025 PROJECTED	FY2026 PROJECTED
Expenses					
<i>Direct Cost of Service Provided</i>					
87X - Gallatin/Hendersonville Express	\$655,625.00	\$713,110.00	\$731,615.00	\$756,514.00	\$779,191.00
92X - Hendersonville (Only) Express	0.00	0.00	0.00	0.00	0.00
89X - Robertson Cty Express	314,154.00	341,699.00	350,566.00	362,496.00	373,362.00
91X - Franklin (Only) Express	0.00	0.00	0.00	0.00	0.00
95X - Franklin/Spring Hill Express	682,943.00	742,823.00	762,099.00	788,035.00	811,657.00
94X - Clarksville Express	600,989.00	653,684.00	670,647.00	693,471.00	714,258.00
88X - Dickson Express	280,006.00	304,557.00	312,461.00	323,094.00	332,779.00
84X - Murfreesboro Express	1,301,278.00	1,192,082.00	1,223,017.00	1,264,639.00	1,302,547.00
86X - Smyrna Express	432,702.00	399,639.00	410,009.00	423,963.00	436,671.00
96L - Murfreesboro Local	0.00	0.00	0.00	0.00	0.00
Commuter Rail Train Service	3,826,159.00	4,264,550.00	4,459,704.00	4,657,483.00	4,862,437.00
<i>Indirect Costs</i>	1,885,391.00	\$1,850,292.00	1,854,770.00	1,892,815.00	1,901,520.00
Total Expenses	9,979,247.00	10,462,436.00	10,774,888.00	11,162,510.00	11,514,422.00
Revenue Sources					
Self-Generated Revenues					
Fares & Other Self-generated Revenues	640,786.00	568,002.00	714,587.00	859,628.00	1,030,108.00
Membership Dues	169,932.00	169,932.00	169,932.00	169,932.00	169,932.00
Unidentified Revenue Source	-	-	-	-	-
Total Fares and Other	810,718.00	737,934.00	884,519.00	1,029,560.00	1,200,040.00
Federal					
Federal \$5307 Contribution - R&R Related Svcs	141,185.00	155,788.00	181,211.00	222,913.00	225,347.00
Federal \$5307 Contribution - Train Related Svcs	1,101,023.00	2,173,969.00	2,274,467.00	2,378,028.00	2,486,698.00
Federal CARES Contribution - R&R Related Svcs	2,063,310.00	1,988,235.00	1,233,767.00	-	-
Federal CARES Contribution - Train Related Svcs	646,758.00	2,540,988.00	636,858.00	-	-
Federal CMAQ Contribution - R&R Related Svcs	1,373,477.00	1,465,446.00	2,017,188.00	2,924,116.00	2,965,054.00
Federal RESCUE Contribution - Train Related Svcs	1,000,000.00	-	-	-	-
Total Federal	6,325,753.00	8,324,426.00	6,343,491.00	5,525,057.00	5,677,099.00
Metro					
Davidson County - R&R Related Services	320,200.00	320,200.00	320,200.00	320,200.00	320,200.00
Davidson County - Train Related Services	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
Total Metro	1,820,200.00	1,820,200.00	1,820,200.00	1,820,200.00	1,820,200.00
State					
TDOT	983,400.00	1,042,300.00	1,051,900.00	1,061,700.00	1,071,600.00
Total State	983,400.00	1,042,300.00	1,051,900.00	1,061,700.00	1,071,600.00
Regional Subsidy Contributions					
SE Corridor (84X, 86X)					
Rutherford County	49,220.00	49,220.00	49,220.00	49,220.00	49,220.00
Murfreesboro	33,610.00	33,610.00	33,610.00	33,610.00	33,610.00
Smyrna	17,000.00	4,467.00	5,678.00	17,455.00	17,850.00
LaVergne	9,000.00	9,000.00	9,000.00	9,000.00	12,111.00
MTSU	25,000.00	25,000.00	25,000.00	25,000.00	40,049.00
NE Corridor (87X)					
Sumner County	55,597.00	55,597.00	55,597.00	55,597.00	55,597.00
Gallatin	55,597.00	55,597.00	55,597.00	55,597.00	55,597.00
Hendersonville	55,597.00	55,597.00	55,597.00	55,597.00	55,597.00
S Corridor (95X)					
Williamson County	78,040.00	78,040.00	78,040.00	78,040.00	78,040.00
Spring Hill	42,237.00	42,237.00	42,237.00	42,237.00	42,237.00
Franklin	56,185.00	56,185.00	56,185.00	56,185.00	56,185.00
N Corridor (89X)					
Robertson County	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Springfield	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
NW Corridor (94X)					
Montgomery County	51,301.00	51,301.00	51,301.00	51,301.00	51,301.00
Clarksville	51,301.00	51,301.00	51,301.00	51,301.00	51,301.00
E Corridor (Train)					
Wilson County	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Lebanon	54,408.00	54,408.00	54,408.00	54,408.00	54,408.00
Mt. Juliet	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
Cheatham County (Pleasant View)	-	-	-	-	-
W Corridor (88X)					
Dickson County	36,825.00	36,825.00	36,825.00	36,825.00	36,825.00
City of Dickson	36,825.00	36,825.00	36,825.00	36,825.00	36,825.00
Total Regional Contributions	817,743.00	805,210.00	806,421.00	818,198.00	836,753.00
Total Revenue Sources	10,757,814.00	12,730,070.00	10,906,531.00	10,254,715.00	10,605,692.00
Surplus:					
Membership Dues	-	-	-	-	-
BUS Subsidies Reserved for Future Service	778,567.00	767,634.00	540,642.00	177,405.00	178,479.00
TRAIN Subsidies Reserved for Future Service	-	1,500,000.00	-	-	-
Surplus / (Deficit)	778,567.00	2,267,634.00	131,643.00	(907,795.00)	(908,730.00)
Train Structural Deficit	-	-	(408,999.00)	(1,085,200.00)	(1,087,209.00)

