

NASHVILLE METROPOLITAN TRANSIT AUTHORITY
Board of Directors Meeting
June 22, 2023

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, June 22, 2023.

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

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|---|------------------------------------|
| Gail Carr Williams, Board Chair | Andy Burke, COO |
| Janet Miller, Vice Chair | Vince Malone, COSA |
| Walter Searcy, Member | Nick Oldham, CSSO |
| Jessica Dauphin, Member | Patrick Hester, Facilities Manager |
| Margaret Behm, Board Secretary | Shelly McElhaney, Controller |
| 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 2:45 p.m.

III. **Approval of Minutes:** Board Chair Carr Williams asked the May 25 minutes be deferred to the July 27, 2023, Nashville MTA Board meeting.

IV. **Public Comments:** Board Chair Carr Williams opened the floor for public comments. The public was reminded that comments were limited to three minutes. The following member of the public gave public comments:

- Darius Knight

V. **Informational Items:** The following items were presented for the board members' review. If members had questions, they were asked to ask the staff about the specific item.

- a. Monthly Financial Report Compared to Budget – No questions
- b. Monthly Operating Statistics – No questions
- c. Upcoming Procurement Projects List – No questions

VI. **Consent Agenda Items:**

- a. Revolving Line of Credit (M-A-23-012):
- b. Nashville MTA/RTA WeGo Ride Program Revenue Sharing Agreement (M-A-23-013)
- c. StrIDe Memorandum of Understanding (M-A-23-014):

Vice Chair Miller motioned to approve the consent agenda items; Walter Searcy seconded the motion, and the Board unanimously approved these action items.

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

- a. **WeGo Liability Insurance (M-A-23-015):** Chief of Staff & Administration Vince Malone presented the following report:

Every year, WeGo's insurance broker shops the insurance market to renew the Nashville MTA's \$3 million liability policy with a \$100,000 deductible per occurrence. This year is WeGo's first year utilizing R.J Gallagher as WeGo's broker, whom the Board approved a few meetings back as a result of the Request for Proposal (RFP) for insurance brokers. Gallagher made inquiries across its nationwide network.

WeGo received three quotes in total, with one that would have required an exception to the requested coverage levels. Quotes meeting the requested coverage came from the incumbent, *RLI Insurance* (RLI), and one from Chubb Insurance, consistent with the standard coverage with a \$3 million limit and a \$100,000 deductible per occurrence. WeGo also received a quote from Gemini Insurance, but its quotes raised the deductible to \$250,000 per occurrence. Based on the quotes received, Chubb's premium was lower than RLI, and WeGo recommended Chubb for its liability coverage. The per-vehicle type annual rates for liability coverage compared to WeGo's current policy are as follows:

| <u>Liability Coverage</u> | <u>Current RLI (2022-23)</u> | <u>Chubb (2023-24)</u> |
|---------------------------|------------------------------|------------------------|
| Transit Bus | \$5,245 | \$3,540 |
| Transit Van | \$3,671 | \$2,478 |
| Service Vehicle | \$2,589 | \$1,745 |

The comparison below of total premiums incurred is based on the number of vehicles expected to be on hand July 1, 2023, by type of vehicle as quoted above:

| <u>Liability Coverage</u> | <u>Current RLI (2022-23)</u> | <u>Proposed Chubb (2023-24)</u> |
|---------------------------|------------------------------|---------------------------------|
| Premiums | \$1,593,227 | \$900,000 |

This represents a 43.5 percent decrease 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.

Based on the information presented in the board packet, staff requested that the Board authorize the Chief Executive Officer to enter into a contract with Chubb Insurance for our liability coverage for the period effective July 1, 2023, to June 30, 2024, for \$3 million in coverage with a \$100,000 deductible for a premium of approximately \$900,000.

Committee Chair Searcy motioned to approve the WeGo Liability Insurance Renewal; Vice Chair Miller seconded the motion, and the Board unanimously approved this action item.

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

a. Nestor Facility Sewer Emergency Remediation Action (M-A-23-016): Facilities Manager Patrick Hester presented the following report:

The Nestor Facility is the agency's primary location for operations and vehicle maintenance and is the reporting and work location for more than 500 employees. The facility is served by two sanitary sewer lines that connect to a 48-inch line that diagonally traverses the Nestor property. This line is in poor condition and has been determined to be the source of the site's ground subsidence, resulting in an expanding sinkhole adjacent to the main bus travel lane at the facility's west side. On September 7, 2022, the 48-inch line ceased functioning due to continued subsidence, forcing Nestor to rely on direct pumping and interim measures to maintain sanitary conditions.

