

Tennessee State Library & Archives
 1001 Rep. John Lewis Way N., Nashville, TN 37219
 June 27, 2024 | 2:30 p.m.

Board Members:

Gail Carr Williams, Chair
Janet Miller, Vice Chair

Jessica Dauphin
Kathryn Hays Sasser

Aron Thompson

1. **Call to Order**
2. **Roll Call**
3. **Approval of the May 23, 2024, MTA Board Minutes**
4. **Public Comment**
5. **Information Only Items** – The following information is contained in the distributed Board packet for member review. There is no planned discussion of these items, but the staff is available for discussion should members have questions.
 - Monthly Financial Report Compared to Budget – Steve Bland, CEO **M-I-24-018** P. 9
 - Monthly Operating Statistics – Andy Burke, COO **M-I-24-019** P. 12
 - Upcoming Procurements Projects List – Vince Malone, COSA **M-I-24-020** P. 17
6. **Consent Agenda Items**
 - Revolving Line of Credit Renewal – Steve Bland, CEO **M-A-24-013** P. 18
 - MTA/RTA WeGo Ride Program Revenue Sharing Agreement – Steve Bland, CEO **M-A-24-014** P. 19
 - StrIDe Memorandum of Understanding – Steve Bland, CEO **M-A-24-015** P. 21
 - MTA/RTA Contract Renewal for Regional Transit Services – Steve Bland, CEO **M-A-24-016** P. 22
 - MTA/RTA Management Contract Renewal – Steve Bland, CEO **M-A-24-017** P. 23
 - Auto Damage/Catastrophic Insurance Renewal – Steve Bland, CEO **M-A-24-018** P. 26
 - WeGo Liability Insurance Renewal – Steve Bland, CEO **M-A-24-019** P. 27
 - March Network Onboard Surveillance Contract Award – Nick Oldham, CSSO **M-A-24-020** P. 28
7. **Operations & Finance Committee – Jessica Dauphin, Chair**
 - There are no O & F discussion items this month.
8. **New Initiatives & Community Engagement Committee – Janet Miller, Chair**
 - Resolution of Support for the Choose How You Move Program – Felix Castrodad Director of Planning & Grants **M-A-24-021** P. 29
 - Proposed Operating Budget FY 2025 – Steve Bland, CEO **M-A-24-022** P. 31
 - Access Improvement Study Public Feedback and Policy Recommendations – Dan Freudberg, Deputy COO– Systems **M-A-24-023** P. 37
9. **CEO’s Report – Stephen G. Bland, CEO**
10. **Chair’s Report – Gail Carr Williams, Chair**
11. **Other Business**
12. **Adjournment**

NASHVILLE METROPOLITAN TRANSIT AUTHORITY
Board of Directors Meeting

May 23, 2024

I. **Call to Order:** The regular meeting of the Nashville Metropolitan Transit Authority (Nashville MTA) Board of Directors was held at the Tennessee State Library & Archives located at 1001 Rep. John Lewis Way, N., Nashville, TN 37219, on Thursday, May 23, 2024.

II. **Roll Call of Persons Present:**

Gail Carr Williams, Chair	Nick Oldham, CSSO
Janet Miller, Vice Chair	Renuka Christoph, CCO
Jessica Dauphin, Member	Vince Malone, COSA
Kathryn Hays Sasser, Member	Felix Castrodad, Director of Planning & Grants
Aron Thompson, Member	Marilyn Yokley, Access Manager
Tyler Yarbrow, Board Secretary	
Stephen Bland, CEO	
Monica Howse, Sr. Exec. Asst. & Board Liaison	

A quorum was established, and Board Chair Carr Williams called the meeting to order at 2:32 p.m.

III. **Approval of Minutes:** Ms. Jessica Dauphin made a motion to approve the February 22, 2024, Nashville MTA Board minutes. Vice Chair Janet Miller seconded the motion, and the Board unanimously approved the minutes.

IV. **Safety Update:** Board Chair Carr Williams began the meeting by saying WeGo takes the safety of its drivers and passengers to heart and expressed her sympathy to the driver who was recently assaulted this week. She said WeGo takes these matters very seriously, so in light of the two recent incidents that have happened, she asked CEO Bland to update the board on the Safety standards and measures that WeGo has taken historically and what is emerging.

CEO Bland acknowledged Chief Safety & Security Officer Nick Oldham for leading WeGo through this process, including the initial response to both of the incidents, as well as follow-up activities with employee meetings, debriefings, and the excellent cooperation that WeGo has with MNPD and the security contractor.

CEO Bland reported the following:

At approximately Noon on Monday, May 20, 2024, a female passenger boarded the Route 56 – Gallatin Pike bus near the intersection of Broadmore and Gallatin. She boarded the bus in what appeared to be an agitated state, speaking loudly on her cellular phone. The passenger and Bus Operator exchanged a few words upon her entry. Still, the exchange did not appear to be in any way hostile, and the Bus Operator took no actions that could be considered provocative. The passenger began yelling at the Bus Operator, pulled out a knife, reached around the operator's protective barrier, and began to assault her with the knife, inflicting cuts on her hands and arms. The Bus Operator somehow managed to secure the bus and alert radio control via the on-board emergency alert system. Emergency Medical Services, Metro Nashville Police, and WeGo Public Transit Security and Operations supervisory staff were on the scene within 7 minutes for first responders and 15 minutes for supervisory staff. Police quickly identified the assailant and arrested her. The Bus Operator was transported to the hospital, where she was treated for her wounds and released on the same day. Following this incident, CSSO Nick Oldham and COO Andy Burke held employee meetings at the Nestor Operations facility to convey information to employees, listen to their concerns, and offer the services of the agency's Critical Incident Support Services as part of our broader Employee Assistance Program to those affected by the events. There were approximately 40-50 Operators that were in attendance.

This incident followed another completely unrelated security incident on Thursday, May 16, when two men engaged in an argument on the steps outside The Elizabeth Duff Transit Center at WeGo Central, with the argument resulting in one man shooting the other – no uninvolved parties were injured. Within 2 minutes, on-site security and Metro Police staff responded to the incident, and police officers quickly apprehended the gunman, and the gunshot victim was transported to the hospital.

The proximity in time of these two extremely serious and disturbing incidents is highly unusual and not accurately reflective of the overall safety of a system that carries approximately 30,000 riders each day or a facility (The Elizabeth Duff Transit Center at WeGo Central) that serves approximately 15,000 visitors each day.

With that said, the two unrelated incidents certainly raise the level of public awareness of issues surrounding the operation of public transportation in what is becoming a major city. As such, a review of ongoing and pending system security measures is worthwhile.

Historical Efforts:

1. Overall, incidents of crime and security are extremely rare in WeGo's system. Over the past year, almost 10 million rides were taken on the WeGo Public transit system, and over 700,00 hours of service were operated. Approximately 55 arrests were made on the system, and 24 operator security incidents (physical assaults and verbal threats) occurred.
2. To promote a secure environment, we count on the active engagement of our riders and employees in the National "If You See Something, Say Something Campaign." We also rely on our working relationship with the Metro Nashville Police Department and our contracted security firm, Allied Universal. Through both our contracted police services and the active relationships that we have with various Precinct Commanders in our heaviest service areas, we've always experienced a rapid and comprehensive response by MNPd and other First Responders.
3. In the case of these two incidents, First Responders were on the scene at the remote service location within seven minutes of the first notification, and in the incident that took place at WeGo Central, Police and Security were on the scene within two minutes.
4. There is a security presence at the Elizabeth Duff Transit Center at WeGo Central 24 hours per day, seven days per week.
5. Overall, our spending on system security has doubled over the past seven years, and in the budget, we'll present it at next month's board meeting for the board's consideration for FY2025. We'll propose to add another 42% to those line items, essentially accompanying the opening of the Dr. Ernest Rip Patton Jr. North Nashville Transit Center.
6. The human security presence is augmented through the deployment of an extensive digital video surveillance system. WeGo Public Transit facilities currently deploy 283 digital cameras at the Elizabeth Duff Transit Center at WeGo Central, Hillsboro Transit Center, and its operating facilities at Nestor Street and Myatt Drive. All facility camera systems are monitored from a central control center at the Elizabeth Duff Transit Center at WeGo Central.
7. In addition to facility video surveillance, WeGo Public Transit deploys video and audio recording on board its entire fleet. Each bus contains 3 – 16 cameras, depending on the size of the bus, that record all events that take place on the bus.
8. In 2020, with the onset of the COVID-19 pandemic, WeGo Public Transit initiated the installation of protective shields in Bus Operator Compartments on board its vehicles to protect operators from the spread of the virus but also as a deterrent from hostility toward operators. These shields also provide some level of protection against physical assault. Over the ensuing years, the design of these devices has evolved with the active engagement of our Employee

Safety Committee. This same committee also recommended and developed a program of de-escalation that all of our operators take to provide them with the tools to help diffuse potential hostile engagements.

9. In 2023, WeGo Public Transit engaged the services of Marine Tiger Technologies, a nationally known firm in the field of public transportation security and policing, to examine all of our security practices and make recommendations to security staff regarding deployment procedures and the appropriate use of technology. This work is ongoing, and we anticipate receiving their recommendations in the coming months. This project is being done in close collaboration with Chief Drake and the Metro Nashville Police Department, who were actively engaged in helping us develop the scope of the project and selecting the vendor. They are now active through their engagement.
10. Each security incident is unacceptable, and WeGo will continue to work with all of its partners to enhance its practices in this regard. However, as disturbing as the two incidents were on their own and the fact that they occurred in close proximity, they are an anomaly, and WeGo's system remains exceptionally safe.

V. **Public Comments:** Board Chair Gail Carr Williams opened the floor for public comments. The public was reminded that comments were limited to two minutes. The following members of the public gave public comments:

- James Brown
- Roger Womack
- Patricia Valladarez
- Cristalynne Dupree
- Ryan Smith
- Darius Knight
- Jeremiah Wooten
- Emily Grooms
- Annette Keel
- Janna Jackson
- Natasha Wilkinson

VI. **Acknowledgment of the Bus Rodeo Participants:**

The International Bus Rodeo was held in Portland, OR, on May 26-30, 2024. This year's WeGo team finished strong, with bus operator Joyce Banks finishing 30th in Operations. The maintenance team (Winston Frances, Troy Willis, and Pedro Ochoa) took tenth place out of 47 maintenance teams, and Joyce Banks finished 30th out of over 75 operators. This year's team finished the highest it has ever finished!

