

Tennessee Bankers Association

211 Athens Way, Nashville, TN 37228

April 18, 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 March 28, 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 – Ed Oliphant, CFO M-I-24-012 P. 8
 - Monthly Operating Statistics – Andy Burke, COO M-I-24-013 P. 11
 - Upcoming Procurements Projects List – Vince Malone, COSA M-I-24-014 P. 16
6. Consent Agenda Items
 - State WeGo Ride Contract Renewal – Ed Oliphant, CFO M-A-24-007 P. 17
7. Operations & Finance Committee – Jessica Dauphin, Chair
 - Annual Pension Overview – Ed Oliphant, CFO OF-D-24-005 P. 18
 - Pension Plan Amendments – Ed Oliphant, CFO M-A-24-008 P. 24
8. New Initiatives & Community Engagement Committee – Janet Miller, Chair
 - WeGo Youth Action Team Year-End Report – Eric Melcher, Public Information Officer, and the Oasis Student Team NICE-D-24-002 P. 25
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

March 28, 2024

- I. **Call to Order:** The regular meeting of the Nashville Metropolitan Transit Authority (Nashville MTA) Board of Directors was held at the Tennessee Bankers Association located at 211 Athens Way, Nashville, TN 37228, on Thursday, March 28, 2024.

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

Gail Carr Williams, Chair	Andy Burke, COO
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 Yarbro, Acting 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 2:35 p.m.

- III. **Approval of Minutes:** Ms. Jessica Dauphin made a motion to approve the February 22, 2024, Nashville MTA Board minutes. Ms. Kathryn Hays Sasser seconded the motion, and the Board unanimously approved the minutes.

- IV. **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:

- Roger Womack
- James Oliver
- Dawn Craik

- V. **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

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

- a. **Connect Downtown Final Action Plan (M-I-24-011):** Felix Castrodad, Director of Planning & Grants, and Marty Sewell, Transportation Planning Director of the Nashville Department of Transportation & Multimodal Infrastructure provided the following item for discussion:

A Connect Downtown Draft Action Plan was released in November 2023 outlining recommendations built on detailed research, technical analysis, and feedback from the public and stakeholder outreach. The draft recommendations include priority loading areas, transit priority corridors, mobility lanes, and traffic operations and congestion management strategies, along with many more investments that will make it easier, faster, and safer to move around Downtown Nashville. The project team conducted additional public engagement on the draft action plan including open houses and special briefings with several stakeholders and organizations. Adjustments to the recommendations were considered and implemented based on feedback from the outreach resulting in a Final Action Plan.

The [Action Plan](#) includes projects and programs that support all modes of transportation and are critical to Nashville and regional mobility. More specifically to transit, the recommendations focus on moving more people by prioritizing buses on key corridors and increasing service to provide faster and more reliable trips. The following is a summary of the transit-specific recommendations from the plan:

- **New Mobility Centers** in the East Bank and SoBro areas to facilitate transfers and enhance network connectivity. These centers will help reduce reliance on WeGo Central and serve growing areas of downtown.
- **Transit Priority Corridors (TPC)** with dedicated bus lanes and transit-priority signals, to provide for faster transit vehicle movements and a better connected local and regional network. Three TPCs are being recommended.
 - **The Westside TPC** will run between WeGo Central and the SoBro Mobility Center via James Robertson Pkwy, Rosa L Parks Blvd, 8th Ave, and Lafayette St.
 - **The James Robertson TPC** will transform James Robertson Pkwy and Bridge between WeGo Central and the East Bank Mobility Center.
 - **The East Bank TPC** will link the East Bank and SoBro Mobility Centers along the new East Bank Blvd, Korean Veterans Blvd, and 3rd and 4th Aves.
- **Additional Transit Priority** including transit signal priority, queue jump lanes, and dedicated bus lanes in select Downtown locations that serve high-frequency regional routes would better connect riders to the many places they need to go each day.

As a result of these projects, transit service will see improvements resulting in better coverage to newly developing areas, more trip availability, and more frequent service.

Over the following weeks, the Action Plan will be presented to different commissions and boards culminating with a presentation before the Metropolitan Council for adoption in April.

CEO Bland asked Mr. Sewell what the next steps would be. Mr. Sewell said the process has taken some time because of the engagement with the different Commissions and Boards, but from there, they will take it to the Council for the Transportation and Infrastructure Committees next week. Then, they plan to take the resolution to the Council at their second meeting on April 16th. CEO Bland suggested that the Board draft a letter of support to the Mayor and Council in adopting the plan, similar to the letter of support that the Board wrote for the Imagine East Bank Vision Plan.

Mr. Thompson asked when phase I would begin with transit corridors. Mr. Sewell said that some of the projects are already underway. CEO Bland also noted that assuming the Council endorses the plan, Westside Transit Access and Transit Priority Corridor, we're currently funded to initiate the Murfreesboro Pike Corridor Planning Project. Initially, we looked at the project boundary at the SoBro Mobility Hub. Assuming the plan is adopted, we could extend that project boundary plan up to the Elizabeth Duff Transit Center at WeGo Central via the Westside Access and start doing the technical work to justify transit priority in that corridor to State. Additionally, if the plan is adopted, we can begin having SoBro Hub conversations with the Convention Center, which currently owns that piece of land. As for the Eastbank Hub, this would take longer because of the need to redevelop and realign James Robertson Parkway.

Board Chair Carr Williams said she loved the collaboration between MTA and NDOT and how everybody works so closely together.

CEO Bland and members of the Board thanked Marty Sewell and Felix Castrodad for an excellent presentation.

Committee Chair Miller made a motion to forward a letter of support; Jessica Dauphin seconded the motion, and the Board unanimously approved it.

- b. **Amendment to Planning Support Services Task Order (M-A-24-005):** Felix Castrodad, Director of Planning & Grants provided the following for action:

In December 2023, the MTA Board authorized a task order in the amount of \$940,000 to 000000000000000orange plan.

Ms. Hays Sasser asked if the \$450,000 was sufficient for this project. Mr. Castrodad said yes because contingency was already built into the project for additional support beyond completion. CEO Bland said the work should be completed in May, but WeGo may need their support in case some technical questions arise.