The CEO authorized an emergency procurement to address the conditions. The first action was a procurement to replace the facility's east-side sewer line and establish a new connection to the municipal line on Nestor Street. Bid documents were issued on September 9, 2022, and 10 Middle Tennessee-based water and wastewater specialty contractors, including four certified Disadvantaged Business Enterprise (DBE) contractors, were contacted regarding the bid and the September 12, 2022, scheduled site tour. Five firms, including two DBEs, participated in the site tour. Two firms submitted proposals on the September 19th due date: L & G Construction (DBE) – \$275,910 and Jarrett Builders — \$334,150. L & G's bid was within five percent of the project's \$289,677 estimate and was

deemed fair and reasonable. The project was substantially completed, with the east side line restored to full operation in February 2023.

Concurrent with the action to replace the east-side sewer line, Keller North America (Keller), a national geotechnical contractor specializing in remediating subsurface conditions, was issued a \$5,800 sole source contract to conduct a site investigation to recommend options to stabilize the soil surrounding the 48" sewer line. Keller provided proprietary recommendations on September 30 for review by CDM Smith, the agency's on-call engineering firm that developed the sewer line replacement project specifications. Following the agency's discussions with Metro Water Services, CDM Smith, and Keller, all parties agreed that the most appropriate course of action was to inject a concrete-based grout into the soil to solidify the ground, preventing further movement of the sewer line to stop the expansion of the sink hole. Pursuant to the CEO's emergency declaration and following scope and contract negotiations, Keller was issued a sole source contract for \$453,692 in February 2023. Work began on February 14, 2023, and was completed on March 10, 2023.

Staff requested the Board's concurrence in the CEO's emergency declaration and subsequent actions to remediate the conditions with the associated expenditures.

Walter Searcy motioned to approve the Nestor Facility Sewer Emergency Remediation action item; Jessica Dauphin seconded the motion, and the Board unanimously approved this action item.

b. Nestor Facility West Side Sewer Line Replacement (M-A-23-017): Facilities Manager Patrick Hester presented the following report:

Staff requested the Board authorize the Chief Executive Officer to enter a contract with BCMG, LLC (BC Mason Group) in the amount of \$355,318.51 and a duration of 180 days for construction services to replace the Nestor Facility westside sewer line. Due to the nature of this project, specifically with unknowns associated with subsurface conditions, staff also requested the Board authorize a contingency of 20 percent (\$71,064) for a total project budget of \$426,382.51. Funding for this project is provided through the annual State of annual facilities state of good repair capital program with Federal 5339 grants and matching state and local funds.

Vice Chair Miller motioned to approve the Nestor Facility West Side Sewer Line Replacement action item; Walter Searcy seconded the motion, and the Board unanimously approved this action item.

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

1. CEO Bland said that on Tuesday, June 20, the Metro Council adopted the city's FY2023-24 Budget. He reminded everyone that the Mayor's budget proposal included full funding of WeGo's baseline request and approximately \$2.6 million of the \$5.4 million requested for Better Bus service expansion. In addition, the Mayor proposed \$15 million from one-time fund balance surpluses to advance the Murfreesboro Pike High Capacity Transit Project development process. Ultimately, Council amended the budget, and WeGo is fully funded for its requested service expansion of \$5.4 million in FY2024. This was offset by an equivalent reduction in funding for the Murfreesboro Pike Project, but this will neither delay nor reduce the efforts expended on this project. In addition, Council added approximately \$300,000 to WeGo's original request to support extending service to the new James Lawson High School when it opens for this school year. Ultimately, the budget was adopted unanimously. Overall, this was an outstanding budget result for WeGo and its riders. CEO Bland thanked Nashville Mayor John Cooper and his staff, Finance Director Kelly Flannery and her staff, and all of the Council Members, but particularly Budget & Finance Chair Kevin Rhoten, and Members

Jennifer Gamble and Colby Sledge, who led the discussion on Better Bus funding, as well as Member Dave Rosenberg for his advocacy for service to Lawson High School.