The audience gave a standing ovation to the operators and maintenance team, and pictures were taken with all of the winners, CEO Bland, and Board Members.

VII. **Informational Items:** The following items were presented for the Board members' review:

- **Monthly Financial Report Compared to Budget** – No questions
- **Monthly Operating Statistics** – No questions
- **Upcoming Procurement Projects List** – No questions

VIII. **Operations & Finance Committee Report:** Committee Chair Dauphin presented the following items for discussion and action:

a. **Quarterly Route Performance Report Award (OF-D-24-006):** Scheduling & Service Planning Manager Katie Freudberg presented the following item for discussion:

Mr. Thomopson asked if there was a way to track weather delays in the report. Katie Freudberg said she and Bryan Williams are currently working on adding weather delays to the report.

There was no further discussion.

- b. **40' Clean Diesel Bus Purchase (M-A-24-009)**: Director of Maintenance Carl Rokos presented the following item for action:

Staff recommended that the Board provide the Chief Executive Officer authority to approve the purchase of Twelve (12) 40' buses from Gillig Corporation for vehicles used in Fixed route service. The requested contract authorization is for a not-to-exceed price of \$658,324 per bus plus an additional \$12,000 per bus for tools and training.

The total not-to-exceed purchase authorization for this acquisition is \$8,043,888.

Staff will return to the Board in future years for specific authorization to acquire equipment under the remainder of this contract. Funding for this acquisition is already in place, with \$8,600,000 in Metro Nashville FY 2024 Capital Spending Plan funds for bus replacement funds.

Mr. Thompson asked what the fleet count would be. CEO Bland said it would be between 250-260 range. CEO Bland said we order buses every 12 years, as we're on a 12-year replacement cycle.

The Operations and Finance Committee made a motion to approve the 40' Clean Diesel Bus Purchase. Ms. Janet Miller seconded the motion, and the Board unanimously approved it.

- c. **Project Management Software Modification & Implementation (M-A-24-010)**: Director of Engineering, Construction & Project Management Lydia Benda presented the following item for action:

Staff recommended several interrelated actions by the Board to implement the Oracle Unifier Project Controls Project Management System as the backbone software for its capital project delivery systems:

1. Approval of an amendment to the most recently adopted capital plan (FY2024-2028) to move \$750,000 plus \$300,000 for licenses for a total of \$1,050,000 from the Enterprise Asset Management System line item (currently budgeted at \$2.5 million) and reassigning these funds to the Project Management Software Line Item, for a total authorized amount of \$1.55 Million. The most significant project remaining in the Enterprise Asset Management System is a Fleet Maintenance Information System. This system is currently being evaluated as part of the overall Enterprise Asset Management Systems study by eVision. It will be considered for inclusion in upcoming capital improvement plans with a more detailed cost estimate.
2. Authorization for the Chief Executive Officer to enter purchase agreements for a total project expense not to exceed \$1,550,000 as follows (including 15% contingency) as follows:
 - a. Oracle - \$550,000 for modification and implementation of the Oracle Unifier Project Controls Project Management Software.
 - b. eVision - \$256,000 to provide project management, testing, change management, and training services to support this implementation.
 - c. Kemper - \$144,000 to develop, test, and successfully implement systems integration tools between the Oracle Unifier Project Controls Project Management System and our Sage Accounting/Financial Management Software.
 - d. WeGo Project Management - \$300,000 for staff to manage the project and work with the consultants and staff to modify and implement the software.
 - e. Oracle licenses - \$300,000 for three years of Oracle licenses.

Funding for this project will come from a combination of Federal Transit Administration Section 5307 Funds with State and Local matching Capital Grants.

This system is anticipated to result in ongoing annual operating expenses of approximately \$104,000 for annual licenses and product support starting in year 4, July 2028, which will be incorporated into our annual operating budgets in FY 2028 and beyond.

The Operations and Finance Committee made a motion to approve the Project Management Software Modification & Implementation action item. Ms. Janet Miller seconded the motion, and the Board unanimously approved it.

- d. **Vehicle Lifts & Garage Equipment Purchase (M-A-24-011)**: Deputy COO - Assets & Infrastructure Patrick Hester presented the following item for discussion:

Vehicle lifts are essential for inspecting, maintaining, and repairing the transit fleet. They are indispensable for the protection of our mechanics while preserving efficiency and overall accessibility for different types of vehicles. The agency currently owns ninety-six (96) Steril-Koni Lifts. Scoping and purchasing a product that is compatible with its current lifts is essential to ensure safety, training, and interchangeability.

The agency identified a contract to purchase an additional forty-eight (48) Steril-Koni lifts, which was competitively procured following Federal regulations by Louisiana State on behalf of the National Association of State Procurement Officials (NASPO ValuePoint). The Master Agreement is in effect until March 31, 2028, and is beneficial to the replacement program.

The Procurement Department complied with the FAST Act requirements by guaranteeing that the State of Louisiana's contract was awarded under full and open competition and exempt from any geographical preferences. The vendor has signed the necessary Buy America Certificate, and all additional federal clauses will accompany the purchase order.

If approved, the first truckload of lifts will arrive within four to six weeks, and the subsequent truck will arrive within the following six-week timeframe.

The staff requested the Board provide the Chief Executive Officer authorization to use the Louisiana State contract on behalf of the National Association of State Procurement Officials (NASPO ValuePoint) to procure forty-eight (48) Steril-Koni Heavy Duty Lifts directly from Steril-Koni USA, Inc. at \$660,721.02 for a not to exceed the amount of \$865,000. This purchase will be funded by Federal 5307 funds with State and local match.

The Operations and Finance Committee made a motion to approve the Vehicle Lifts & Garage Equipment Purchase action item. Ms. Hays Sasser seconded the motion, and the Board unanimously approved it.

- e. **Multimodal Mobility Plan Contract Award (M-A-24-012)**: Director of Planning & Grants Felix Casrodad presented the following item for discussion:

In preparation for this joint effort, the MTA Board of Directors, during their December 21st, 2023, meeting, authorized the CEO to execute a Memorandum of Understanding with the Nashville Department of Transportation & Multimodal Infrastructure, the Metro Planning Department, and the Regional Transportation Authority for carrying out the work activities of the Multimodal Mobility Plan and updating the nMotion plan and the MCSP. The agencies have agreed to extend this collaboration to the development of their plans to optimize public engagement opportunities and maximize the coordination of necessary elements for both agencies within the scope of work. Under this approach, the projects were combined under one solicitation and an overall scope of work. However, specific elements pertaining to each agency's needs have been clearly identified under detailed separate tasks to accommodate the particular analysis and deliverables of each plan. Each participating agency shall remain in full control of the elements of the multimodal plan specific to that agency. The MTA

conducted the solicitation of professional services for the project and will serve as the contracting agency for consulting services. MTA will be reimbursed by other participating partners for their respective share of project expenses in accordance with the consultant's pricing schedule.

On December 8th, 2023, the MTA Procurement Department announced a Request for Qualifications (RFQ) on WeGo's website and Transit Talent and reached out to more than 20 firms via email. Our marketing team and NDOT also utilize platforms like LinkedIn, the American Planning Association, and Planetizen. By the closing date of February 13th, 2024, WeGo had received submissions from three firms: Kimley-Horn, SSR, and AECOM.

WeGo encouraged Disadvantaged Business Enterprise (DBE) participation, either as prime contractors or subcontractors, aiming for a 20% overall contract-specific goal for DBE participation.

For contracting Architectural & Engineering (A&E) services, WeGo followed the Brooks Act method, using qualification-based procurement procedures. Evaluation criteria included project approach, work methodology, availability, qualifications, and experience of the firm, project team, and key personnel. An evaluation committee comprised of representatives from the respective partner agencies met on March 6th, 2024, to evaluate and score proposals. The evaluation committee found Kimley-Horn's submission to be the most favorable, leading to further discussions/interviews and a request for a cost proposal for all tasks.

Kimley-Horn has committed to meeting or exceeding the 20% DBE goal for this project through their subcontractors on the project, Burch Transportation, Fairpointe Planning, and Foursquare ITP.

Staff requested that the Board of Directors provide the Chief Executive Officer the authority to enter a professional services contract with Kimley-Horn to conduct the Multimodal Mobility Plan for \$2,250,000. That includes \$1,998,990 for the base proposal, \$73,500 for Option 1 of Choice Lane integration with transit (no transportation modeling), and a contingency of \$177,510. The total contract term is 24 months, with a milestone for final recommendations at 18 months. Funding for the study includes FTA 5307 funds identified in the Capital Plan, FTA 5303 Metropolitan Planning funds through GNRC, and Local funds from Metro Government through NDOT and Metro Planning Department.

The Operations and Finance Committee made a motion to approve the Multimodal Mobility Plant Contract Award. Ms. Janet Miller seconded the motion, and the Board unanimously approved it.

IX. New Initiative & Community Engagement Committee Report: Committee Chair Miller introduced the following items for discussion and action:

a. WeGo Link Program Update (NICE-D-24-03): Transit Business Analyst Hannah Schaffer and Transit Planner Robert Johnson provided the following item for discussion:

Since the launch of the pilot zone in Antioch, 12 more zones have been established throughout Davidson County to expand the reach of the program and extend these benefits to other communities in Nashville. In determining areas for WeGo Link zones, staff established a few criteria factors for prioritization:

- Areas without fixed-route transit coverage that can connect to relatively robust transit services like a high-frequency corridor.
- Areas with suitable transfer locations that are ADA accessible.

- Areas with clusters of higher concentration of transit propensity characteristics such as low-income population, minority population, zero or low car households, and higher employment density.

The expansion of the program during the last few years has seen many areas that meet these characteristics receive a WeGo Link zone. Although the current bus network offers relatively good coverage for such a big service area like Davidson County, riders in other areas continue to need transit service.

During recent months, staff received a few requests for adjustments to current zones as well as the addition of new WeGo Link zones in areas that were not prioritized initially based on the criteria above but that we believe merit consideration. Based on this and considering the proposed Transportation Improvement Program (TIP) announced by Mayor O'Connell that includes WeGo Link expansion, the staff is proposing to have a discussion with the Board of Directors about the current program operation, emerging needs, and potential future direction moving forward.

There was a general discussion.

Committee Chair Miller thanked Hannah and Robert for a great report and proposed having a more extensive discussion on the WeGo Link zones in the future.