CARES Act Funding Forecast for Regional Transportation Authority

Regional Transportation Authority						
Area of Expenditure	FY2020	FY2021	FY2022	FY2023	FY2024	Total
CARES Act Funding	\$13,786,259	\$13,786,259	\$12,599,324	\$5,889,256	\$1,870,625	\$13,786,259
<i>Unused portion from FY2022 estimated</i>				\$645,000		\$645,000
OPERATING EXPENSES using CARES Act						
Offset for Lost Operating Revenue		\$186,935	\$1,100,585	\$1,763,631	\$1,148,721	\$4,199,872
In Lieu of Train Partner Subsidies for Operating			\$134,408	\$1,500,000		\$1,634,408
In Lieu of CMAQ for R&R			\$1,475,075	\$1,400,000	\$721,904	\$3,596,979
Offset for Reduced Metro Funding		\$1,000,000				\$1,000,000
Offset for Reduced State Funding		\$0	\$0	\$0	\$0	\$0
Direct COVID-Related Expenses (Administrative COVID Leave, COVID-Bonuses, PPE, Additional cleaning, etc)						\$0
Total Operating Expense	\$0	\$1,186,935	\$2,710,068	\$4,663,631	\$1,870,625	\$10,431,259
CAPITAL EXPENDITURES using CARES Act						
Continued Engineering of STAR service upgrades			\$2,000,000			\$2,000,000
Park and Ride Lot Expansion			\$2,000,000			\$2,000,000
Total Capital	\$0	\$0	\$4,000,000	\$0	\$0	\$4,000,000
Total CARES Act Funding Available	\$13,786,259	\$12,599,324	\$5,889,256	\$1,870,625	\$0	\$0

Regional Transportation Authority of Middle Tennessee

Board Action Item

Item Number:	R-A-22-018	Meeting Date:	06/15/2022
Item Title:	Adoption of RTA FY2023-2027 Capital Investment Plan		

BACKGROUND:

The Regional Transportation Authority of Middle Tennessee's (RTA) Capital Investment Plan prioritizes needs, identifies funding sources, and sets timelines for RTA's capital projects over a five-year period. The plan outlines regulatory, state of good repair, and growth and expansion need that guide the agency's future project development activity. Generally, projects identified in the first year of the plan are relatively firm in scope and budget while projects in out-years are likely more conceptual.