Mr. Thompson asked what happens if the Board does not approve this action item, and if so, does it mean the application to Improve Act funding won't happen at all? CEO Bland said that WeGo would be unable to authorize the work and would have an incomplete plan. He said there's a fair amount of material now, but chances of success would be greater with additional documentation and support. Mr. Thompson asked if the timeline would change from what they were doing previously. CEO Bland said a substantial amount of work is complete now, but a task order would be needed to finish the tasks.

The NICE Committee made a motion to approve the Amendment to Planning Support Services Task Order. Ms. Hays Sasser seconded the motion, the Board unanimously approved it.

- c. **Authorization for a Free Fare Day on Saturday, April 20, 2024, in Recognition of the Dedication of the Diane Nash Plaza (M-A-24-006):** CEO Bland provided the following item for action:

In 2021, the Nashville Metropolitan Council recognized the contributions of Diane Nash to the Civil Rights Movement by naming the plaza in front of the Historic Metro Courthouse in her honor. The Diane Nash Plaza features the Courthouse steps and large fountains in front of the building. On April 20, Metro Nashville will celebrate this occasion with a dedication ceremony for Diane Nash Plaza. Ms. Nash is expected to be in attendance, as will other dignitaries who played a significant role in those historic events.

The organizing committee for the event has requested that the Board of Directors of the Metropolitan Transit Authority consider making April 20, 2024, a free-fare day on all services within Davidson County to encourage maximum participation in this celebration by the community at large. Previously, all system-wide free fare days have been authorized by vote of the Board of Directors. A copy of the Committee's request letter is attached for your information.

Staff recommended the Board authorize a system-wide free fare day for all services within Davidson County on Saturday, April 20, 2024, in recognition of the dedication ceremony for Diane Nash Plaza.

The NICE Committee made a motion to approve the Authorization for a Free Fare Day on Saturday, April 20, 2024, in Recognition of the Dedication of the Diane Nash Plaza action item. Mr. Thompson seconded the motion, and the Board unanimously approved it.

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

- a. **ADA & On-Demand Access Transportation Services Contract Award (M-A-24-04):** Access Manager Marilyn Yokley presented the following item for action:

The Nashville Metropolitan Transit Authority (WeGo Public Transit) provides Americans with Disabilities Act (ADA) Paratransit services utilizing a combination of in-house service and strategic engagement with third-party providers. This approach allows WeGo to optimize operational efficiency, enhance service delivery, and provide customers with a comprehensive suite of services. The flexibility offered by third-party providers enables WeGo to scale operations up or down based on fluctuations in demand. More recently, WeGo Public Transit has been offering demand-responsive services that do not fall under the provisions of the ADA, including Access on Demand same-day service and WeGo Link first mile/last mile connector service.

Recognizing the complexity of Accessible services, the decision was made to issue two separate RFPs to ensure a more targeted and efficient process. This approach enabled us to engage with specialized providers who were able to address our needs in each of the two distinct areas of Accessible services.

RFP 2023130 ADA Access Transportation Services

- Supplemental service to WeGo Access directly operated vehicles.
- Operations must follow the specific requirements of ADA regulations
- Provider must follow all ADA regulations including drug and alcohol testing of safety-sensitive employees

RFP 2023131 On-Demand Transportation Services

- Services that do not fall under the requirements of ADA regulations.
- User choice services – WeGo Public Transit does not require customers to use these services, they are considered above and beyond the requirements of the ADA.
- Drug and alcohol testing of safety-sensitive employees is not required.
- Includes WeGo Link, Access on Demand, and WeGo Access Flex.

The distinction is important in order to open up the availability of significant providers (such as Uber) whose business model does not mirror that of a traditional commercial transportation provider. Efforts were diligently undertaken to inform potential bidders about the upcoming ADA Access Transportation Services and On-Demand Transportation Services Request for Proposals (RFP). The Procurement Department publicly disclosed the agency's intent before releasing both RFPs, enabling potential bidders to preview the scope of work and express their interest. This proactive approach resulted in an overwhelming response from interested providers.

For this project, MTA established a 0% Disadvantaged Business Enterprise (DBE) participation goal due to a lack of certified disadvantaged business providers in the region.

On September 7, 2023, both solicitations were published on WeGo's website, Transit Talent, and emailed to over twenty providers. By the October 27, 2023, closing date, the ADA Access Transportation solicitation received twelve responsive proposals, and the On-Demand Transportation Services solicitation received eleven.

Evaluation criteria encompassed qualifications, experience, trip administration, communications, reporting, capacity, and cost. Additionally, ADA Access criteria included customer service and reliability, while On-Demand Transportation services were evaluated on project approach and work methodology. Top-ranked providers underwent interviews after preliminary evaluations.

Staff recommended the Board provide the Chief Executive Officer the authority to enter contracts with the following providers for a term of five years not to exceed \$25 million:

For ADA Access Transportation Services:

- American Music City Taxi
- Z Trip
- Mobility Solutions
- Navarre
- Saint George

For Non-ADA On-Demand Transportation Services:

- American Music City Taxi
- Z Trip
- Mobility Solutions
- Uber

The not-to-exceed amount is higher than the anticipated cost of service to allow for flexibility to adapt to changing customer preferences and implement innovative solutions to meet the market demand for flexibility.

Funding Source: Funding for these services is provided through WeGo Access operating funds in the FY2025 operating budget. Funding for future fiscal years remains to be allocated during each year's respective budget planning and approval process.

Ms. Hays Sasser asked if it was a standard practice to have a 5-year contract. CEO Bland said it's standard in the industry to do either a 5-year contract or a 3-year contract with two (2) single-year extension options. Board Chair Carr Williams asked if putting a 0% DBE goal is typical when they can't find a minority-women-owned business. CEO Bland said the Procurement Dept. typically goes to a state-certified DBE list, categorized by industry codes, to determine if disadvantaged businesses exist in the subject area of procurement. In this case, no such providers were registered as DBE resulting in the 0% goal. However, three of these businesses are minority-owned but have not gone through the certification process, so we are not allowed to count them toward DBE goals. Any of these providers could choose to go through the certification process and, once certified, we would be able to include them in our DBE participation rates.

The Operations and Finance Committee made a motion to approve the ADA & On-Demand Access Transportation Services Contract Awards, Ms. Hays Sasser seconded the motion, and the Board unanimously approved it.