X. CEO's Report: CEO Steve Bland provided the following report:

1. CEO Bland covered the two major security incidents over the last week pretty extensively earlier in the meeting, but he gave special recognition to Nick Oldham for his leadership in these events, and particularly his empathy to our operator who was attacked in meeting with her while she was still in the hospital to advance our support in her recovery, and in leading employee meetings at the Nestor facility.
2. CEO Bland thanked everyone for their support while he was away for a bit over a week. In particular, he thanked the Operations team, specifically Gabriel Burgess and Carl Rokos, for supporting the "backdrop" for Mayor O'Connell's State of Metro Address at the Fairgrounds. They provided two WeGo vehicles that served as background for the Mayor's address, which certainly had a heavy focus on public transportation. CEO Bland thanked Board Chair Carr Williams for representing WeGo in his absence.
3. This past month, the Mayor also released his recommended budget to the Metro Council. The Mayor's budget recommends an increase in our annual operating support of \$2,675,000. This was below our baseline budget request of \$6.5 million but reflects a bit of a tightening in Metro's revenue projections for the upcoming year. The proposal does not fund any of our service expansion investment requests. We will be able to present the Board with a balanced budget at your June meeting that holds fare and service levels steady by allocating additional Federal capital funding toward our preventive maintenance expenses, but WeGo will not be proposing to add any significant service hours next year. WeGo is comfortable allocating federal dollars thanks to a very robust allocation from Metro in the most recent capital spending plan for the bus and van replacement program, which provides more flexibility with available federal formula funds. However, it does create a structural deficit that WeGo will need to address in future years. If the Mayor's "Choose How You Move" initiative passes in November, this will be the easiest solution. Otherwise, WeGo will need to seek additional funding in next year's General Fund budget request.
4. Yesterday afternoon, staff participated in a hearing on the Mayor's proposed budget allocation to MTA before the Metro Council's Budget and Finance Committee. Members of the Committee and other council members present asked a lot of excellent questions, and the

overall tone of the meeting was very positive. CEO Bland thanked Board Chair Carr Williams and Mr. Oliphant for joining him at the front of the room.

5. WeGo continues to provide support for the Mayor's Choose How You Move initiative through participation in meetings, briefings, and transit talks. This past month, we joined other departments in briefing Metro Council's Transportation Committee on the program. Also of note, the independent auditors tasked with reviewing the financial plan supporting the program have signed off on it, allowing the full plan to be released to Council for consideration for inclusion on the November ballot.

XI. Chair's Report: Board Chair Carr Williams presented the following report:

Board Chair Carr Williams expressed gratitude towards CEO Bland for the opportunity to accompany him at the Metro Council's Budget hearing, where transit received high praise. She commended CEO Bland for his excellent presentation and acknowledged CFO Oliphant for his significant contributions to the budget over the years. She thought Mayor O'Connell's State of Metro Address was commendable, and she praised Mr. Gabriel Burgess and his team for their work and delivery of the WeGo bus backdrop.

Acknowledging recent challenges, Board Chair Carr Williams thanked all WeGo staff for ensuring safety and supporting employees and passengers during difficult times. She observed their kindness and care towards APAC citizens, emphasizing WeGo's commitment to Nashville's citizens.

Concluding her remarks, Board Chair Carr Williams thanked CEO Bland and CFO Oliphant for their preparedness at the Metro Budget hearing and extended special thanks to Mr. Oliphant for his 20 years of service. CEO Bland acknowledged Mr. Oliphant's retirement with appreciation for his precise financial reports and extensive contributions to WeGo, emphasizing his impact and the respect he received from retirees at his retirement party.

XII. Other Business: There was no further business to come before this Board.

XIII. Adjournment: With no further business, Vice Chair Miller moved to adjourn the meeting, which adjourned at 4:55 p.m.

Attested:

Gail Carr Williams
Chair

Margaret L. Behm
Secretary

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Information Item Committee Discussion Item Committee Action Item Board Discussion Item

Item Number:	M-I-24-018	Meeting Date:	6/27/2024
Item Title:	Monthly Financial Report Compared to Budget		

BACKGROUND:

Attached is a statement of operations for April 2024 compared to the budget and a balance sheet as of April 30, 2024.

Overall operating revenues, as was mentioned in the March Financial Report to the Board, continue to lag behind budgeted revenues as well as fare revenues compared to last year's year-to-date actuals. Several factors have impacted actual fares collected this year versus last year. First, as we have previously discussed, revenues are down because of the half-fare promotion that ran from September through January of this year to encourage customers to adopt QuickTicket and move away from our old magnetic fare media. We also know that fare capping continues to grow as our customers learn to take advantage of achieving the most economical way to ride our buses. One last impact relates to some of our free fare programs WeGo has partnered with Metro, which are related to the Cold Weather cards and the Homeless Card programs. Staff is still in the process of doing a deep dive into all these factors to present to the Board in the near future as to how they have and will impact fare revenues as we go forward.

Operating expenses are running favorably to budget for several reasons that have been discussed in previous financial reports to the Board. While Casualty and Liability Expense was addressed last Fall, culminating from a major Access accident in August that increased liability reserves and the previous month's increase, it should be noted that we are still working with our new third-party administrator in investigating the growth over the last quarter in auto liability claims causing a potential increase in claim payouts. We will have additional information in the near future to allow for a more accurate assessment of needed reserves. Consequently, an additional \$300,000 was added to the auto liability reserve in April until we better understand the nature of the claims being submitted to our third-party administrator.

As of April 30, 2024, RTA owed Nashville MTA approximately \$238,371 for services provided to and from Rutherford County, as well as management fees and back office shared expenses related to the quick Ticket fare collection system due. MTA also had an account payable to RTA of approximately \$53,811 for fares collected, shared back-office costs related to the Quick Ticket system, and WeGo Ride revenue sharing due.

CURRENT STATUS:

Controller Shelly McElhaney will be available to answer questions at the meeting.

APPROVED:



Controller

6/27/2024

Date

Metropolitan Transit Authority
Statement of Operations Compared to Budget
For the Period Ending April 30, 2024
UNAUDITED

	Actual Month	Month Budget	Month End Variance	F / U	Prior Year Y-T-D	Actual Y-T-D	Budget Y-T-D	Y-T-D Variance	F / U	Annual Budget
Revenue from Operations:										
Passenger Fares	\$480,769	\$626,730	(\$145,961)	U	\$5,566,826	\$5,055,776	\$5,609,500	(\$553,724)	U	\$6,885,000
WeGo Access	49,484	56,720	(7,236)	U	507,456	453,107	521,200	(68,093)	U	637,640
Contract Revenues	242,810	252,296	(9,486)	U	2,304,088	2,385,413	2,422,928	(37,515)	U	2,922,790
Advertising	(17,738)	24,800	(42,538)	U	404,541	219,695	248,010	(28,315)	U	300,000
Other Non-Trans Revenue	110,864	114,325	(3,461)	U	1,111,316	1,183,561	1,133,270	50,291	F	1,363,240
Total Operating Revenue	866,187	1,074,871	(208,684)	U	9,894,225	9,297,552	9,934,908	(637,356)	U	12,108,670
Federal/State/Local Income:										
Local Assistance	0	5,690,900	(5,690,900)	U	61,610,900	74,690,900	74,690,900	0	F	74,690,900
State Assistance	0	0	0	F	5,314,300	5,340,300	5,314,300	26,000	F	5,314,300
Federal Assistance - CARES Act	5,004,097	5,042,130	(38,033)	U	4,021,610	5,077,775	5,042,130	35,645	F	6,539,540
Total Assistance Income	5,004,097	10,733,030	(5,728,933)	U	70,946,810	85,108,975	85,047,330	61,645	F	86,544,740
Capital Revenue:										
American Rescue Operating Reimbursement	0	0	0	F	14,000,000	593,470	593,470	0	F	593,470
Capital Operating Reimbursement	0	0	0	F	20,333	87,218	0	87,218	F	18,631,290
Capital ADA Reimbursement	0	0	0	F	0	2,750,000	2,750,000	0	F	2,750,000
Total Capital Income	0	0	0	F	14,020,333	3,430,688	3,343,470	87,218	F	21,974,760
Total Revenue	\$5,870,284	\$11,807,901	(\$5,937,617)	U	\$94,861,368	\$97,837,215	\$98,325,708	(\$488,493)	U	\$120,628,170
Expenses from Operations:										
Labor and Fringes	\$7,353,251	\$7,335,980	(\$17,271)	U	\$64,085,423	\$69,375,955	\$70,896,190	\$1,520,235	F	\$85,804,050
Services	1,497,963	1,342,410	(155,553)	U	11,048,979	12,647,384	12,417,920	(229,464)	U	15,084,160
Fuel	586,363	638,000	51,637	F	5,538,254	5,163,356	6,380,010	1,216,654	F	7,686,320
Parts, Materials and Supplies	517,397	593,080	75,683	F	5,314,737	5,752,498	5,930,760	178,262	F	7,139,980
Utilities	101,765	141,300	39,535	F	1,221,276	1,095,181	1,305,870	210,689	F	1,531,870
Casualty and Liability	535,216	220,430	(314,786)	U	2,410,513	3,128,898	2,204,300	(924,598)	U	2,645,180
Other	67,887	61,398	(6,489)	U	375,230	534,382	613,980	79,598	F	736,610
Total Operating Expenses	10,659,842	10,332,598	(327,244)	U	89,994,413	97,697,654	99,749,030	2,051,376	F	120,628,170
Operating Surplus / (Deficit)	(\$4,789,557)	\$1,475,303	(\$6,264,860)	U	\$4,866,955	\$139,561	(\$1,423,322)	\$1,562,883	F	\$0
Capital Grant Revenue	2,085,800		2,085,800	F	18,048,861	14,505,726		14,505,726	F	
Capital Grant Revenue -CARES Act	193,503		193,503	F	265,093	1,346,863		1,346,863	F	
Rental income - MCC Amortization	49,167		49,167	F	491,670	491,670		491,670	F	
Gain/(Loss) on Sale of Property	7,003		7,003	F	0	90,266		90,266	F	
GASB 87 Lease Interest Expense	(20,670)		(20,670)	U	(203,733)	(205,877)			U	
Depreciation	(1,808,721)		(1,808,721)	U	(18,120,713)	(18,425,882)		(18,425,882)	U	0
Surplus / (Deficit)	(\$4,283,475)	\$1,475,303	(\$5,758,778)	U	\$5,348,133	(\$2,057,672)	(\$1,423,322)	(\$428,473)	U	\$0