Staff is presenting a recommended Capital Investment Plan for the period of FY2023-2027. Overall, investments totaling \$8,085,000 are recommended in Year One of the plan (FY2023), with a total project investment recommendation of \$150,293,467 over the life of the plan. Projects identified in Year One have access to full funding.

The plan shows significant deficits in FYs 2026 and 2027. This is due to the fact that (1) with respect to revenue, we only show those sources that we are reasonably certain of receiving year after year (i.e.: formula funds, basic match, etc.), and (2) we are programming several significant enhancement projects, particularly with respect to the WeGo Star enhancements and park-and-ride expansion on the RTA bus network. In order to advance, these projects the RTA will need to secure supplemental funding sources not yet identified.

RECOMMENDATION:

Staff recommends that the RTA Board adopts the attached FY2023-2027 Capital Investment Plan to guide future project development and funding identification.

APPROVED:

Board Secretary

June 15, 2022

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-D-22-022	Meeting Date:	06/15/2022
Item Title:	Disadvantaged Business Enterprise (DBE) Program Updates		

BACKGROUND:

At the September 2021 Board meeting, staff presented the Triennial DBE goal and methodology for October 2021 through September 2023, which is an element of the DBE Program. In relation to the DBE Program itself, resubmission to Federal Transit Administration (FTA) is not required unless there are updates to federal requirements and/or a change of DBE Liaison. Staff is providing an outline of major updates to the DBE program as part of our continued commitment to regularly update the Board on our diversity initiatives.

MAJOR UPDATES TO THE DBE PROGRAM:

With the implementation of our automated Business Diversity Management System, we can efficiently monitor DBE payments and process certifications. This system also eliminates manual collection and storing of hardcopy files. Updates to the DBE Program are as follows:

Monitoring:

- The following information about the automated Business Diversity Management System has been added to the DBE Program:
 - Monitoring real-time achievements of DBE contract commitments
 - Vendor registration
 - Automated DBE Certification process
 - Certified vendor search through the Tennessee Uniform Certification Program (TNUCP)
 - Contract compliance monitoring
 - Monitor Prompt Payment to DBE contractors
 - Monitoring real-time achievements of DBE contract commitments

DBE Liaison Designation:

- Rachel Johnson, Procurement Business Diversity Manager, has been designated as the DBE Liaison Officer. In that capacity, Rachel Johnson is responsible for implementing all aspects of the DBE program.

Regulatory Updates and Adoptions from the Code of Federal Regulations (CFR) Title 49 (Transportation) Part 26 (Participation by DBE in Department of Transportation Financial Assistance Programs):

- Prompt Payment 26.29(a): Changed the number of days a Prime must pay a Subcontractors from 30 days to 15 days from receipt of RTA payment

- Retainage 26.29(b)(1): No retainage to be held by RTA and no retainage to be held by Prime contractor (*Retainage is the withholding of a portion of the final payment for a defined period to assure a contractor or subcontractor has finished a construction project completely and correctly*)
- Fostering Small Business Participation 26.39: RTA will establish a small business set-aside program for prime contracts under \$250,000 (Note: Program will take approximately one year to build vendor pool through the establishment of the SBA Certification Program)
- Certification Appeals 26.89: Updated Certification Appeals language
 - Tennessee Department of Transportation (TDOT) provided 2020 Revised Appeal Language to be included in the DBE program as it relates to DBE certifications
 - RTA’s denial and decertification letters will instruct firms to submit appeal letters in accordance with the appeals language provided by TDOT
- Prompt Payment Enforcement 26.29(d) – Enforcement Actions for Noncompliance of Prompt Payment (*Enforcement echoes contract Default language: “Should Contractor fail to fulfill in a timely and proper manner its obligations under this Contract or if it should violate any of the terms of this Contract (“Default”), the Agency shall have the right to terminate this Contract as to the Agency only provided Contractor fails to cure such default within thirty (30) days of the Agency’s written notice of Default to Contractor. Such termination shall not relieve Contractor of any liability for damages sustained by virtue of any Default by Contractor.*)

