

**CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY
AND
THE CHATTANOOGA PARKING AUTHORITY
BOARD MEETING AGENDA**

May 16, 2023

CALL TO ORDER

QUORUM CALL

INVOCATION

ADOPTION OF MINUTES

OPERATING REPORTS:

Financial Report: Sonja Sparks

Statistical Report: Philip Pugliese

Staffing and Recruiting Updates: Jeff Smith

Action needed:

Updates:

- PCI Presentation on new parking technology pilot-Jack Skelton

New Business:

CARTA
Variance Report
For the Ten Months Ending Sunday, April 30, 2023

	<u>MONTHLY ACTUAL</u>	<u>MONTHLY BUDGET</u>	<u>VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>VARIANCE</u>
TRANSIT						
Revenues	\$1,384,315	\$1,369,192	\$15,123	\$13,633,144	\$13,676,921	(\$43,777)
Expenses	<u>1,245,576</u>	<u>1,487,446</u>	<u>(241,870)</u>	<u>13,025,925</u>	<u>14,339,097</u>	<u>(1,313,172)</u>
NET	138,740	(118,254)	256,993	607,219	(662,176)	1,269,395
SHUTTLE						
Revenues	\$239,006	\$226,960	\$12,046	\$2,229,026	\$2,269,599	(\$40,573)
Expenses	<u>155,266</u>	<u>220,528</u>	<u>(65,263)</u>	<u>1,778,905</u>	<u>2,179,295</u>	<u>(400,390)</u>
NET	83,740	6,432	77,309	450,121	90,304	359,817
INCLINE						
Revenues	\$355,119	\$369,932	(\$14,812)	\$3,250,612	\$3,079,315	\$171,297
Expenses	<u>205,528</u>	<u>198,439</u>	<u>7,089</u>	<u>2,018,624</u>	<u>1,961,298</u>	<u>57,326</u>
NET	149,591	171,493	(21,901)	1,231,989	1,118,017	113,971
CARE-A-VAN						
Revenues	\$81,771	\$82,918	(\$1,147)	\$838,008	\$829,184	\$8,825
Expenses	<u>238,280</u>	<u>239,116</u>	<u>(836)</u>	<u>2,419,001</u>	<u>2,355,478</u>	<u>63,523</u>
NET	(156,509)	(156,198)	(311)	(1,580,992)	(1,526,295)	(54,698)
PARKING						
Revenues	\$286,607	\$287,560	(\$953)	\$2,973,208	\$2,875,602	\$97,607
Expenses	<u>174,613</u>	<u>175,908</u>	<u>(1,295)</u>	<u>1,788,697</u>	<u>1,755,702</u>	<u>32,995</u>
NET	111,994	111,652	342	1,184,511	1,119,899	64,612
CARTA - Total						
Revenues	\$2,346,819	\$2,336,562	\$10,257	\$22,924,000	\$22,730,621	\$193,379
Expenses	<u>2,019,262</u>	<u>2,321,437</u>	<u>(302,175)</u>	<u>21,031,152</u>	<u>22,590,871</u>	<u>(1,559,719)</u>
NET	327,556	15,125	312,431	1,892,848	139,750	1,753,098

APRIL 2023 PARKING REPORT

	<u>Meters</u>	<u>Shuttle</u>	<u>Lots</u>	<u>Garages</u>
Revenues	\$ 149,218.00	\$ -	\$ 95,727.00	\$ 142,007.00
Enforcement	\$ 55,657.00	\$ -	\$ -	\$ -
Donations	\$ -	\$ 687.00	\$ -	\$ -
Advertising	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ 800.00	\$ -	\$ 1,050.00
Fed/State Grants	\$ -	\$ 94,462.00	\$ -	\$ -
Total Revenue	\$ 204,875.00	\$ 95,949.00	\$ 95,727.00	\$ 143,057.00
Onstreet Enforcement Expenses	\$ 165,548.00	\$ -	\$ -	\$ -
Shuttle Expenses	\$ -	\$ 120,092.00	\$ -	\$ -
Lot Expense	\$ -	\$ -	\$ 9,933.00	\$ -
Garage Expense	\$ -	\$ -	\$ -	\$ 35,174.00
Total Expense	\$ 165,548.00	\$ 120,092.00	\$ 9,933.00	\$ 35,174.00
Net Revenue	\$ 39,327.00	\$ (24,143.00)	\$ 85,794.00	\$ 107,883.00
Net Meters & Shuttle	\$ 15,184.00			
Total Parking	<u>\$ 208,861.00</u>			