Metropolitan Transit Authority

Comparative Balance Sheets

	Month Ended April 30, 2024	FY Ending June 30, 2023
	(unaudited)	(audited)
CURRENT ASSETS		
Cash and cash equivalents	\$6,222,689	\$4,766,148
Receivables from federal, state and local government	335,129	9,433,271
Accounts receivable	1,058,738	810,751
Materials and supplies	4,628,630	3,670,350
Prepaid expense and other	1,118,699	1,093,689
Pension & OPEB Deferred Outflow	33,188,603	33,188,603
Total Current Assets	46,552,488	52,962,812
PROPERTY AND EQUIPMENT		
Land	14,733,025	14,733,025
Building, shelter and benches	121,400,795	121,284,665
Revenue equipment and parts	199,588,991	210,023,772
Office furniture and equipment	7,427,992	6,934,113
Work-in-Progress	22,065,414	10,451,608
	365,216,217	363,427,183
Less: Accumulated Depreciation	(200,093,517)	(195,334,438)
Total Property and equipment, net	165,122,700	168,092,745
OTHER ASSETS		
Cash and investments for self-insurance and other	350,003	350,003
North Nashville Property (Lease)	7,063,765	7,063,765
	7,413,768	7,413,768
TOTAL ASSETS	\$219,088,956	\$228,469,325
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$3,486,436	\$4,807,518
Accrued expenses	8,856,912	7,408,435
Deferred revenue	387,664	290,683
Note Payable	0	7,000,000
Total Current Liabilities	12,731,012	19,506,636
NON-CURRENT LIABILITIES		
Deferred Revenue	5,115,771	5,607,441
North Nashville Lease Liability	7,049,599	7,049,599
Net Pension Liability	15,627,464	15,627,464
Pension & OPEB Deferred Inflows	17,925,974	17,925,974
Net other postemployment benefits obligations	78,178,905	78,178,905
NET ASSETS		
Invested in capital assets	160,006,929	160,101,512
Unrestricted	(75,489,026)	(86,501,421)
Current Year Surplus / (deficit)	(2,057,672)	10,973,215
Total Net Assets	82,460,231	84,573,306
TOTAL LIABILITIES AND NET ASSETS	\$219,088,956	\$228,469,325

	Current	> 30 days	> 60 Days	> 90 days	Total
Accounts Receivable	\$957,241	\$35,456	\$15,130	\$50,911	\$1,058,738
	90.4%	3.3%	1.4%	4.8%	100.0%
Accounts Payable	\$3,415,043	\$46,119	\$9,989	\$15,285	\$3,486,436
	98.0%	1.3%	0.3%	0.4%	100.0%

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Information Item Committee Discussion Item Committee Action Item Board Discussion Item

Item Number:	M-I-23-019	Meeting Date:	6/27/2024
Item Title:	Monthly Operating Statistics		

BACKGROUND:

Attached are monthly operating statistics through April 2024.

April marks the first month of added service in North Nashville in anticipation of the opening of the Dr. Ernest Rip Patton, Jr. North Nashville Transit Center. These service changes include more frequent service and route extensions as well as new crosstown service via Route 71 Trinity. Ridership continues to increase year-over-year, but as expected, we did see what is expected to be a temporary drop in bus passengers per revenue hour associated with the significant increase in service hours in North Nashville.

Shifting the focus to staffing, although the Dashboard shows a significant year-over-year drop in the percentage of operator positions filled, it is important to note that this is not a result of a loss of operators but instead is due to an increase in the number of positions required to deliver the increased service in North Nashville. We were able to temporarily shift additional Access trips to third-party providers to free up additional drivers to operate fixed route service, preventing significant disruptions due to operator availability.

As noted at last month's Board meeting, we had a strong showing at the International Bus Roadeo in Portland, OR, in April. A special callout to bus operator Joyce Banks and maintenance technicians Winston Frances, Troy Willis, and Pedro Ochoa for their strong performances.

CURRENT STATUS:

Chief Operating Officer Andy Burke will be available for specific questions regarding the Monthly Operating Statistics at the committee meeting.

APPROVED:



Chief Operating Officer

6/27/2024

Date

Operations Dashboard Report

	April 2024	April 2023	Pct. Change	Goal	Indicator
Ridership					
Bus Ridership	747,653	677,640	10.3%		
Access Ridership	34,071	29,505	15.5%		
Total Ridership	781,724	707,145	10.5%	700,000	●
Percentage of Pre-Pandemic Ridership	93.2%	84.3%	8.9%	85.0%	●
Productivity & Efficiency					
Bus Passengers per Revenue Hour	15.16	16.38	-7.5%	16.00	▲
Access Passengers per Revenue Hour	1.72	1.68	2.4%	1.75	▲
Cost Per Scheduled Revenue Hour	\$166.58	\$159.42	4.5%	\$141.46	◆
Safety					
Total Collisions per 100,000 miles	4.6	8.1	-43.2%	4.8	●
Preventable Collisions per 100,000 miles	2.1	4.2	-50.0%	1.6	◆
Service Quality					
Bus Trip Completion	99.63%	99.80%	-0.17%	99.75%	▲
Bus On-Time Performance	83.2%	81.1%	2.2%	85.0%	▲
Access On-Time Performance	96.7%	92.3%	4.3%	92.0%	●
Maintenance					
Bus Miles Between Road Calls	8,642	8,348	3.5%	6,000	●
Access Miles Between Road Calls	40,427	18,041	124.1%	18,000	●
Customer Care					
Bus Passengers per Complaint	2,661	3,643	-27.0%	4,000	◆
Access Passengers per Complaint	302	347	-13.1%	400	◆
Percent of Calls Answered	90.2%	88.8%	1.5%	95.0%	▲
Staffing					
% of Operator Positions Filled	88.3%	98.4%	-10.1%	95.0%	▲
% of Maintenance Positions Filled	81.3%	78.5%	2.8%	95.0%	◆
Customer Amenities					
% of Stops with Shelters (including Central)	18.9%	18.4%	0.5%	18.0%	●
% of Boardings at Covered Stops (including Central)	74.2%	72.1%	2.1%	73.0%	●

● Exceeding Goal ▲ Within 10% of Goal ◆ More than 10% off Goal

Operations Dashboard Report

	FY2024	FY2023			
	April 2024	April 2023	Pct. Change	Goal	Indicator
Ridership					
Bus Ridership	7,058,325	6,431,855	9.7%		
Access Ridership	316,992	297,532	6.5%		
Total Ridership	7,375,317	6,729,387	9.6%	7,000,000	●
Percentage of Pre-Pandemic Ridership	90.6%	82.7%	7.9%	85.0%	●
Productivity & Efficiency					
Bus Passengers per Revenue Hour	15.85	15.34	3.3%	16.00	▲
Access Passengers per Revenue Hour	1.66	1.72	-3.9%	1.75	▲
Cost Per Scheduled Revenue Hour	\$160.13	\$159.64	0.3%	\$141.46	◆
Safety					
Total Collisions per 100,000 miles	5.4	5.2	4.4%	4.8	◆
Preventable Collisions per 100,000 miles	2.8	2.4	15.7%	1.6	◆
Service Quality					
Bus Trip Completion	99.71%	99.66%	0.05%	99.75%	▲
Bus On-Time Performance	83.6%	84.7%	-1.0%	85.0%	▲
Access On-Time Performance	93.4%	92.3%	1.2%	92.0%	●
Maintenance					
Bus Miles Between Road Calls	6,649	7,031	-5.4%	6,000	●
Access Miles Between Road Calls	23,652	20,987	12.7%	18,000	●
Customer Care					
Bus Passengers per Complaint	2,983	4,814	-38.0%	4,000	◆
Access Passengers per Complaint	308	335	-8.0%	400	◆
Percent of Calls Answered	86.7%	88.5%	-1.8%	95.0%	▲
Staffing					
% of Operator Positions Filled	88.4%	93.4%	-5.0%	95.0%	▲
% of Maintenance Positions Filled	85.4%	82.6%	2.9%	95.0%	◆
Customer Amenities					
% of Stops with Shelters (including Central)	19.2%	18.0%	1.2%	18.0%	●
% of Boardings at Covered Stops (including Central)	73.1%	72.0%	1.2%	73.0%	●

● Exceeding Goal ▲ Within 10% of Goal ◆ More than 10% off Goal

Operations Dashboard Glossary

Metric	Definition
Ridership	
Bus	Total fixed route passenger boardings on all WeGo operated services
Access	Total paratransit boardings (WeGo vehicles and third-party service providers, and Access-on Demand ridership)
Total	Total Bus & Access ridership combined
Percentage of Pre-Pandemic Ridership	Total ridership for the current period divided by total ridership for the same period in Fiscal Year 2019
Productivity & Efficiency	
Bus Passengers per Revenue Hour	Total fixed route passenger boardings divided by total scheduled fixed route revenue vehicle hours. Revenue vehicle hours is the time (in hours) when the bus is providing service to the general public
Access Passengers per Revenue Hour	Total fixed route passenger boardings divided by total scheduled fixed route revenue vehicle hours. Revenue vehicle hours is the time (in hours) when the bus is providing service to the general public
Total Cost Per Scheduled Revenue Hour of Service	Total fully allocated cost to deliver service divided by the total scheduled revenue hours. Revenue vehicle hours is the time (in hours) when the bus is providing service to the general public
Safety	
Miles Between Total Collisions	Total number of Collisions divided by total number of revenue miles multiplied by 100,000. An Collision is defined as any time the vehicle makes contact with something other than the road resulting in any damage and/or injuries
Miles Between Preventable Collisions	Total number of Collisions determined to be preventable divided by total number of revenue miles multiplied by 100,000. A preventable Collision is defined as an Collision in which the Operator did not do everything reasonably possible to avoid the collision
Service Quality	
Bus Trip Completion Percentage	Percentage of one-way fixed route revenue trips completed versus scheduled. Includes partial missed trips
Bus On-Time Performance	Percentage of total scheduled fixed route timepoint departures occurring between 59 seconds early and 5 minutes 59 seconds late as recorded by the Automated Vehicle Location (AVL) system. Arrivals are used for on-time performance calculations for the last stop of the trip, with early arrivals at end of line considered as on-time
Access On-Time Performance	Percentage of total scheduled paratransit trips, not including Access-on-Demand or WeGo Link, where vehicle arrives no later than 59 seconds outside of the scheduled pick-up window

Operations Dashboard Glossary

Metric	Definition
Maintenance	
Bus Miles Between Road Calls	Any mechanical or system failure of any nature (excluding accidents) occurring on an MTA-operated vehicle in fixed route revenue service that causes the vehicle to be removed from service.
Access Miles Between Road Calls	Any mechanical or system failure of any nature (excluding accidents) occurring on an MTA-operated vehicle in paratransit (Access) revenue service that causes the vehicle to be removed from service.
Customer Care	
Bus Passengers Carried per Complaint	Total fixed route passengers divided by total fixed route customer complaints.
Access Passengers Carried per Complaint	Total paratransit (WeGo and third-party service providers) passengers divided by total paratransit customer complaints.
Percent of Calls Answered	Percentage of calls received that were answered. Unanswered calls are calls that are lost for any reason once in the customer call phone queue.
Staffing	
% of Operator Positions Filled	Total WeGo Operators available divided by total number of operator positions budgeted for service. Part-time Access operators are not included
% of Maintenance Positions Filled	Total WeGo Maintenance positions available divided by total number of maintenance positions budgeted for service. All maintenance and cleaning positions for vehicles and facilities are included
Customer Amenities	
% of Stops with Shelters (including Central)	The total number of stops with shelters divided by total number of stops WeGo operates.
% of Sheltered Boardings (including Central)	The total number of riders who boarded with a shelter (including WeGo Central boardings) divided by the total number of riders for the time period.