CURRENT STATUS:

The Business Diversity Office will continue to provide regular updates of our plans to increase the awareness and visibility of procurement opportunities among small, minority, and women-owned firms fostering diverse partnerships. We will continue an upward trend through increased outreach, one-on-one technical assistance, Agency hosted vendor training events and constant communication with other organizations and the vendor community.

APPROVED:



 Chief Administrative Officer

June 10, 2022

 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-D-22-023	Meeting Date:	06/15/2022
Item Title:	Monthly Operating Statistics		

BACKGROUND:

Attached are monthly operating statistics for April 2022. Overall ridership trends remain consistent from previous months, with current ridership at about 1/3 of pre-pandemic levels system-wide. Overall service reliability has improved, with very few missed trips on regional bus service and none on the WeGo Star Commuter Rail.

Although service was not increased towards pre-pandemic levels this month, we are happy to report that our partner Gray Line has made significant progress in their efforts to recruit and train new bus operators, and RTA should be in a position to add at least a portion of the planned increase in Commuter Bus trips starting in July.

CURRENT STATUS:

Staff is available to address committee member questions regarding the attached report. Please direct any inquiries to Monica Howse.

APPROVED:



Chief Operating Officer

June 10, 2022

Date

RTA Monthly Dashboard Report *

Metric	April 2022	April 2021	Pct. Change
Ridership			
			% Change
Total RTA Bus Passengers	9,209	4,884	88.6%
WeGo Star Passengers	7,201	3,615	99.2%
Total RTA Passengers	16,410	8,499	93.1%
Percentage of Pre-Pandemic Ridership	30.9%	16.0%	14.9%
Safety			
RTA Bus Total Accidents	0	0	N/A
WeGo Star Total Accidents	0	0	N/A
RTA Bus Total Miles btwn Accidents	N/A	N/A	N/A
WGS Total Miles btwn Accidents	N/A	N/A	N/A
Service Quality			
RTA Bus Total Trip Completion %	99.79%	99.73%	0.05%
WeGo Star Total Trip Completion %	100.00%	100.00%	0.00%
RTA Bus Total Miles btwn Service Interruption	13,195.8	12,085.1	9.2%
WGS Total Miles btwn Service Interruption	N/A	N/A	N/A
On-Time Performance ^			
RTA Bus	83.6%	88.3%	-5.3%
WeGo Star	98.8%	94.9%	4.1%
Customer Care			
RTA Bus Total Passengers per Complaint	1,316	977	34.7%
WeGo Star Passengers per Complaint	1,800	N/A	N/A

* RTA Dashboard submitted for discussion and for Committee and Board review.

^ On Time Performance reporting began September 2017.

N/A - metric cannot be calculated due to not being divisible by "0"

RTA Monthly Dashboard Report *

Metric	FY 2022 April	FY 2021 April	Pct. Change
Ridership			
			% Change
Total RTA Bus Passengers	75,459	44,366	70.1%
WeGo Star Passengers	56,802	26,567	113.8%
Total RTA Passengers	203,196	70,935	186.5%
Percentage of Pre-Pandemic Ridership	25.2%	13.5%	11.7%
Safety			
RTA Bus Total Accidents	0	1	-100.0%
WeGo Star Total Accidents	1	2	-50.0%
RTA Bus Total Miles btwn Accidents	N/A	293,758	N/A
WGS Total Miles btwn Accidents	61,022	26,381	131.3%
Service Quality			
RTA Bus Total Trip Completion %	98.83%	98.50%	0.33%
WeGo Star Total Trip Completion %	98.90%	99.00%	-0.10%
RTA Bus Total Miles btwn Service Interruption	2,493.0	2,122.2	17.5%
WGS Total Miles btwn Service Interruption	2,440.9	3,103.7	-21.4%
On-Time Performance ^			
RTA Bus	97.9%	98.9%	-1.0%
WeGo Star	97.9%	98.2%	-0.3%
Customer Care			
RTA Bus Total Passengers per Complaint	2,287	2,773	-17.5%
WeGo Star Passengers per Complaint	4,057	1,771	129.1%