NOTE: Meters and Shuttle are combined because expenses of both are recognized as parking expenses by city code.

meter expense = republic expense, rent expense, salaries, meetings, travel, bank and c.c. fees, taxes, property insurance, etc.

garage fees = management fees plus security fees plus insurance

Incline lot revenue and expenses are reported in Incline which will create a difference

**Statistical Report
For the Period Ending April 30, 2023**

	<u>This Month</u>	<u>Month YR Ago</u>	<u>YTD</u>	<u>Prior YTD</u>
<u>TRANSIT</u>				
Ridership	72,743	74,389	772,555	784,752
Weekday Average - with Mocs	3,007	2,937	3,081	3,096
Weekday Average - without Mocs	2,924	2,868	2,933	2,971
Saturday Average	1,921	2,011	1,957	2,045
Sunday Average	751	661	737	717
Miles	143,791	134,377	1,427,639	1,355,236
Passengers/Mile	0.51	0.55	0.54	0.58
Accidents	3	6	19	18
Operating Cost/Rider	10.84	9.59	10.32	9.62
<u>SHUTTLE</u>				
Ridership	21,485	21,435	186,017	161,204
Weekday Average	780	764	645	544
Saturday Average	783	755	729	714
Sunday Average	394	402	363	317
Miles	12,223	12,620	125,910	133,038
Passengers/Mile	1.76	1.70	1.48	1.21
Accidents	0	0	1	5
Operating Cost/Rider	2.38	2.07	2.96	3.06
<u>INCLINE</u>				
Ridership	50,159	47,996	412,442	384,384
Net Revenue/Passenger	2.98	3.17	2.99	2.47
Days Down	0	0	0	0
<u>CARE-A-VAN</u>				
Ridership	4,152	4,155	41,159	42,289
Miles	47,071	46,035	465,593	462,671
Turndowns	0	0	0	24
Accidents	1	1	5	5
Operating Cost/Rider	44.08	40.80	44.60	41.24
Passengers/Hour	1.29	1.30	1.27	1.37
<u>TOTAL CARTA</u>				
Ridership	148,539	147,975	1,412,173	1,372,629