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

List of Upcoming Procurement Projects

Meeting Date: 6/27/2024

Item #: M-I-24-020

Project Name: Lot Expansion and Improvements Project

- **Brief Description:** To provide lot expansion and improvement to current WeGo Public transit facility locations
- **Anticipated Publish Date:** June 2024
- **Estimated Individual Contract Value:** TBD

Project Name: On-Board Vehicle Video Surveillance Equipment Purchase and Installation

- **Brief Description:** A sole source contract with March Network is needed to maintain existing equipment and purchase and install new surveillance equipment as needed.
- **Anticipated Publish Date:** June 2024
- **Estimated Individual Contract Value:** TBD

Project Name: EAM System

- **Brief Description:** The contract is to provide an Enterprise Asset Management System (EAM System) solution.
- **Anticipated Publish Date:** June 2024
- **Estimated Individual Contract Value:** TBD

Project Name: Schedule Design Services

- **Brief Description:** Contract to assist with the design of passenger information materials that will enhance the transit passengers' experience.
- **Anticipated Publish Date:** July 2024
- **Estimated Project Value:** TBD

Project Name: Automatic Teller Machine Services

- **Brief Description:** Contract to provide ATM services at WeGo Central.
- **Anticipated Publish Date:** September 2024
- **Estimated Individual Contract Value:** TBD

Project Name: Express Bus Services (RTA)

- **Brief Description:** Contract to provide express transportation services within the RTA 10-county region.
- **Anticipated Publish Date:** November 2024
- **Estimated Project Value:** TBD

CURRENT STATUS:

Pursuant to earlier Board discussions, staff will provide a monthly rolling list of upcoming procurements to the Board. Staff requests members make them aware of any potentially interested suppliers for planned procurement activity.

Unless there are questions from staff, no discussion is planned at the meeting. This material is provided for information only.

APPROVED:



Director of Procurement & Business Diversity

6/27/2024

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-013	Meeting Date:	6/27/2024
Item Title:	Revolving Line of Credit Renewal		

BACKGROUND:

The Nashville Metropolitan Transit Authority (Nashville MTA) typically needs temporary operating fund assistance due to annual delays in receiving our Section 5307 formula capital grant funding. Historically, Nashville MTA converts a portion of the capital grant funding appropriation from capital to operating to pay preventive maintenance (PM) and paratransit (ADA) operating costs. From time to time, federal grant draws are delayed creating cash flow challenges. Consequently, there remains a need to maintain the line of credit to allow flexibility to have funds available to cover any unforeseen grant funding shortfalls or timing issues that could occur during the upcoming fiscal year. Currently, through Metro Nashville's Budget Ordinance and MTA Board approval, MTA is authorized to borrow up to \$20.0 million through Fifth Third Bank. The Fifth Third credit facility has a term of one year and expires June 30, 2024.

You will recall, that two years ago MTA's line of credit moved to based upon the Prime interest as a result of the Federal Reserve (Fed) agency, the Alternative Reference Rates Committee (ARRC), phasing out the use of LIBOR for all commercial banks and moving to Prime which is a more regulated index with greater market support.

Consequently, MTA's renewal will have no changes from last year and will continue to be based upon the Prime rate minus 1.35% with the same non-use fee of 0.2% basis points. These expenses have been included in the Proposed annual budget.

We will again be using a tiered method setting up the initial line of credit at \$7.5 million with the ability, at management's discretion, to borrow up to \$20 million, if necessary. We use this tier method to avoid excessive non-use fees on the authorized line amount. The line allows for increases in \$500,000 increments for a \$100 fee should management need to increase the authorized line. The proposed budget ordinance that Metro Council should pass for the FY2025 budget again authorizes the Nashville MTA to obtain short-term financing in an amount not to exceed \$20 million and the term of the loan cannot go beyond June 30, 2025.

RECOMMENDATION:

Staff is requesting that the Board give the CEO the authority to enter into a new one-year line of credit with Fifth Third Bank for the period of July 1, 2024, through June 30, 2025, based upon the terms explained above with the line starting at \$7.5 million with a not to exceed of \$20 million. The line of credit is to be used as needed and to be repaid as grant funding is received.

APPROVED:

Board Secretary

6/27/2024

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-014	Meeting Date:	6/27/2024
Item Title:	MTA/RTA 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. 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 EasyRide program to reach out to new companies to promote employer-paid transportation for their employees. To remind the Board, 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 "conflict of interest review" that is discussed annually with both MTA and RTA Boards 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.

The program continues to grow with 42 businesses now utilizing the program as we enter the fifth year of the program. The revenue split calculation for the program will be done at the end of July once all ridership for the fiscal year for both agencies has occurred. The staff intends to continue and promote this program which will require a renewal of this agreement since it is due to expire on June 30, 2024.

RECOMMENDATION:

We are requesting that the Finance Committee recommend that the Board approve the renewal of the WeGo Ride Program Revenue Sharing Agreement with RTA for the period of July 1, 2024, through June 30, 2025. Nashville MTA will continue to be the Master Contractor for the WeGo Ride Program and will share revenues with RTA based on 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

6/27/2024

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-015	Meeting Date:	6/27/2024
Item Title:	StrIDe Memorandum of Understanding Program Year 2024-2025		

BACKGROUND:

The StrIDe program has been a successful partnership since it was formed in the Fall of 2014 between Metropolitan Nashville Public Schools (MNPS) and the Nashville MTA with the support of the Nashville Mayor's Office, Metropolitan Council, and the Mayor's Youth Council. It was created to offer and expand year-round transit to all MNPS high school students traveling to and from school, as well as provide opportunities for participating in after-school activities, accessing employment, or exploring other events perhaps not possible in the past due to either unreliable or affordable mobility options. In the 2015-16 school year, the program added MNPS middle school students in grades five through eight who attend an out-of-zone school not served by a yellow school bus and have been given permission by a parent or guardian to participate in the program.

This year-round program provides access to transit to more than 23,000 registered high school-age student riders and nearly 700 middle school enrollees. In a typical school year before the pandemic, we provided approximately 100,000 monthly trips for students who take advantage of the StrIDe program. While StrIDe usage is still slowly recovering, we have grown back to approximately 75,000 monthly trips for students this past school year. Last year, we added both faculty and staff to the program. MNPS has typically funded the StrIDe program at \$750,000 through the MNPS budget, with the cost per swipe being \$0.70 per ride for students, \$1.25 for faculty and staff, and \$3.70 for any eligible WeGo Access students/faculty/staff. MNPS has expressed that they would like to renew this program for the coming school year for a contract value of \$750,000, with an amount not to exceed \$2,250,000.

RECOMMENDATION:

Staff is requesting that the Board approve the renewal of the Memorandum of Understanding between the Nashville MTA and the Metropolitan Board of Public Education for a contract value of \$750,000, not to exceed \$2,250,000, for transportation services for registered MNPS high school students in grades nine through 12, and MNPS middle school students in grades five through eight who qualify as well as school faculty and staff. The contract will remain in effect through June 30, 2025, at a reimbursement rate of \$0.70 for students and \$1.25 for faculty/staff per bus trip, with a rate of \$3.70 per trip for WeGo Access to Nashville MTA.

APPROVED:

Board Secretary

6/27/2024

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-016	Meeting Date:	6/27/2024
Item Title:	MTA/RTA Contract Renewal for Regional Transit Services		

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 regional 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 with Nashville MTA for the period of July 1, 2024, through June 30, 2025. 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 56.94 hours of daily service at a rate of \$127.00 per hour, or an amount not to exceed \$1,836,771, covering 254 days of weekday transit service contained in the contract. The \$127.00 represents a 5.4% increase in the contract price compared to the prior year. The increase is higher than the historical 3% increase due to higher-than-normal inflation over the past three years.

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 9.73 hours of daily service at a rate of \$127.00 per hour, or \$313,870, covering the 254 days of weekday transit service contained in the contract. The \$127.00 represents a 5.4% increase in the contract price compared to the prior year. The increase is higher than the historical 3% increase due to higher-than-normal inflation over the past three years.

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 \$3.00 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 could be a factor for RTA based on the current volatility we are seeing in fuel costs. Nashville MTA has hedged approximately 80% of projected diesel fuel consumption at \$2.56 per gallon to achieve an average price, including the unhedged consumption of approximately \$2.77 per gallon.

RECOMMENDATION:

Staff requests that the Board approve the renewal of contracts with RTA consisting of Contract 1 for regional bus services and Contract 2 for connecting bus services supporting commuter rail. Both of these contracts are for a period of one year, beginning July 1, 2024, through June 30, 2025, for the following base amounts:

Contract #1 for a not-to-exceed amount of \$1,836,771 for regional bus service, and Contract #2 for a not-to-exceed amount of \$313,870 for connecting buses supporting commuter rail.

APPROVED:

Board Secretary

22

6/27/2024

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-017	Meeting Date:	6/27/2024
Item Title:	MTA/RTA Management Contract Renewal		

BACKGROUND:

Nashville MTA is currently operating under a management contract with the Regional Transportation Authority of Middle Tennessee (RTA), in which MTA provides management services overseeing all RTA operations. The current contract was approved by the MTA Board in 2021 for five years with an expiration of June 30, 2026. 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 current annual contract value is \$860,940, effective July 1, 2022. MTA has proposed a 5% increase for a total annual contract value of \$904,200, which has been included in the proposed FY2025 budget. 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 RTA powers and duties outlined 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 by 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 extraordinarily high inflation we have experienced over the last three years resulted in the proposed 5% increase for the fourth year of this 5-year contract.