* RTA Dashboard submitted for discussion and for Committee and Board review.

^ On Time Performance reporting began September 2017.

N/A - metric cannot be calculated due to not being divisible by "0"

RTA Operations Dashboard Glossary

Metric	Definitions
Ridership	
Total Passengers	
RTA Bus	Total fixed route passenger boardings on all MTA operated RTA routes (84, 86, 93, 96) and Gray Line operated RTA routes (87, 88, 89, 91, 92, 94, 95)
WeGo Star	Total passenger boardings on WeGo Star Rail Service
Safety	
RTA Bus Accidents	A motor vehicle collision, either preventable or non-preventable, in which the Operator did not do everything reasonable to avoid a collision, committed an error or failed to react to the errors of others. A motor vehicle collision in which the Operator committed no driving error and reacted reasonably to the errors of others. (Gray Line & MTA operated RTA metrics combined)
WeGo Star Accidents	Accident – an unexpected, unforeseen, or unintended event that causes injury, loss, or damage. These events can include any event arising from the operation of the railroad which results in the death of any person; or an injury to any person that requires medical treatment, except suicides or attempted suicides; any collision between railroad on-track equipment and an automobile, bus, truck, motorcycle, occupied bicycle, pedestrian or trespasser at any location on the railroad; any collision, derailment, fire, explosion, failure of equipment or infrastructure, act of nature, or other event involving damage to the railroad’s on-track equipment, signals, track, track structures, and/or roadbed.
Service Quality	
RTA Bus Missed Trips	The total number of Bus revenue trips not completed or departing more than 30 minutes late -vs- scheduled. (Gray Line & MTA operated RTA metrics combined)
WeGo Star Missed Trips	A train that is disabled in transit or cancelled prior to embarking. A missed trip is reported as an annulment and is when the train is cancelled and doesn’t complete the run or make it to its final destination.
RTA Bus Missed Trips	The total number of Bus revenue trips not completed or departing more than 30 minutes late -vs- scheduled. (Gray Line & MTA operated RTA metrics combined)
RTA Bus Trip Completion Percentage	Percentage of one-way fixed route revenue trips completed versus scheduled.
WeGo Star Trip Completion Percentage	Percentage of one-way rail trips completed versus scheduled.

RTA Operations Dashboard Glossary

Metric

Definitions

On-Time Performance

RTA Bus OTP

MTA operated RTA routes - OTP is the Percentage of total scheduled fixed route timepoint departures occurring between 59 seconds early and 5 minutes 59 seconds late obtained from AVL data. Gray Line operated routes - OTP is the Percentage of total scheduled fixed WeGo Central route arrivals and departures occurring no later than 5 minutes 59 seconds late obtained from data provided by Gray Line personnel. (Gray Line & MTA operated RTA metrics combined based on a weighted average of total trips)

WeGo Star OTP

A train is considered on time when the train arrives at the final destination less than 6 minutes from the scheduled time. If a train is held up for 6 minutes or longer it is considered delayed and not on time. Intermediate station times are not included.