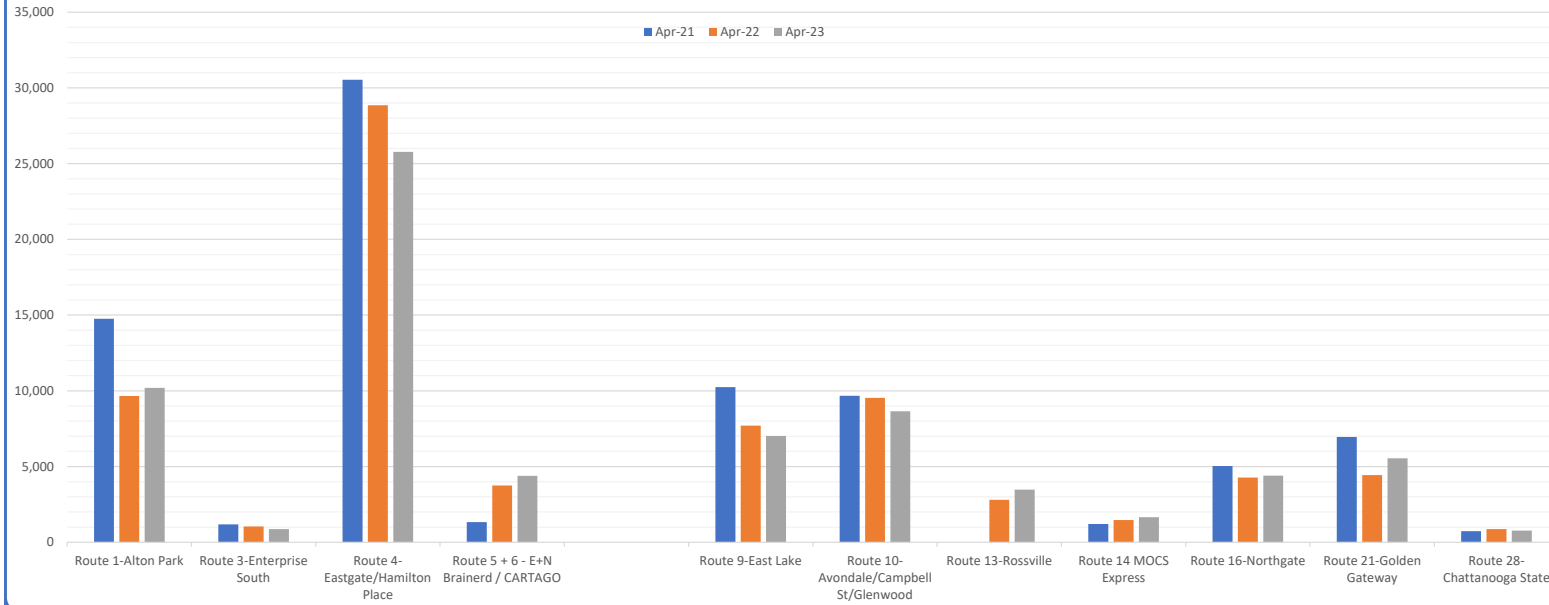
*** Notes to the Statistical Report:**

North Shore Shuttle	2,676	2,545	23,479	18,137
MOCS Express	1,650	1,451	31,331	26,932
Bicycles Carried	1,346	1,336	14,072	15,669
Wheelchairs Carried	988	1,114	11,546	9,709
St.Elmo/Incline	1,866	1,585	14,863	8,562

Days of Operation Transit, Care-a-Van

Number of Weekdays	20	21
Number of Saturdays	5	5
Number of Sundays	4	3
	<u>29</u>	<u>29</u>