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 Service counter ticket sales
- Bulk ticket sales online and phone orders
- Manage Emergency Ride Home Program
- Management of Community Impact Partners
- Printing and distribution of route schedules
- Management of the WeGo Ride program
- Maintain phone systems for the call center

Facilities and Development/Engineering

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

Financial

- Annual Financial Audit Report
- Monthly financial statements compared to the budget
- Develop annual operating budgets
- Management of Regional partner 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

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 changes in Park & Ride lot locations
- Title VI plan, compliance, and monitoring

Operations and Safety

- Manage and monitor Gray Line buses.
- Manage and monitor commuter rail services.
- Manage third-party quality control contractors.
- Maintain fare box and ticket vending machines.
- Have supervisors at Riverfront for schedule adherence of train and address customer questions
- Have Supervisors at the downtown intermodal for schedule adherence and answer customer questions
- Provide all radio communications
- Federal Rail audits
- State track inspection audits

Marketing

- Website development and management
- Create Route schedules
- Manage and promote special events
- Promote Community Impact Partner initiatives
- Production of brochures and system maps

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 Station Transit Oriented Development

- to avoid repeat findings, if applicable
- Monitor and spot-check train parts inventory
- Management of the QuickTicket back office
- State Comptroller Audits

- 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 yearly reporting to FTA
- Meet with businesses, municipalities, and stakeholders regarding service requests
- Conduct regional studies – Star Future Vision Plan, Regional Park & Ride, New Regional Multimodal Mobility Plan Study

- Procure annual insurance policies for liability, property damage, and director and officer's
- Coordinate with third-party administrators 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
- Manage the QuickTicket Fare Collection System

- Social media
- Public information
- Media Relations
- Public records requests
- Marketing promotions

- joint venture planning
- Murfreesboro Park and Ride project

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.

RECOMMENDATION:

Based upon the explanation above, we request 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 \$904,200, or \$75,350 per month. The contract price shall become effective July 1, 2024, and terminate June 30, 2026.

APPROVED:

Board Secretary

6/27/2024

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-018	Meeting Date:	6/27/2024
Item Title:	Auto Damage/Catastrophic Insurance Renewal		

BACKGROUND:

Every year, our WeGo Public Transit insurance broker shops the insurance market for renewal of the Nashville MTA's auto damage/catastrophic policy with a \$100,000 deductible per occurrence. You will recall that last year, due to changes in the insurance industry, modifications were made, moving away from traditional insurance coverage to a new layered structure of coverage where several carriers participate in covering the total value of the fleet, currently at almost \$91 million. The idea behind the multiple layers of carriers was to mitigate the amount of risk that any single carrier would bear, especially given the catastrophic events with which the insurance industry has had to deal over the last 3 to 5 years.

Our broker was able to put together a \$50 million policy for catastrophic coverage with a \$100,000 deductible for auto damage that consists of nine different carriers for an annual policy premium of \$1,209,305. This is an increase of approximately \$198,049 over last year's premium of \$1,011,256. The renewal policy includes the same fleet covered under the prior policy but also covers the addition of 30 new 40' Gillig buses, 11 paratransit vans, and 19 new service vehicles, many of which are replacements for vehicles that have reached or exceeded their useful life. Management is in the process of preparing these expired vehicles for disposal through the eBid auction but must keep them on the policy until disposal is complete. For the past several years, MTA has adopted an annual vehicle endorsement coverage update, providing a revised list of covered vehicles only once a year at the time of policy renewal. However, given that there will be a large number of vehicles coming off the policy within a short period after the start of the renewal period, the underwriters of this catastrophic coverage policy have agreed to allow MTA to adopt a quarterly endorsement process so that the total value of vehicles included in policy coverage may be adjusted at each quarter point of the policy period, thus reducing costs to MTA under this policy.

It should be noted that the maximum limit that the combination of carriers would accept is up to \$50 million. This increases WeGo's risk for the additional \$41 million value in the fleet that is not covered by a catastrophic event such as a tornado, hailstorm, or flood impacting our Nestor location. The risk is somewhat mitigated in that to sustain a total loss, the weather event would have to occur between 1 and 4 a.m. when the majority of the fleet is domiciled at the Nestor facility. For flood events, we have an evacuation plan that has been tested twice since 2019, and the Nestor property was completely evacuated from all fleets in under 4 hours. Also, in the significant loss we experienced in 2010 due to the flood, we saw other Federal agencies step in, as we saw FEMA and the Federal Transit Administration do, where we replaced the fleet without having to utilize our traditional insurance coverage.

RECOMMENDATION:

We are asking the Board to approve WeGo's auto damage and catastrophic insurance coverage as presented here for a premium cost of \$1,209,305 for the period of July 1, 2024, through June 30, 2025.

APPROVED:

Board Secretary

6/27/2024

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-019	Meeting Date:	6/27/2024
Item Title:	WeGo Liability Insurance Renewal		

BACKGROUND:

Every year, our WeGo Public Transit insurance broker shops the insurance market for renewal of the Nashville MTA's \$3 million liability policy. Last year, our broker made a full market effort across its nationwide network, which resulted in a change in providers to Chubb Insurance and a significant saving in our liability coverage costs.

Shortly after binding coverage through Chubb, MTA experienced a substantial loss in August 2023 that had our current provider seriously considering dropping MTA once the policy year ended, but our insurance broker was able to negotiate a renewal for FY2025. The expiring policy with Chubb consists of standard coverage with a \$3 million limit and a \$100,000 deductible per occurrence. The renewal policy for liability coverage has the same \$3 million limit but is increasing the deductible per occurrence to \$250,000.

The total premium cost for the coverage period of July 1, 2024, to June 30, 2025, is based on the number of vehicles expected to be on hand July 1, 2024.

Liability Coverage	Current Chubb (2023-24)	Proposed Chubb (2024-25)
Premiums	\$900,000	\$1,058,000

This represents a 17.6% increase compared to last year. The premium will vary slightly depending on the number of vehicles and vehicle types WeGo may have in the fleet at any given time.

RECOMMENDATION:

Based on the explanation above, staff requests the Board to provide the Chief Executive Officer the authority to enter into a contract with Chubb Insurance for our liability coverage for the period effective July 1, 2024, to June 30, 2025, for \$3 million in coverage with a \$250,000 deductible for a premium amount of \$1,058,000.

APPROVED:

Board Secretary

6/27/2024

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-020	Meeting Date:	6/27/2024
Item Title:	March Network Onboard Surveillance Contract Award		

BACKGROUND:

On February 1, 2018, the Nashville MTA issued a solicitation for information on managed services of all onboard cameras within the Nashville MTA/RTA fleet. Two proposals were received as responsive and responsible from Apollo and March Networks. With the information received and the deliberating team's assessment, the primary stakeholders from the Nashville MTA Safety, Operations, and Technology departments recommended continuing the partnership with March Networks as a sole procurement. March's proposed system included monitoring and management of existing assets to ensure 100% operational, on-site mobile repair services, replacement parts, labor, and installations, as well as the provision of new equipment for new vehicles.

Over the last five years, the Safety Department has been pleased with the service provided by March Networks and would like to continue the partnership. The current contract is up for renewal this month, and this project involves the purchase of onboard bus surveillance services and equipment. This will be treated as a sole-source procurement due to the use of March Network's proprietary equipment and programs, which are currently installed in our fleet. Changing the equipment, for which there are no foreseen needs, would be significantly cost-prohibitive.

This contract's initial term is for 36 (thirty-six) months but may be extended by an adequately executed amendment for one (1) additional optional two (2) year term as may be requested by Nashville MTA, in Nashville MTA's sole discretion.

The contract was negotiated, and due to our relationship and standing with March Networks, along with their long-term commitment to MTA, the usual rates were discounted by 40%. The three-year total contract value is \$964,534.42 with an optional two years, which would be an additional \$730,086.74.

RECOMMENDATION:

Staff recommends the Board provide the Chief Executive Officer with the authority to enter into a contract with March Networks for the management and repair of all vehicle onboard cameras. The proposed contract is a three-year, sole source mobile managed services contract with one two-year option for renewal. The proposed contract includes a not-to-exceed amount of \$964,534.42 and a contingency amount of 10% (\$96,453.44). Funding will be assigned and made available through the annual operating budget.

APPROVED:

Board Secretary

6/27/2024

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-021	Meeting Date:	6/27/2024
Item Title:	Resolution of Support for the Choose How You Move Program		

BACKGROUND:

On February 15, 2024, Metro Mayor Freddie O'Connell announced his intention to pursue a transportation referendum to take place in November of this year. The effort called *Choose How You Move, An All-Access Pass to Sidewalks, Signals, Service, and Safety*, takes advantage of the 2017 Tennessee's Improving Manufacturing, Public Roads and Opportunities for a Vibrant Economy (IMPROVE Act) legislation allowing local governments in the state's largest counties and its cities to seek dedicated funding for transportation projects through a local referendum.

A Transportation Improvement Program (TIP) required by the IMPROVE Act has been developed, building on more than 70 community and neighborhood plans during the past ten years, including the nMotion Strategic Transit Plan. The TIP outlines a program of investments to address Nashville's transportation needs, focusing on four key areas: sidewalks, signals, service, and safety. It provides a wide range of improvements for different users regardless of the mode used for travel and places a significant emphasis on transit service and infrastructure. It also creates partnership opportunities for improving and expanding regional transit connections with surrounding counties in Middle Tennessee. The program has the potential to be transformative in responding to the transportation challenges that impact Nashvillians daily.

The Choose How You Move program details were officially launched on April 19 by Mayor O'Connell and is currently undergoing public outreach to educate residents on the specifics of the program. Approval by Metro Council is needed before the program can added to the November ballot.

RECOMMENDATION:

Given MTA's role in the development of the *Choose How You Move* program and the importance of this effort for positioning transit service and associated infrastructure in Nashville in a prominent position for the future, staff recommends that the MTA Board of Directors adopts the attached MTA Resolution M-A-24-019 in support of *Choose How You Move*.