Customer Care

Passengers Carried Per Complaint

RTA Bus

Total RTA Bus passengers divided by total RTA Bus customer complaints. (Gray Line & MTA operated RTA metrics combined)

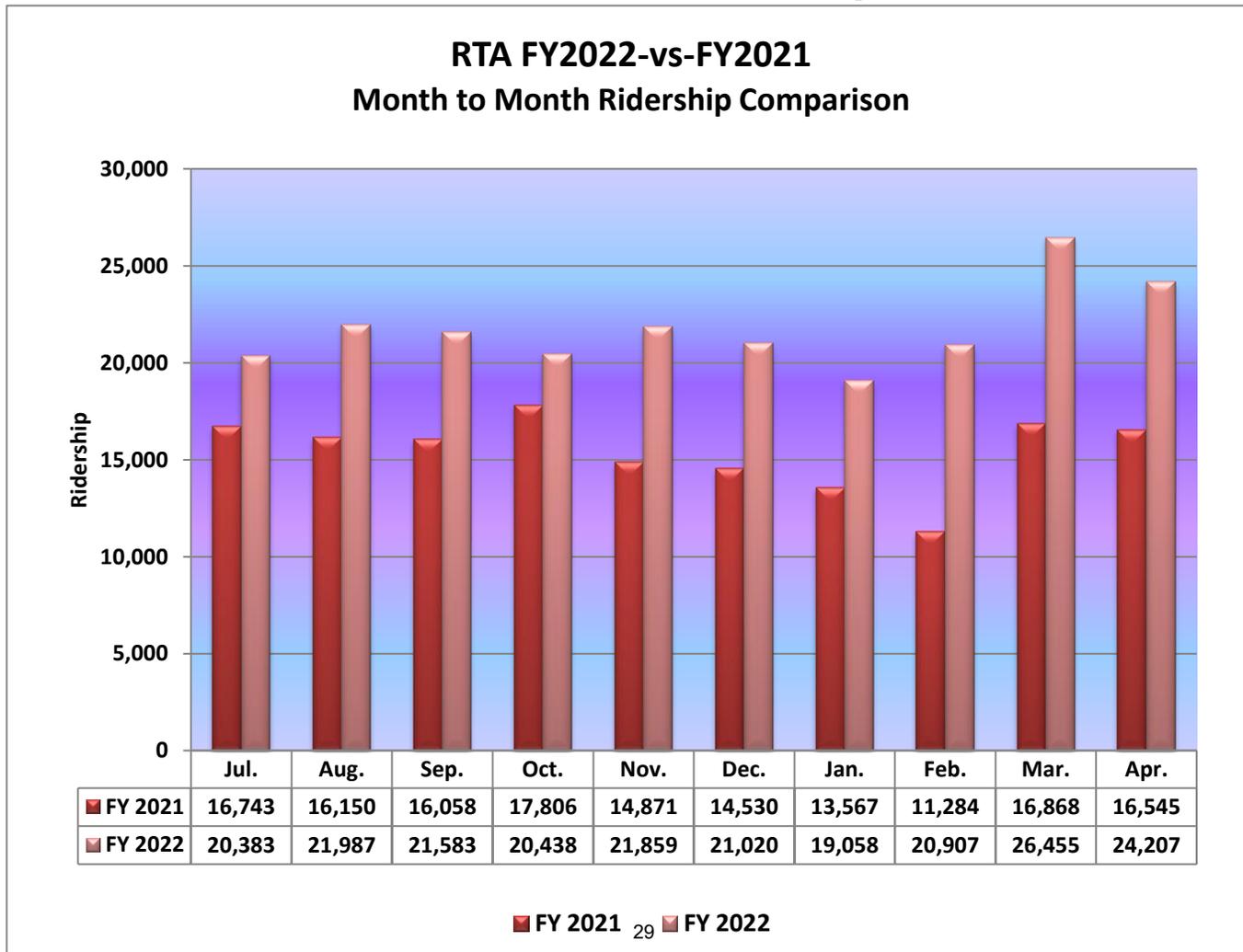
WeGo Star

Total WeGo Star passengers divided by total WeGo Star customer complaints.