2. WeGo held two candidate forums for Mayoral and Council Candidates at the Elizabeth Duff Transit Center at WeGo Central on June 7. The sessions were very well attended, with seven Mayoral Candidates and 32 Council candidates in attendance. The questions and discussion were excellent. Thanks to Eric Beyer, Vince Malone, Monica Howse, and Melissa MacIntyre for organizing the event.
3. Last week, CEO Bland said that he was asked to present at a general session at the Rail Conference of the American Public Transportation Association (APTA) in Pittsburgh on the topic of "Building Ridership While Addressing Community Workforce Housing Needs." The panel also had senior leadership from the transit agencies in Seattle and Phoenix and the Director of Amazon's Housing Equity Fund. The overall theme was the necessity of addressing transit, affordable and workforce housing in a coordinated manner and some of our various agencies' initiatives.
4. WGo has initiated planning for the fall service changes. Among the changes are another planned lengthening of the service day to 1:15 a.m. on Frequent Network Routes Monday through Saturday, extending service on the 6 Lebanon Pike and 42 St. Cecilia/Cumberland to 11:15 p.m., improving frequency on the 7-Hillsboro Pike and 8-8th Avenue South, adding midday and Saturday service to the 75 Midtown, adding Sunday service to the 75 Midtown and 77 Thompson/Wedgewood, and adding four new WeGo Link mobility on demand zones in Burton Hills, Rosebank, Brick Church Pike, and Old Hickory. Staff will come to the Board in July with final recommendations to be implemented in October.
5. The Federal Transit Administration (FTA) completed its Triennial review, examining 23 areas of compliance with the Federal program. They identified only one finding, down from eight in 2019. This was with respect to the Drug and Alcohol Program, where WeGo needs to obtain better information from WeGo's subcontracted service providers concerning the qualifications of their drug and alcohol professionals. WeGo fell short of the required number of random drug and alcohol tests on safety-sensitive employees. WeGo will receive a final report shortly that will be shared with the Board, and WeGo will address the findings through a corrective action plan.
6. As part of the budget process, WeGo received funding to add additional shelter maintenance crews to the staff in the coming year. This will be necessary because, through the great work of Lydia Benda and several others, WeGo is now up to 285 shelters in the system and growing.
7. Work also continues at a good pace at the Dr. Ernest Rip Patton, Jr. North Nashville Transit Center, with much visible activity. Kia Lewis is doing a great job managing the project. In preparing for a spring 2024 opening, WeGo has been working with the community to identify artists for the project and to plan for ongoing programming and activation of the center. WeGo has also initiated meetings with the North Precinct leadership from MNPd to initiate security planning.
8. On the RTA side:
 - a. Hatch Consulting continued its work on the Star Future Vision Study and is now planning for the public engagement phase of this project.
 - b. RTA continues to advance work on negotiations for a joint development project at the RTA's Donelson Station site with HG Hill and the Southeast Ventures development team. This past month, RTA received the initial appraisal for the property.
 - c. RTA is advancing land acquisition toward a permanent park-and-ride location in Murfreesboro.

9. Finally, WeGo held its annual Bus and Maintenance Roadeo last Saturday at the Myatt Facility. Apart from the beautiful weather, family atmosphere, and spirited competition, WeGo also came away with another highly competitive team putting its skills up against the best in Tennessee at the Annual Tennessee Public Transit Association (TPTA) State Roadeo in Memphis this September.

The winners were as follows:

- 1st Place Van Maintenance – Winston Francis
- 1st Place Bus Maintenance – Troy Willis

- 1st Place Van Operator – Kevin Sentes
- 2nd Place Van Operator – Joyce Banks
- 3rd Place Van Operator – Scott Wallace

- 1st Place Bus Operator – Kevin Sentes
- 2nd Place Bus Operator – Jerome Horton
- 3rd Place Bus Operator – Scott Wallace

CEO Bland congratulated everyone who participated and thanked all the staff who supported the event, particularly Earl Rhodes, the father of the WeGo Roadeo.

- X. **Chair's Report:** Board Chair Carr Williams thanked everyone for attending the board meeting.
- XI. **Other Business:** There was no further business to come before this Board.
- XII. **Adjournment:** With no further business, Board Chair Carr Williams moved to adjourn the meeting, which adjourned at 3:55 p.m.

Attested:

Gail Carr Williams
Chair

Margaret L. Behm
Secretary