APPROVED:

Board Secretary

6/27/2024

Date

RESOLUTION # M-A-24-021

A RESOLUTION SUPPORTING METRO NASHVILLE'S CHOOSE HOW YOU MOVE TRANSPORTATION IMPROVEMENT PROGRAM

WHEREAS, the State of Tennessee's Improving Manufacturing, Public Roads and Opportunities for a Vibrant Economy (IMPROVE Act), signed into law on April 26, 2017, allows local governments an option to generate new revenue for transit programs after a local referendum; and,

WHEREAS, the Metropolitan Government of Nashville and Davidson County is considering a ballot measure in November 2024 for such purposes; and,

WHEREAS, Mayor Freddie O'Connell's office released on April 19, 2024, a Transportation Improvement Program called *Choose How You Move: An All-Access Pass to Sidewalks, Signals, Service, and Safety*; and,

WHEREAS, the *Choose How You Move* program is built upon more than 70 community and neighborhood plans during the past ten years, including the nMotion Strategic Transit Plan; and,

WHEREAS, the *Choose How You Move* program includes robust investments in transit service, including 24 hours a day/ 7days a week/ 365 days a year for the first time in the city's history, as well as capital improvements such as 285 bus stop upgrades, 12 transit centers and 17 park and ride locations among others; and,

WHEREAS, the benefits of the program extend to associated infrastructure by improving safety on Nashville's streets for everyone, upgrading nearly 600 traffic signals, and completing the WalkNBike Nashville priority sidewalk network when combined with annual capital spending; and,

WHEREAS, Nashville is one of only four cities in the top 50 US metro areas without dedicated transportation funding; and,

WHEREAS, dedicated funding generated from the *Choose How You Move* program would provide the matching funds needed to leverage over \$1.4 billion in future federal dollars to invest in transportation and improve access over the next 15 years and,

WHEREAS, the Metropolitan Transit Authority of Nashville and Davidson County has been a partner in the development of the *Choose How You Move* program to help advance major goals in transit service improvements, with a focus on safety, equity, and accessibility to better serve the population of Nashville now and in years to come;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Metropolitan Transit Authority of Nashville and Davidson County officially recognizes and supports the *Choose How You Move* program being promoted by the Metropolitan Government of Nashville and Davidson County, and recommends to the Metropolitan Council of Nashville and Davidson County that they adopt Ordinance BL2024-427 authorizing the Davidson County Election Commission to include this measure on the November 2024 General Election Ballot.

ADOPTED AND APPROVED THIS ___ day of _____, 2024.

ATTEST:

Margaret Behm, Board Secretary

Gail Carr Williams, Board Chair

Date

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-022	Meeting Date:	6/27/2024
Item Title:	FY2025 Proposed Operating Budget		

BACKGROUND:

Attached is the proposed FY2025 operating budget for Nashville MTA. As was reported last month, the Mayor's recommended budget to the Council did not fully fund the baseline budget requested for the coming fiscal year. In order to avoid service reductions or fare increases, the cut in funding of our baseline request has been addressed through a one-time temporary conversion of federal \$5307 capital resources available to fund our capital improvements budget over to eligible expenses in the operating budget related to preventive maintenance. This was only possible because of the significant amount of capital funding support received through Metro's Capital Spending Plan for bus replacement, reducing the need for these federal dollars on the capital side.

The following summary highlights the changes in revenues for this proposed budget compared to FY2024:

Fare and Contract Revenue	\$148,150
Advertising Revenue	(\$120,000)
Non-Transportation Revenue	\$45,460
Metro Subsidy	\$2,675,000
State Operating	\$79,700
Reduction in American Rescue Plan (ARP) Funding	(\$593,470)
Federal 5307 Capital for PM and ADA	\$5,075,989
Use of CARES Act Funding	\$58,051
Total Revenue Increase	<u>\$7,368,880</u>

- Fares remain flat year-over-year due mainly to the successful launch of QuickTicket, which allows our riders to top out their monthly cost through fare-capping, and more customers are taking advantage of the two-hour free transfer window. This has been true across the board in all fare categories. Fares have also been affected by the growing number of business partners joining the WeGo Ride program, which provides a reduced fare per rider.
- Contract Service revenues for both the regional bus services operated by MTA for RTA and the management oversight services increased by 5.4% and 5%, respectively, to help defray increased costs due to inflation.
- Advertising Revenues will continue to decline as we migrate away from the traditional transit advertising model to the Community Impact Partnership program.
- Rental Revenues through agreements with Metropolis Parking and Dunkin' Donuts collectively increased 9.6% over FY2024, with Metropolis reflecting the most significant portion of the increase.
- Capital ADA Reimbursement covering a portion of WeGo Access service expenses increased by \$750,000 or 27.3%. Federal regulations allow the conversion to operating of up to 10% cap of the annual federal regional apportionment, and this increase is just under the 10% maximum allowed.

- As previously noted, the large majority of the increase in Capital Operating Reimbursement revenues is due to the one-time conversion of additional \$5307 capital resources to operating funds in order to offset the reduced baseline operating subsidy request from Metro.

The proposed budget for FY2025 increases annual operating expenses by 6.1% over FY2024 to \$127,997,050 and includes the annualized increase in Better Bus service hours implemented in FY2024. The cost per service hour for the new fiscal year is projected to increase by 4.2%.

The following summary highlights the increases in operating expenses in the proposed budget compared to FY2024:

Labor and PTO Benefits	\$3,868,720
FICA, Pension, Workers' Comp, and Other Fringes	\$742,910
Health Insurance	\$636,390
Fuel	(\$890,660)
Overflow WeGo Access Providers	\$523,110
Other Services	\$1,225,120
Parts, Materials, and Supplies	\$428,910
Liability Insurance	\$737,160
Other	\$97,220
Total Expense Increase	<u><u>\$7,368,880</u></u>

- Labor costs are increasing as a result of assumed contractual wage and scheduled wage step increases as management continues to meet with Union representatives to negotiate a new 3-year Collective Bargaining Agreement (CBA) and proposed annual administrative wage increases. There is also an additional labor expense due to the annualizing of the FY2024 Better Bus service improvements.
- The increased FICA, Pension, and Workers' Comp costs directly relate to the corresponding increase in overall labor described above. The employer contribution rate of 8% for our pension plan remains unchanged for the FY2025 budget based on the actuarial analysis.
- Worker's Comp reflects an anticipated increase of approximately 7.4% and is primarily due to known ongoing expenses related to vehicle accidents that occurred in FY2024.
- With the more favorable fuel hedging contracts we were able to procure through Metro for the coming budget year, fuel expenses year-over-year have decreased. We hedge approximately 80% of our diesel and 75% of our gasoline consumption, and during FY2024, we were able to lock in hedging contract prices for FY2025 of \$2.66 and \$2.47 for diesel for an average hedged price of \$2.56 per gallon. For gasoline, we were able to lock in hedge prices of \$2.26 & \$2.17 for an average hedged price of \$2.23 per gallon. The contract pricing for FY2024 for diesel was \$2.80 and \$2.36 for gasoline.
- The increase in Overflow and Other Services anticipates increases in our overflow third-party expenses as we continue to work to balance our in-house WeGo Access services versus outsourced overflow services. It also includes increased security costs primarily related to the Dr. Ernest Rip Patton, Jr. Transit Center as well as additional coverage at WeGo Central and covers anticipated continued recruitment expenses focusing on attracting and retaining employees with a particular focus on operators and mechanics as we continue to work to stabilize our workforce. Normal contractual maintenance-type contract increases are also assumed.
- The increase in parts, materials, and supplies is primarily related to inflationary adjustments but also includes ongoing improvements to shelters and transit stops as we continue the Shelter Improvement Program.
- The increase in casualty and liability insurance is due to the increased overall dollar value of our revenue

fleet, which has resulted from having received a large number of new replacement revenue vehicles. We are also anticipating larger-than-normal increases in general liability premiums due to more significant loss claims experienced in August of last year, shortly after entering into the new relationship with Chubb Insurance on July 1, 2024. Additionally, as has been mentioned to the Board over the last several months, auto liability claims continue to trend upward, so we have increased the auto liability expense and will continue to work with our third-party administrator to identify adverse trends that can be better managed going into the new fiscal year.

Chief Executive Officer Steve Bland will discuss the information presented above with the Board and respond to any questions.

RECOMMENDATION:

We recommend that the Board adopt the FY2025 budget as presented here.

APPROVED:

Board Secretary

6/27/2024

Date

Metropolitan Transit Authority

FY2024 Proposed Budget

6/17/2024

Account Number	Account Description	FY2025 PROPOSED	FY2024 FINAL BUDGET	FY2025 vs FY2024 Budget Variance	% Var	FY2026 FORECAST	FY2027 FORECAST	FY2028 FORECAST
401010	FULL ADULT FARES	5,500,000	5,500,000	0	0.0%	5,665,000	5,834,950	6,010,000
401020	SENIOR CITIZEN FARE	735,000	735,000	0	0.0%	757,050	779,760	803,150
401030	STUDENT FARE	650,000	650,000	0	0.0%	669,500	689,590	710,280
Passenger Fares		6,885,000	6,885,000	0	0.0%	7,091,550	7,304,300	7,523,430
401050	ACCESS FARES	637,640	637,640	0	0.0%	656,770	676,470	696,760
Access		637,640	637,640	0	0.0%	656,770	676,470	696,760
402040	CONTRACT SERVICES - TRANSPORTATION	2,047,330	1,942,440	104,890	5.4%	2,108,750	2,172,010	2,237,170
405010	CONTRACT SERVICES- MANAGEMENT RTA	1,023,610	980,350	43,260	4.4%	1,023,610	1,074,790	1,096,290
Contract Revenue		3,070,940	2,922,790	148,150	5.1%	3,132,360	3,246,800	3,333,460
406030	ADVERTISING SALES REVENUE	180,000	300,000	(120,000)	-40.0%	183,600	187,270	191,020
Advertising		180,000	300,000	(120,000)	-40.0%	183,600	187,270	191,020
407010	MISC INCOME: NON-TRANSPORTATION	102,440	170,100	(67,660)	-39.8%	104,490	106,580	108,710
407030	RENTAL OF BUILDING & PROPERTY	1,286,260	1,173,140	113,120	9.6%	1,311,990	1,338,230	1,364,990
40799-408	OTHER RECEIPTS	20,000	20,000	0	0.0%	20,400	20,810	21,230
Other Non-Transportation Revenue		1,408,700	1,363,240	45,460	3.3%	1,436,880	1,465,620	1,494,930
409010	LOCAL ASSISTANCE	77,365,900	74,690,900	2,675,000	3.6%	89,110,560	94,071,000	99,360,120
411010	STATE ASSISTANCE	5,394,000	5,314,300	79,700	1.5%	5,501,880	5,611,920	5,724,160
422226	*RESCUE ACT* FUNDING	0	593,470	(593,470)	-100.0%	0	0	0
422225	*CARES ACT* FUNDING	6,597,591	6,539,540	58,051	0.9%	0	0	0
Operating Assistance		89,357,491	87,138,210	2,219,281	2.5%	94,612,440	99,682,920	105,084,280
422223	CAPITAL OPERATING REIMBURSEMENT	22,957,279	18,631,290	4,325,989	23.2%	23,772,260	24,485,430	25,219,990
422224	CAPITAL ADA REIMBURSEMENT	3,500,000	2,750,000	750,000	27.3%	3,500,000	3,500,000	3,500,000
Capital Revenue		26,457,279	21,381,290	5,075,989	23.7%	27,272,260	27,985,430	28,719,990
TOTAL REVENUE		127,997,050	120,628,170	7,368,880	6.1%	134,385,860	140,548,810	147,043,870
501-ALL	SALARIES & WAGES	51,284,260	47,918,160	3,366,100	7.0%	54,345,320	57,062,550	59,915,700
502-PTO	PTO BENEFITS	7,407,800	6,905,180	502,620	7.3%	7,778,300	8,167,250	8,575,670
502010	EMPLOYER F.I.C.A.	4,467,860	4,175,870	291,990	7.0%	4,729,270	4,965,740	5,214,030
502020	PENSION	4,635,270	4,335,540	299,730	6.9%	4,906,790	5,152,130	5,409,740
502030-40	HOSP, MEDICAL & SURGICAL PLAN	20,569,870	19,933,480	636,390	3.2%	21,531,280	22,667,260	23,869,820
502071	STATE UNEMPLOYMENT INS.	5,000	17,860	(12,860)	-72.0%	5,200	5,380	5,570
502080	WORKERS COMP	1,811,600	1,686,260	125,340	7.4%	1,902,180	1,997,290	2,097,150
502-FF	OTHER FRINGE BENEFITS	870,410	831,700	38,710	4.7%	905,190	936,870	969,650
Labor & Fringes		91,052,070	85,804,050	5,248,020	6.1%	96,103,530	100,954,470	106,057,330