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

1. WeGo's Spring Service changes go into effect this weekend. Most of the changes relate to changing service patterns to serve the Dr. Ernest Rip Patton Jr. North Nashville Transit Center when it opens later this year. Included are a new crosstown, route 71 – Trinity connecting North Nashville to East Nashville along Trinity Lane; extensions of the 9 – Metro Center and 14 – Whites Creek buses with improved frequency to serve the new center, rerouting and improved frequency on the 42 – St. Cecilia/Cumberland; rerouting and improved frequency on the 75 – Midtown, new routing, and improved frequency on the 77 – Thompson Wedgewood, a new WeGo Link zone in Bordeaux/Buena Vista, making the route 70 – Bellevue Connector permanent, and various schedule adjustments on some routes to improve reliability. WeGo expects to see some hiccups in the first month or two of service, as we receive new buses and there continues to add new operators, and just due to the sheer magnitude of the changes.
2. On March 1, WeGo revised its bicycle policy to allow e-bikes on our bike racks, subject to the conditions approved in the new policy. Customers can visit the website to get a better

understanding of what will be allowed with respect to E-Bikes within the Bike & Ride section. To date, WeGo has not experienced any significant issues with respect to the new policy.

3. WeGo met with staff from Metro Finance and the Mayor's Office to review our FY2024-25 operating budget submission. Chief Financial Officer Ed Oliphant, as usual, was highly prepared for the meeting, and there was a good discussion on various budget trends and WeGo's investment requests. The Mayor's proposed budget should be released to the Council around May 1.
4. With the announcement by Mayor O'Connell of his intention to pursue a transportation funding initiative on the November ballot, CEO Bland and several staff continued to work toward the completion of a transit improvement program meeting the requirements of the Improve Act under which such initiatives are authorized in State Law. This has included internal working meetings as well as meetings with a Technical Advisory Committee and a Community Advisory Committee. The action taken earlier today to expand the HDR contract will allow WeGo to complete this work and undertake follow-up support throughout this year. WeGo anticipates completion of the plan document by the end of April.
5. Work continued to advance on three significant planning efforts:
 - a. Stantec has spent the past few months collecting data to support our Zero Emission Fleet Transition Plan, including a workshop on key issues with many of the staff. Later this spring, WeGo anticipates having Stantec present information to the Board on issues associated with the Zero emissions fleet for the Board to be in a better position to adopt informed policy direction after the effort.
 - b. Marine Tiger has been on site several times to conduct fieldwork associated with WeGo's System Security Plan. This is the first time WeGo has taken a comprehensive look at our security planning and systems through an outside consultant. CEO Bland thanked Chief Drake and the Metro Nashville Police Department for their active participation in this process.
 - c. WeGo received proposals for the next update to the comprehensive service development plan – the update to the nMotion Plan. Staff from WeGo, Metro Planning, and NDOT are currently reviewing these proposals and anticipate recommending a contract award at your next meeting. This process will be a collaboration among the 4 entities (including MTA and RTA), and will also include an update to the Major and Collector Street Plan for Metro Nashville.
6. CEO Bland participated on a panel with Jessica Dauphin and Kendra Abkowitz from the Mayor's Office on Transit and Mobility for Leadership Nashville's Quality of Life Day. The panel was informative, and the class asked a lot of very good questions.
7. WeGo facilitated a meeting this month between the East Bank Development Team at Metro and environmental planning staff from the Federal Transit Administration to review required elements that the team will need to include in the Federal Environmental process to ensure that WeGo doesn't risk future possible FTA funding for improvements like bus rapid transit on the East Bank Boulevard, or the East Bank Transit Center, even though WeGo likely won't initiate these projects for several years. FTA staff expressed appreciation for being brought into the process early.
8. WeGo had an initial meeting with leadership from the Tennessee Titans to discuss potential approaches to event management and promoting greater use of transit to get to stadium events, both during construction and after completion of the new stadium.
9. CEO Bland had the opportunity to participate in my 5th of 7 Leadership Tennessee sessions, this time in Knoxville. The program has been an excellent opportunity to learn more about the

State overall, and to network with some outstanding leaders including several County Mayors and State Legislators.

10. On the RTA side:

- a. WeGo continues to advance land acquisition toward a permanent park-and-ride location in Murfreesboro. At this point, we are awaiting final approval of the property sale by the current owner and engaging in the environmental assessment of the property. The design will commence upon completion of the sale transaction.
- b. Hatch Consulting Group continues to advance the WeGo Star Future Vision Study. Following a review of the preliminary findings with the RTA Board last month, Hatch is working with our rail operator, RJ Corman, to model the preferred scenarios in more detail.
- c. WeGo continues to work with the development team of HG Hill and Southeast Venture on a joint development project at Donelson Station. WeGo has arrived at a preferred layout for the property and transit center that would be co-located there and is in the process of surveying the land with the purpose of likely replotting the land to accommodate the preferred development pattern. WeGo's attorneys and real estate advisors are also outlining a joint development agreement that would form the basis of the partnership and would have to be approved by the RTA Board and the Federal Transit Administration.
- d. Governor Lee did sign legislation that had been passed by the General Assembly extending the RTA through June 30, 2032.

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

Board Chair Carr Williams congratulated all of the collaboration between WeGo and other entities in Nashville with respect to the Connect Downtown initiative and the Mayor's pending ballot initiative.

She reminded the board members of a planning session regarding the referendum transportation improvement plan at the end of April and asked everyone to keep their calendars open for that meeting.

She concluded by saying that she was excited that this Board approved the free fare day in honor of Ms. Diane Nash. It reminds us of the purpose of transit and transit equity in Nashville. Ms. Hays Sasser said it was noteworthy that Mr. Kingston Oldham, the son of Chief Safety and Security Officer Nick Oldham, knew the history behind Ms. Diane Nash and asked that his name be recorded in the minutes.

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

IX. Adjournment: With no further business, Vice Chair Miller moved to adjourn the meeting, which adjourned at 3:38 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-24-012	Meeting Date:	4/18/2024
Item Title:	Monthly Financial Report Compared to Budget		

BACKGROUND:

Attached is a statement of operations for the month of February 2024 compared to the budget and a balance sheet as of February 29, 2024.