REGIONAL TRANSPORTATION AUTHORITY FISCAL YEAR AND MONTH TO MONTH RIDERSHIP COMPARISON - FY 2022 -vs- 2021

	Month to Month Comparison			Fiscal Year Comparison		
	Apr-21	Apr-22	Percentage Change	FY 2021	FY 2022	Percentage Change
WeGo Star	3,615	7,201	99.2%	26,567	56,802	113.8%
Express Bus & Shuttle Services	5,162	9,209	78.4%	44,644	75,459	69.0%
RTA VanStar Vanpool Service	1,182	1,131	-4.3%	16,024	15,273	-4.7%
Total RTA Ridership	9,959	17,541	76.1%	87,235	147,534	69.1%





**NASHVILLE AND REGIONAL TRANSPORTATION AUTHORITY
FISCAL YEAR AND MONTH TO MONTH RIDERSHIP COMPARISON - FY 2022 -vs- 2021**

	Month to Month Comparison			Fiscal Year		
	Apr-21	Apr-22	Change	FY 2021	FY 2022	Change
MTA Local Bus Service	380,879	548,986	44.1%	3,347,190	4,859,342	45.2%
MTA Local Paratransit Service	23,738	27,146	14.4%	204,750	250,702	22.4%
RTA Regional Bus Service	5,162	9,209	78.4%	44,644	75,459	69.0%
RTA VanStar Vanpool Service	1,182	1,131	-4.3%	16,024	15,273	-4.7%
RTA Regional Rail Service	3,615	7,201	99.2%	26,567	56,802	113.8%
* RTA Special Events Rail Service	0	0	N/A	0	6,855	N/A
Subtotal RTA Rail Service	3,615	7,201	99.2%	26,567	63,657	139.6%
Subtotal MTA & RTA Bus & Rail Service	414,576	593,673	43.2%	3,639,175	5,264,433	44.7%
Williamson County VanStar Vanpool Service	6,586	6,666	1.2%	67,187	63,508	-5.5%
Murfreesboro ROVER Local Bus Service	8,856	9,163	3.5%	83,896	88,189	5.1%
Franklin Transit Local Bus Service	4,067	10,378	155.2%	33,954	59,407	75.0%
Clarksville Transit Local Bus Service	39,153	41,195	5.2%	364,431	387,003	6.2%
Total Area Ridership	473,238	661,075	39.7%	4,188,643	5,862,540	40.0%



**REGIONAL TRANSPORTATION AUTHORITY
ROUTE PERFORMANCE INDICATOR REPORT**

For the Month of: **April-22**

Rte. No.	Route Name	Monthly Ridership	Ridership Change vs Last Year	Revenue Hours Of Service	Average Passengers Per Trip	Per Hour
CORRIDOR SERVICE COMPARISONS - COMMUTER BUS SERVICE						
	North Corridor (Route 87)	1,404	64.6%	151	11	9.3
	Northwest Corridor (Routes 89 & 94)	1,748	28.1%	233	8	7.5
	South Corridor (Route 95)	703	83.6%	170	6	4.1
	Southeast Corridor (Routes 84 & 86)	2,258	199.9%	839	4	2.7
EXPRESS BUS ROUTE SERVICE						
84	Murfreesboro Express	1,673	369.9%	691	4	2.4
86	Smyrna - LaVergne Express	585	287.4%	148	4	4.0
87	Gallatin Express	1,404	100.3%	151	11	9.3
88	Dickson Express	169	42.0%	44	4	3.9
89	Springfield - Joelton Express	382	23.6%	57	9	6.7
94	Clarksville Express	1,366	29.4%	176	8	7.8
95	Spring Hill Express	703	122.5%	170	6	4.1
	Express Bus Route Totals	6,282	80.9%	1,437	12	4.4
OTHER ROUTES						
64	Star Downtown Shuttle	235	N/A	67	1	3.5
93	WeGo Star West End Shuttle	2,692	60.9%	83	21	32.3
	RTA Bus Route Monthly Totals	9,209	79.0%	1,504	7	6.1
COMMUTER RAIL SERVICE						
90	WeGo Star Commuter Rail	7,201	99.2%	240	29	30.0
	RTA Commuter Rail and Bus Totals	16,410	87.3%	1,744	10	9