Metropolitan Transit Authority

FY2024 Proposed Budget

6/17/2024

Account Number	Account Description	FY2025 PROPOSED	FY2024 FINAL BUDGET	FY2025 vs FY2024 Budget Variance	% Var	FY2026 FORECAST	FY2027 FORECAST	FY2028 FORECAST
503023-28	PROMOTIONAL SERVICES & PROJECTS	383,660	365,390	18,270	5.0%	399,000	412,960	427,420
503031	MTA SECRETARY	12,050	11,480	570	5.0%	12,530	12,970	13,420
503032	ATTORNEY'S FEES	231,710	220,680	11,030	5.0%	240,980	249,410	258,140
503033	OUTSIDE AUDITING EXPENSE	93,370	88,920	4,450	5.0%	97,100	100,500	104,020
503034	WEB MANAGEMENT	110,080	104,840	5,240	5.0%	114,480	118,490	122,640
503035	SECURITY SERVICES	3,524,930	2,477,220	1,047,710	42.3%	3,665,930	3,794,240	3,927,040
503036	INTEREST ON LINE OF CREDIT	192,000	213,280	(21,280)	-10.0%	199,680	206,670	213,900
503037	BANK SERVICE CHARGES	116,450	110,910	5,540	5.0%	121,100	125,340	129,720
503030	ACCESS ON DEMAND	1,494,870	1,709,400	(214,530)	-12.6%	1,554,660	1,609,070	1,665,390
503038	PARATRANSIT OVERFLOW	3,993,420	3,255,780	737,640	22.7%	4,153,160	4,298,520	4,448,970
503039	OTHER SERVICES	3,062,410	3,384,500	(322,090)	-9.5%	3,106,910	3,215,640	3,328,150
503040	TEMPORARY PERSONNEL	65,000	28,690	36,310	126.6%	67,600	69,970	72,420
503029	COVID-19 TESTING TRANSPORTATION	0	0	0	0.0%			
503050	CONTRACT MAINT - SERVICE	3,552,440	3,113,070	439,370	14.1%	3,691,980	3,824,170	3,964,380
Services		16,832,390	15,084,160	1,748,230	11.6%	17,425,110	18,037,950	18,675,610
504011	DIESEL FUEL	5,130,100	5,670,140	(540,040)	-9.5%	5,284,840	5,443,820	5,634,360
504012	GASOLINE	1,180,300	1,571,000	(390,700)	-24.9%	1,218,220	1,256,070	1,300,030
504013	LUBRICANTS	476,180	436,530	39,650	9.1%	495,230	512,560	530,500
504014	PROPANE GAS	9,080	8,650	430	5.0%	9,440	9,780	10,120
Fuel		6,795,660	7,686,320	(890,660)	-11.6%	7,007,730	7,222,230	7,475,010
504022	TIRES & TUBES	772,590	725,660	46,930	6.5%	803,500	831,620	860,730
504990	PARTS	4,868,670	4,594,510	274,160	6.0%	5,063,420	5,240,630	5,424,040
504991	M & S GENERAL	1,122,210	1,003,030	119,180	11.9%	1,167,060	1,207,890	1,250,170
504995	PRINTING SERVICES	137,110	191,920	(54,810)	-28.6%	142,590	147,570	152,740
504997	OFFICE SUPPLIES	83,410	79,940	3,470	4.3%	86,710	89,700	92,860
504998	JANITORIAL SUPPLIES	513,680	477,090	36,590	7.7%	534,230	552,940	572,310
504999	DATA PROCESS SUPPLIES /GENERAL	71,220	67,830	3,390	5.0%	74,070	76,660	79,340
Parts, Materials & Supplies		7,568,890	7,139,980	428,910	6.0%	7,871,580	8,147,010	8,432,190
505021	ELECTRIC	741,740	804,270	(62,530)	-7.8%	771,410	798,400	826,360
505022	NATURAL GAS	248,190	236,370	11,820	5.0%	258,120	267,160	276,510
505024	WATER & SEWER	115,490	87,980	27,510	31.3%	120,100	124,300	128,650
505025/6	OFFICE TELEPHONES	433,240	403,250	29,990	7.4%	450,570	466,340	482,670
Utilities		1,538,660	1,531,870	6,790	0.4%	1,600,200	1,656,200	1,714,190
506030	LIABILITY & PHYSICAL DAMAGE	3,382,340	2,645,180	737,160	27.9%	3,517,630	3,640,750	3,768,180
Casualty and Liability		3,382,340	2,645,180	737,160	27.9%	3,517,630	3,640,750	3,768,180
507040	LICENSING TRANS VEHICLES	1,060	1,010	50	5.0%	1,100	1,140	1,180
509011	DUES & SUBSCRIPTIONS	162,120	177,270	(15,150)	-8.5%	168,610	174,510	180,620
509021-3	TRAVEL & TRAINING	332,130	257,650	74,480	28.9%	345,400	357,500	370,020

Metropolitan Transit Authority

FY2024 Proposed Budget

6/17/2024

<i>Account Number</i>	<i>Account Description</i>	<i>FY2025 PROPOSED</i>	<i>FY2024 FINAL BUDGET</i>	<i>FY2025 vs FY2024 Budget Variance</i>	<i>% Var</i>	<i>FY2026 FORECAST</i>	<i>FY2027 FORECAST</i>	<i>FY2028 FORECAST</i>
509071	BAD DEBT EXPENSE - GENERAL	1,820	1,730	90	5.2%	1,890	1,960	2,030
509081-991	MISCELLANEOUS-GENERAL	128,680	80,670	48,010	59.5%	133,800	138,480	143,320
509994	POSTAGE	41,680	20,650	21,030	101.8%	43,350	44,870	46,440
509995	FREIGHT - PARTS	47,680	45,410	2,270	5.0%	49,590	51,330	53,130
509996	BUS ROADEO EXPENSES	54,410	48,240	6,170	12.8%	56,580	58,560	60,610
512121	LEASE/RENT - STORAGE/EQUIPMT	57,460	103,980	(46,520)	-44.7%	59,760	61,850	64,010
	Other	827,040	736,610	90,430	12.3%	860,080	890,200	921,360
TOTAL EXPENSES		127,997,050	120,628,170	7,368,880	6.1%	134,385,860	140,548,810	147,043,870
SURPLUS/(DEFICIT)		0	0	0		0	0	0
	RTA Mgmt Fee	(\$1,023,610)	(\$980,350)			(\$1,023,610)	(\$1,074,790)	(\$1,096,290)
	Taxi Overflow & Access on Demand	(\$5,488,290)	(\$4,965,180)			(\$5,707,820)	(\$5,907,590)	(\$6,114,360)
	Net Operating Expenses	\$121,485,150	\$114,682,640			\$127,654,430	\$133,566,430	\$139,833,220
	<i>Revenue Service Hours Estimated</i>	<i>781,421</i>	<i>768,471</i>			<i>791,133</i>	<i>794,371</i>	<i>794,371</i>
	<i>Cost per Hour</i>	<i>\$155.47</i>	<i>\$149.23</i>			<i>\$161.36</i>	<i>\$168.14</i>	<i>\$176.03</i>
	<i>Percentage Change</i>	<i>4.18%</i>	<i>2.69%</i>			<i>3.79%</i>	<i>4.20%</i>	<i>4.69%</i>

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-023	Meeting Date:	6/27/2024
Item Title:	Access Improvement Study – Public Feedback and Policy Recommendations		

BACKGROUND:

In August of 2023, the MTA Board of Directors adopted changes recommended by staff to the Access and Access on Demand programs, to take effect July 1, 2024. These changes were recommended following outreach and engagement with the public and stakeholders.

As the implementation date of July 1 approaches for these changes, we have heard additional comments from APAC and members of the public concerning changes to the Access on Demand program, a same-day service option for Access-eligible customers. Specifically, riders have expressed their concerns with the proposed change in trip limits from a per-customer maximum of four trips per day to 40 trips per month. The trip limit change was initially proposed to limit the risk of cost increases associated with induced demand while providing customers greater flexibility to take more than four trips on some days if needed.

Staff have reviewed APAC's concerns as well as those of other APAC customers in the context of the broader program changes recommended under the Access Improvement Program and have determined that the proposed trip limits can be increased without immediate concerns for the fiscal sustainability of the Access on Demand program. However, it will be essential to monitor program usage over the next one to two years to ensure that induced demand does not lead to significant increases in trip volumes (and associated program costs) beyond those associated with customer trips shifting from Access to Access on Demand.

RECOMMENDATION:

Staff recommends the MTA Board of Directors set a trip cap of 100 rides per customer per month on the Access on Demand program, to be effective July 1, 2024.

APPROVED:

6/27/2024

Board Secretary

Date