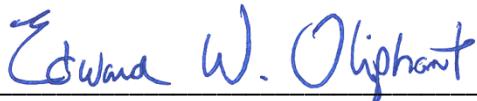
Overall operating revenues, for the most part, are tracking with budgeted revenues except for some dilution in fare revenues as we transition away from magnetics through a temporary promotion of half fares to transition to QuickTicket. This promotion ceased at the end of January 2024. Operating expenses are running favorable to the budget for two primary reasons. First, healthcare costs to date have performed better than budget. Second, overall labor expenses have been down due to several open positions in operating and administrative functions. The anomaly of the unfavorable labor and fringes in the month-end variance for February is more related to the timing of how the budget was spread through the year than any developing trend. The other large favorable balance compared to the budget relates to fuel costs, as fuel prices at the pump average out lower than our contracted hedging contract costs. There were no other new anomalies in our overall operating expenses to highlight for February that have not been discussed in previous months.

As of February 29, 2024, RTA owed Nashville MTA approximately \$234,000 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 \$39,400 for fares collected, shared back-office costs related to the Quick Ticket system, and WeGo Ride revenue sharing due.

CURRENT STATUS:

Chief Financial Officer Ed Oliphant will be available to answer questions at the meeting.

APPROVED:



Chief Financial Officer

4/18/2024

Date

Metropolitan Transit Authority
Statement of Operations Compared to Budget
For the Period Ending February 29, 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	\$460,620	\$569,820	(\$109,200)	U	\$4,468,999	\$4,177,752	\$4,359,930	(\$182,178)	U	\$6,885,000
WeGo Access	44,617	40,210	4,407	F	398,641	363,672	405,250	(41,578)	U	637,640
Contract Revenues	234,315	239,646	(5,331)	U	1,850,139	1,907,772	1,920,696	(12,924)	U	2,922,790
Advertising	10,000	23,620	(13,620)	U	332,548	226,811	197,230	29,581	F	300,000
Other Non-Trans Revenue	127,960	113,675	14,285	F	665,376	928,742	906,470	22,272	F	1,363,240
Total Operating Revenue	877,512	986,971	(109,459)	U	7,715,703	7,604,749	7,789,576	(184,827)	U	12,108,670
Federal/State/Local Income:										
Local Assistance	12,000,000	7,000,000	5,000,000	F	58,500,000	69,000,000	64,000,000	5,000,000	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	0	0	0	F	102,138	59,134	0	59,134	F	6,539,540
Total Assistance Income	12,000,000	7,000,000	5,000,000	F	63,916,438	74,399,434	69,314,300	5,085,134	F	86,544,740
Capital Revenue:										
American Rescue Operating Reimbursement	593,470	0	593,470	F	14,000,000	593,470	0	593,470	F	593,470
Capital Operating Reimbursement	0	0	0	F	0	71,625	0	71,625	F	18,631,290
Capital ADA Reimbursement	0	0	0	F	0	0	0	0	F	2,750,000
Total Capital Income	593,470	0	593,470	F	14,000,000	665,095	0	665,095	F	21,974,760
Total Revenue	\$13,470,982	\$7,986,971	\$5,484,011	F	\$85,632,141	\$82,669,278	\$77,103,876	\$5,565,402	F	\$120,628,170
Expenses from Operations:										
Labor and Fringes	\$7,256,262	\$6,776,570	(\$479,692)	U	\$50,749,801	\$54,479,260	\$55,939,930	\$1,460,670	F	\$85,804,050
Services	1,426,761	1,296,170	(130,591)	U	8,690,721	9,688,644	9,716,830	28,186	F	15,084,160
Fuel	504,936	607,660	102,724	F	4,495,554	4,070,436	5,073,670	1,003,234	F	7,686,320
Parts, Materials and Supplies	520,517	569,890	49,373	F	4,411,859	4,560,294	4,721,420	161,126	F	7,139,980
Utilities	148,785	134,570	(14,215)	U	1,001,232	889,087	1,016,560	127,473	F	1,531,870
Casualty and Liability	269,996	220,430	(49,566)	U	1,860,343	2,073,430	1,763,440	(309,990)	U	2,645,180
Other	63,373	61,398	(1,975)	U	286,327	402,444	491,184	88,740	F	736,610
Total Operating Expenses	10,190,630	9,666,688	(523,942)	U	71,495,837	76,163,595	78,723,034	2,559,439	F	120,628,170
Operating Surplus / (Deficit)	\$3,280,352	(\$1,679,717)	\$4,960,069	F	\$14,136,304	\$6,505,683	(\$1,619,158)	\$8,124,841	F	\$0
Capital Grant Revenue	1,773,862	1,773,862	0	F	6,522,919	10,514,217	10,514,217	0	F	
Capital Grant Revenue - CARES Act	57,182	57,182	0	F	240,007	1,140,923	1,140,923	0	F	
Rental income - MCC Amortization	49,167	49,167	0	F	393,336	393,336	393,336	0	F	
Gain/(Loss) on Sale of Property	0	0	0	F	0	83,264	83,264	0	F	
GASB 87 Lease Interest Expense	(20,633)	(20,633)	0	F	(162,846)	(164,555)	(164,555)	0	F	
Depreciation	(1,812,927)	(1,812,927)	0	F	(14,780,445)	(14,811,895)	(14,811,895)	0	F	
Surplus / (Deficit)	\$3,327,003	(\$1,679,717)	\$5,006,720	F	\$6,349,275	\$3,660,973	(\$1,619,158)	\$5,444,686	F	\$0

Metropolitan Transit Authority

Comparative Balance Sheets

	Month Ended February 29, 2024 (unaudited)	Month Ended June 30, 2023 (audited)
CURRENT ASSETS		
Cash and cash equivalents	\$8,222,975	\$4,766,148
Receivables from federal, state and local government	1,978,754	9,433,271
Accounts receivable	940,060	810,751
Materials and supplies	4,278,404	3,670,350
Prepaid expense and other	1,629,660	1,093,689
Pension & OPEB Deferred Outflow	33,188,603	33,188,603
Total Current Assets	<u>50,238,456</u>	<u>52,962,812</u>
PROPERTY AND EQUIPMENT		
Land	14,733,025	14,733,025
Building, shelter and benches	121,400,795	121,284,665
Revenue equipment and parts	197,721,756	210,023,772
Office furniture and equipment	7,307,706	6,934,113
Work-in-Progress	20,429,526	10,451,608
Less: Accumulated Depreciation	(196,961,620)	(195,334,438)
Total Property and equipment, net	<u>164,631,188</u>	<u>168,092,745</u>
OTHER ASSETS		
North Nashville Property (Lease)	7,063,765	7,063,765
Cash and investments for self-insurance and other	<u>350,003</u>	<u>350,003</u>
TOTAL ASSETS	<u>\$222,283,412</u>	<u>\$228,469,325</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$3,208,830	\$4,807,518
Accrued expenses	6,542,947	7,408,435
Deferred revenue	356,714	290,683
Note Payable	0	7,000,000
Total Current Liabilities	<u>10,108,491</u>	<u>19,506,636</u>
NON-CURRENT LIABILITIES		
Deferred Revenue	5,214,105	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	159,417,083	160,101,512
Reserve for capital purchases	0	0
Unrestricted	(74,899,182)	(86,501,421)
Current Year Surplus / (deficit)	3,660,973	10,973,215
Total Net Assets	<u>88,178,874</u>	<u>84,573,306</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$222,283,412</u>	<u>\$228,469,325</u>
	Current > 30 days > 60 Days > 90 days Total	
Accounts Receivable	\$810,744 \$81,026 \$6,835 \$41,455 \$940,060	
	86.2% 8.6% 0.7% 4.4% 100.0%	
Accounts Payable	\$3,201,684 \$4,167 \$443 \$2,536 \$3,208,830	
	99.8% 0.1% 0.0% 0.1% 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-23-013	Meeting Date:	4/18/2024
Item Title:	Monthly Operating Statistics		

BACKGROUND:

Attached are monthly operating statistics through February 2024.

This is the first month we have exceeded pre-pandemic ridership levels for the system as a whole! Ridership was also well over the monthly target of 700,000 rides despite it being a short month.

Complaint levels are somewhat elevated compared to historical averages, with employee courtesy remaining the top issue. Operations and Training are exploring ways to emphasize effective training strategies targeting customer relations and de-escalation.

Although our average fleet age is slightly higher than the target while waiting for remaining vehicle deliveries, our Maintenance team continues to work hard to ensure vehicle reliability, as reflected in the above-target miles between road calls for fixed route buses and Access vehicles. Vehicle availability is a challenge as we move into Spring service changes and an associated increase in requirements. However, this should be temporary as new vehicles are being delivered and old ones are being retired. Lot congestion at the Nestor Garage due to fleet size and ongoing construction is also being mitigated by the reopening of the Myatt Garage facility for revenue vehicle operations, with 20 vehicles moved to Myatt to be operated on routes such as the Route 56 Gallatin.

CURRENT STATUS:

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

APPROVED:



Chief Operating Officer

4/18/2024

Date

Operations Dashboard Report

	February 2024	February 2023	Pct. Change	Goal	Indicator
Ridership					
Bus Ridership	721,336	611,090	18.0%		
Access Ridership	31,997	28,710	11.4%		
Total Ridership	753,333	639,800	17.7%	700,000	🟢
Percentage of Pre-Pandemic Ridership	100.3%	85.2%	15.1%	85.0%	🟢
Productivity & Efficiency					
Bus Passengers per Revenue Hour	16.64	15.66	6.2%	16.00	🟢
Access Passengers per Revenue Hour	1.68	1.71	-1.8%	1.75	🟡
Cost Per Scheduled Revenue Hour	\$175.16	\$163.40	7.2%	\$141.46	🔴
Safety					
Total Collisions per 100,000 miles	6.6	3.6	83.3%	4.8	🔴
Preventable Collisions per 100,000 miles	3.9	1.7	129.4%	1.6	🔴
Service Quality					
Bus Trip Completion	99.75%	99.83%	-0.09%	99.75%	🟡
Bus On-Time Performance	84.6%	85.6%	-1.0%	85.0%	🟡
Access On-Time Performance	93.9%	93.7%	0.2%	92.0%	🟢
Maintenance					
Bus Miles Between Road Calls	8,297	7,401	12.1%	6,000	🟢
Access Miles Between Road Calls	24,061	16,260	48.0%	18,000	🟢
Customer Care					
Bus Passengers per Complaint	3,571	5,933	-39.8%	4,000	🔴
Access Passengers per Complaint	288	359	-19.7%	400	🔴
Percent of Calls Answered	86.2%	89.1%	-2.9%	95.0%	🟡
Staffing					
% of Operator Positions Filled	93.7%	94.7%	-1.1%	95.0%	🟡
% of Maintenance Positions Filled	86.3%	77.3%	9.0%	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	Pct. Change	Goal	Indicator
	February 2024	February 2023			
Ridership					
Bus Ridership	5,576,970	5,062,227	10.2%		
Access Ridership	250,348	234,989	6.5%		
Total Ridership	5,827,318	5,297,216	10.0%	5,600,000	●
Percentage of Pre-Pandemic Ridership	89.6%	81.4%	8.1%	85.0%	●
Productivity & Efficiency					
Bus Passengers per Revenue Hour	15.91	15.15	5.0%	16.00	▲
Access Passengers per Revenue Hour	1.65	1.74	-4.9%	1.75	▲
Cost Per Scheduled Revenue Hour	\$155.93	\$159.69	-2.4%	\$141.46	◆
Safety					
Total Collisions per 100,000 miles	5.4	4.5	22.1%	4.8	◆
Preventable Collisions per 100,000 miles	2.8	2.0	39.8%	1.6	◆
Service Quality					
Bus Trip Completion	99.72%	99.63%	0.09%	99.75%	▲
Bus On-Time Performance	83.7%	85.3%	-1.7%	85.0%	▲
Access On-Time Performance	93.0%	92.1%	0.9%	92.0%	●
Maintenance					
Bus Miles Between Road Calls	6,735	6,900	-2.4%	6,000	●
Access Miles Between Road Calls	21,424	19,646	9.1%	18,000	●
Customer Care					
Bus Passengers per Complaint	3,044	5,139	-40.8%	4,000	◆
Access Passengers per Complaint	303	330	-8.2%	400	◆
Percent of Calls Answered	85.5%	87.9%	-2.5%	95.0%	◆
Staffing					
% of Operator Positions Filled	91.1%	92.4%	-1.3%	95.0%	▲
% of Maintenance Positions Filled	86.5%	83.3%	3.2%	95.0%	▲
Customer Amenities					
% of Stops with Shelters (including Central)	19.3%	17.9%	1.4%	18.0%	●
% of Boardings at Covered Stops (including Central)	72.9%	71.9%	0.9%	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. A 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: 4/18/2024

Item #: M-I-23-014

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

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

Project Name: EAM System

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

Project Name: Schedule Design Services

- **Brief Description:** Contract to provide assistance 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:** October 2024
- **Estimated Project Value:** TBD

CURRENT STATUS:

Pursuant to earlier Board discussions, staff will provide a rolling list of upcoming procurements to the Board on a monthly basis. 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:

4/18/2024

Director of Procurement & Business Diversity

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-007	Meeting Date:	4/18/2024
Item Title:	State WeGo Ride Contract Renewal		

BACKGROUND:

In 2006, the Nashville Metropolitan Transit Authority (Nashville MTA) and the State of Tennessee began a program under which the State would subsidize public transportation trips for their employees. The Tennessee Department of Transportation (TDOT) would like to renew this contract as the program continues to work well in helping the State with its overall travel demand management strategy. The current \$1.75 million WeGo Ride contract with TDOT is scheduled to expire on June 30, 2024.

We have successfully negotiated with the State to continue the contract for FY2025 at the same rate per ride of \$2.50 based on all regional transportation services, including MTA and RTA services. WeGo Access trips will be billed at \$3.70 per ride. WeGo van pool services through RTA's third-party contractor, The TMA Group, which manages all of RTA's vanpooling services, is set at \$65 per month per rider, which will be a pass-through to RTA. The contract will be between the Nashville MTA and TDOT, with the RTA receiving its weighted average proportional share for rides provided under the program as defined in a separate sub-agreement between the Nashville MTA and RTA. The total contract amount will remain \$1.75 million. The contract term is 12 months, beginning July 1, 2024 with an expiration date of June 30, 2025.

RECOMMENDATION:

Staff requests Board approval for the Nashville MTA to enter into a contract with TDOT for the WeGo Ride program at \$2.50 per ride, \$3.70 for WeGo Access per ride, and \$65 per month per rider on the vanpool services with a contract amount of \$1.75 million and a contract term of July 1, 2024, through June 30, 2025.

APPROVED:

4/18/2024

Board Secretary

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Information Item Committee Discussion Item Committee Action Item Board Discussion

Item Number:	OF-A-24-005	Meeting Date:	04/18/2024
Item Title:	Annual Pension Overview		

BACKGROUND:

On January 9, 1997, the MTA Board approved becoming the guarantor of the pension plan benefiting all Davidson Transit Organization employees. In the August and September 2022 Board meetings, respectively, the Board received a pension update and approved an Agreement put together by Margaret Behm and the pension attorneys which outlines the process and steps for Board approval of an amendment to the Plan requiring the signature of the CEO of MTA as guarantor. The Agreement has been included for reference. The Board also authorized the CEO to sign two proposed amendments. With several new Board members since 2022, this discussion item revisits MTA's role and explanation for being the guarantor of the Disability and Retirement Plan of Davidson Transit Organization and Local 1235 of the Amalgamated Transit Union (the "Plan") and the Board's role in approving and authorizing the CEO to sign amendments to the Plan.

HISTORY:

The Plan was originally effective September 1, 1945. It was adopted by Southern Coach Lines, Inc. and Nashville Transit Company. The Plan then existed under the name, "Southern Coach Lines, Inc. and Nashville Transit Company Disability and Retirement Allowance Plan and Agreement" ("Prior Plan"). This private ownership changed upon the enactment of the Urban Mass Transportation Act of 1964 ("UMTA"). Pursuant to UMTA, the privately owned transportation facilities and assets were to be purchased, and run, by governmental transit authorities. As a precondition or prerequisite to a grant of federal assistance by the Federal Transit Administration, Section 13(c) of the Federal Transit Act requires that "fair and equitable" protective arrangements must be made by the grantee to protect employees affected by such assistance. As a result of Section 13(c), in order to assure the continuation of existing collective bargaining rights, the Act, as amended, provided that federal money would be withheld from a public body seeking funding to acquire a private transit system if its state law precluded public-sector collective bargaining unless an arrangement was made to assure that collective bargaining would be continued.

This type of arrangement is the so-called "Memphis formula" arrangement. Under this arrangement, a publicly owned transit system, legally prohibited from collective bargaining by state law, establishes a private managerial commission to operate the service. The private commission, under contract with the public entity, would employ the transit workers, handle labor relations, and be permitted to enter into collective bargaining agreements with the employees. Pursuant to the Memphis arrangement, the Plan was assumed by the new Chattanooga and Nashville transit authorities and the Amalgamated Transit Union Locals 1212 and 1235. Chattanooga implemented UMTA without the Memphis formula while Nashville adopted the Memphis formula. After UMTA, four parties adopted the Plan: Transportation Management of Tennessee, Inc., (predecessor to Davidson Transit Management, Inc. which, in turn, is predecessor to DTO), Amalgamated Transit Union Local 1235 (Nashville) and the Amalgamated Transit Union Local 1212 and the Chattanooga Area Regional Transit Authority (Chattanooga). On August 1, 1989, the Plan assets were separated between Nashville and Chattanooga under a Division Agreement executed by the four parties. Transportation Management of Tennessee, Inc. (now DTO) assumed the rights, duties and liabilities set out in the Plan.

In 1979, the Plan was amended and restated to comply with the Employee Retirement Income Security Act of 1974 and an application was submitted to the Internal Revenue Service to approve its provisions by the issuance

of a determination letter as a governmental plan. The IRS held the determination letter application in abeyance while the Plan sought recognition from the Pension Benefit Guaranty Corporation (“PBGC”) that the Nashville portion of the Plan was exempt from the payment of PBGC premiums. The PBGC is a federal agency that requires pension plan sponsors to pay premiums to the federal government to ensure the payment of benefits. The Plan had not been paying the premiums attributable to the Nashville portion of the Plan and the Plan sponsors realized that the Plan could save significant dollars if the Nashville Plan was ruled to be a governmental plan. It took almost twenty years of disagreement which ultimately culminated in litigation against the PBGC in the District Court of Middle Tennessee to achieve recognition by the PBGC of government plan status. Throughout the years, PBGC maintained its stance that the Plan was not a governmental plan despite the IRS issuing a 1996 Private Ruling that the Plan was a governmental plan under separate provisions of ERISA applicable to government plans.¹ During the litigation, in an attempt to settle the matter, the General Manager of MTA at the time and MTA’s prior legal representative developed the current guarantee language that the MTA Board approved in a January 9, 1997 Board meeting. Subsequently, a resolution was reached to settle the litigation and on August 19, 1998, PBGC issued a letter which found that the governmental exclusion for the PBGC premiums applied to the Plan. The litigation was dismissed with PBGC being required to pay the Plan’s legal fees.

To give some context of what the Plan has saved by not being subject to the PBGC, current annual PBGC premiums with plan assets valued at approximately \$ 70 million and approximately 1,000 participants would be approximately \$775,000. Without having the MTA guarantee in place, not only would the PBGC premiums dilute the asset value of the plan and generate a significantly higher unfunded liability, but the plan would be considered a Single Employer Plan under PBGC rules, and the current 20-year plan would have to revert to a 7-year plan both of which would significantly increase DTO’s required annual contribution.

MTA’s guaranty is found in Section 20.2 of the Plan Document, Guaranty of Plan Obligations. This Section is the only place where “Metropolitan Transit Authority” is mentioned in the Plan.

20.2 **“Guaranty of Plan Obligations.** Metropolitan Transit Authority guarantees and agrees to satisfy and discharge or cause to be satisfied and discharged all the obligations and payments assumed hereunder by Davidson Transit Organization, its successors and assigns, and Metropolitan Transit Authority. In the event of the termination of the Plan, the **Metropolitan Transit Authority guarantees** that Davidson Transit Organization, its successors or assigns, **will satisfy all liabilities for vested benefits, other than benefits that became vested pursuant to termination of the Plan, if the assets of the Plan as of such date are not sufficient to pay all benefit liabilities.** For purposes of this Section 20.2, benefit liabilities shall be determined using the same assumptions as would be used by the Pension Benefit Guaranty Corporation under section 4022 of ERISA if the Plan were covered by Plan termination insurance.”

The remainder of the guaranty (sentences two and three) of Section 20.2 is necessary to avoid payment of PBGC premiums. This guaranty in sentence one above may be broader than the liability of DTO (the Company) as provided in Section 19.1 below but does not appear to be broader than the prior guaranty:

19.1 **“Liability of Company; Condition of Contributions.** The Company’s liability to the Employees on account of this Plan shall not extend beyond the contributions to be made by it to the Trustee, as provided for in this Plan. As contributions by the Company are made to the Trustee, they become assets of the Trust for the benefit of all Employees contributing to the Plan and can in no way be returned to the Company or be subject to the debts, liabilities or obligations of the Company or be considered a part of its properties or assets for any purpose whatsoever. It is expressly understood and agreed that the obligation of the Company to make its payments provided for herein is conditioned upon the obligations of all of the Employees continuing to make their contributions provided for herein, and should the Employees covered by this Plan at any

¹ The PBGC asked the IRS to revoke its private letter ruling but the IRS refused. It was then that the PBGC agreed to settle the dispute.

time during the term of this Plan refuse to continue to make said contributions, this Plan will be immediately terminated, and the obligation of the Company to make any further payments whatsoever for the benefit of the Employees covered by this Plan shall cease."

In essence, DTO's liability is limited just to the contributions it makes under the Plan. However, MTA has assumed the contingent liability for not only the payments but also any other obligation that DTO may have under the Plan, including the extent to which the pension is underfunded. This contingent liability for underfunding only becomes due if the contingency, i.e., termination of the Plan, occurs.

The Plan is structured as a defined benefit plan which requires a combination of age and years of service to qualify (Rule of 84). The vesting period is 7 years. The Plan dictates that the pension be overseen by a four-member committee made up of four DTO employees or active retirees consisting of two Amalgamated Transit Union members and two DTO management employees (the "Pension Committee"). The current management employees are the Chief of Staff and Administrative Officer and the Chief Financial Officer. The Pension Committee meets quarterly with the trustee of the Plan which is currently Regions Bank's Division of Wealth Management. The trustee makes all investment decisions driven by an investment policy adopted by the Pension Committee. The Plan is audited annually an outside accounting firm which is Crosslin CPAs. As a part of the annual audit, the Plan has an actuarial valuation performed to determine the health of the Plan and determine what percentage contribution must be made by DTO (currently 8% of wages) to keep the Plan whole. Employees are required to contribute 4.5% through payroll deduction. Most recent audits have been clean audits and have not received any major findings. The Plan also has used the same legal representation through Holland & Knight which also assisted in the Plan being considered a governmental plan and the resolution of the issues with the PBGC.

From time to time, the Pension Committee introduces amendments needed for the Plan which include the signature of the guarantor of the Plan regardless of whether the proposed amendment impacts the financial stability of the Plan or is a clean-up or administrative type amendment. In January 2016, the Committee issued a Restated and Amended Plan as of January 1, 2016, that was needed for submission with an Application for Determination for Employee Benefit Plans to the IRS in order to confirm the Plan document complies with the requirements of the Internal Revenue Code. These determinations have been done approximately every five years since the original 1996 Private Ruling as required by the IRS. What was important about this determination is that it was the last determination before the IRS ended the ongoing determination renewal process. The pension attorneys felt it was important to obtain this last determination to ensure the form of the Plan meets the Internal Revenue Code requirements. Time was of the essence at that time due to a deadline mandated by the IRS. Mr. Bland, Nashville MTA CEO, signed the Restated and Amended Plan only to maintain the status quo and meet the IRS requirements and deadline. The final favorable determination was granted by the IRS.

CURRENT STATUS:

Ed Oliphant will have a PowerPoint presentation reviewing an update of the current financial status of the Plan and answer any questions the Board may have. This discussion is in preparation for a separate action item with an additional amendment to the Plan for authorization to have the CEO sign the amendment for MTA as the guarantor.

APPROVED:



Chief Financial Officer

4/18/2024

Date

AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into as of the 22nd day of September 2022, by and between Metropolitan Transit Authority, a public transit agency ("MTA"), Davidson Transit Organization, a Tennessee not-for-profit corporation ("DTO") and Local 1235 of the Amalgamated Transit Union (the "Union").

WITNESSETH:

WHEREAS, the Disability and Retirement Plan Agreement of Davidson Transit Organization and Local 1235 of the Amalgamated Transit Union (the "Plan") provides disability and retirement benefits to eligible employees of DTO;

WHEREAS, DTO provides all administrative and Union employees to MTA under a separate agreement;

WHEREAS, the Plan is maintained in connection with a collective bargaining agreement between DTO and the Union;

WHEREAS, the Plan is administered by a committee constituted with representatives from DTO and the Union (the "Committee");

WHEREAS, MTA guarantees certain obligations and payments under the Plan; and

WHEREAS, the parties wish to enter into this Agreement to describe the procedures and purposes of the presentations of Plan amendments and funding information to the MTA Board of Directors (the "Board");

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby covenant and agree as follows:

1. MTA acknowledges its guaranty of obligations and payments under the Plan as described in Section 20.2 of the Plan (the "Guaranty"), and the parties agree this Agreement does not increase MTA's Guaranty beyond those obligations specified in the Plan and amendments thereto, whether the Plan was amended prior to this Agreement or hereafter;

2. The Guaranty shall be and is a continuing and absolute guaranty and shall remain in full force and effect until all obligations under the Plan have been satisfied.

3. Upon the proposed adoption of any amendment to the Plan, the Committee

shall provide a copy and explanation to the Board. The Board will consider the approval of such amendment, and upon such Board approval, the CEO is authorized to execute such amendment. The Board's review and approval of amendments to the Plan is not an oversight function but is done in order to avoid determinations of what is a material or nonmaterial Plan amendment for purposes of enforceability of the Guaranty.

4. The parties acknowledge the Board is not a fiduciary of the Plan or to the Plan participants and that the responsibilities of MTA and the Board described herein are not intended nor do they rise to the level of acting in a fiduciary role.

5. DTO shall provide periodic updates no less frequently than annually to the Board on the financial status of the Plan in order to provide the Board information as to the sufficiency of Plan assets to satisfy accrued benefit obligations under the Plan.

6. All references to the respective parties herein shall be deemed to refer to their respective successors or assigns.

7. With the exception of rights and obligations herein expressly conferred, nothing expressed or mentioned in or to be implied from this Agreement is intended or shall be construed to give to any person other than the parties hereto any legal or equitable right, remedy, or claim under or in respect to this Agreement. This Agreement and all of the covenants, conditions, and provisions hereof are intended to be and are for the sole and exclusive benefit of the parties hereto, as herein provided.

8. This Agreement contains the entire agreement of the parties and may not be amended except in a writing signed by both parties.

9. This Agreement shall be construed and interpreted under the laws of the State of Tennessee.

10. The Plan and its participants are intended to be third-party beneficiaries of this Agreement.

The remainder of this page is blank.

IN WITNESS WHEREOF, the undersigned parties have caused this Agreement to be executed as of the month, day, and year first above written.

**DAVIDSON TRANSIT
ORGANIZATION**

ATTEST:

Melissa McIntyre

By: Edward W. O'Gorman
Title: President

TRANSIT UNION

ATTEST:

E. F. L.

By: R. P. [Signature]
Title: President

**METROPOLITAN TRANSIT
AUTHORITY**

ATTEST:

Melissa McIntyre

By: Steph Bland
Title: Chief Executive Officer
By: _____

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Board Action Item

Item Number:	M-A-24-008	Meeting Date:	4/18/2024
Item Title:	Pension Plan Amendments		

BACKGROUND:

In the previous discussion item, the MTA Board reviewed its role as guarantor of the Disability and Retirement Plan (“Plan”) of Davidson Transit Organization (DTO) and Local 1235 of the Amalgamated Transit Union (ATU) and also received a positive financial stability update of the pension plan. The Plan is amended from time to time for various reasons. The Pension Agreement was developed to ensure that the board is made aware of any amendments with MTA being the guarantor.

There is one new amendment covering two areas of the Plan being presented in this action item as summarized below which have no financial impact to the Plan and have been reviewed by Margaret Behm, MTA’s attorney.

The first area reflects current practice and is administrative in nature. The amendment clarifies Article 7.3 of the Plan regarding how a pension amount is calculated utilizing the best 5 out of 8 years of an employee’s earnings. The amendment clarifies that the pension calculation uses calendar years as opposed to service years based on an employee’s anniversary date. This is intended to maximize an employee’s retirement using the most current and highest earnings even if it is a partial year of earnings in the year of retirement.

The second area adds provisions to accept Qualified Domestic Relations Orders (QDROs). The amendment also allows the Plan to assess any legal or actuarial fees to the employee for processing the QDRO. Consequently, there will not be any additional expense to the Plan.

Ed Oliphant and Margaret Behm will be available to answer any questions board members may have.

RECOMMENDATION:

Staff requests the Board authorize the CEO to sign the amendment as the guarantor of the Plan.

APPROVED:

4/18/2024

Board Secretary

Date

Nashville Metropolitan Transit Authority

of Nashville & Davidson County, Tennessee

Information Item Committee Discussion Item Committee Action Item Board Discussion

Item Number:	NICE-D-24-002	Meeting Date:	4/18/2024
Item Title:	WeGo Youth Action Team Year-End Report		

BACKGROUND:

WeGo Public Transit has partnered with the Oasis Center since 2013 to engage high school students in representing student riders and facilitating outreach with schools. Students are led under the supervision of Alyssa Vega, the Oasis Center Youth Action Team (YAT) Program Coordinator.

YAT is a group of eight high school students who meet weekly to participate in leadership development, team building skills, and:

- Meet with WeGo staff and tour transit facilities,
- Develop travel training for youth audiences,
- Experience WeGo through monthly excursions,
- Advocate for increased ridership and Metro funding,
- Assist with community outreach events, and
- Speak to community stakeholders about transit challenges and opportunities.

Current YAT members represent Hume-Fogg Academic High School, Big Picture High School, Templeton Academy High School, Ensworth High School, MNPS Early College High School, Hillsboro High School, and Martin Luther King, Jr. Magnet High School.

CURRENT STATUS:

YAT representatives will present the 2023-2024 school year progress report to the Nashville Metropolitan Transit Authority (Nashville MTA) New Initiatives and Community Engagement Committee.

APPROVED:



Chief Communications Officer

4/18/2024

Date