Year to Year comparison of ridership by route April 2021/April 2022/April 2023

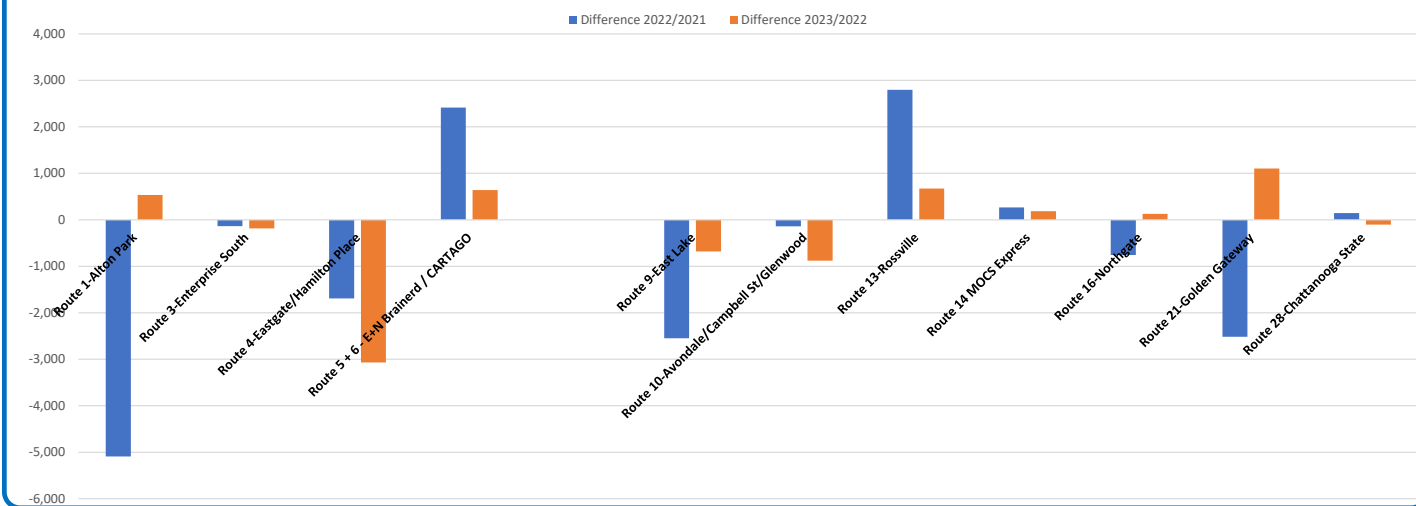


	Apr-21	Apr-22	Apr-23
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Route 1-Alton Park	14,752	9,659	10,194
Route 3-Enterprise South	1,186	1,049	865
Route 4-Eastgate/Hamilton Place	30,544	28,851	25,782
Route 5 + 6 - E+N Brainerd / CARTAGO	1,334	3,749	4,389
Route 9-East Lake	10,248	7,700	7,020
Route 10-Avondale/Campbell St/Glenwood	9,669	9,528	8,650
Route 13-Rossville	0	2,799	3,473
Route 14 MOCs Express	1,201	1,466	1,650
Route 16-Northgate	5,029	4,272	4,402
Route 21-Golden Gateway	6,956	4,441	5,546
Route 28-Chattanooga State	730	875	772

Totals: 81,649 74,389 72,743

Year to Year comparison of ridership by route
Difference April 2022/April 2021- April 2023/April 2022



	Difference 2022/2021	Difference 2023/2022
Route 1-Alton Park	-5,093	535
Route 3-Enterprise South	-137	-184
Route 4-Eastgate/Hamilton Place	-1,693	-3,069
Route 5 + 6 - E+N Brainerd / CARTAGO	2,415	640
	0	0
Route 9-East Lake	-2,548	-680
Route 10-Avondale/Campbell St/Glenwood	-141	-878
Route 13-Rossville	2,799	674
Route 14 MOCS Express	265	184
Route 16-Northgate	-757	130
Route 21-Golden Gateway	-2,515	1,105
Route 28-Chattanooga State	145	-103

-7260 -1,646

MINUTES OF THE BOARD OF DIRECTORS MEETING OF
THE CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY

AND

THE CHATTANOOGA PARKING AUTHORITY

April 20, 2023

The regular meeting of the Board of Directors of the Chattanooga Area Regional Transportation Authority (CARTA) and the Chattanooga Parking Authority was held Thursday, April 20, 2023, at 9:00 a.m., with the continuing Board Orientation session, followed by the regular scheduled meeting at 10:00 a.m., at the CARTA Board Building, 1617 Wilcox Blvd. Chattanooga, TN 37406. The meeting was held in accordance with Section 4, Paragraphs 1 and 2 of the ordinances creating the Authority and pursuant to the notice advertised in the Chattanooga Times Free Press on April 2, 2023. The following Board members were in attendance and constituted a quorum: Johan de Nysschen, Chairman; Patricia McKoy, Treasurer; Daniela Peterson, Stephen Culp, Corey Evatt, Charita Allen, Evann Freeman, Bill Nye and Arcie Reeves. The following persons were also in attendance: Lisa Maragnano, Executive Director; Jeff Smith, Chief Operating Officer; Sonja Sparks, Chief Financial Officer; Savannah Ward, Community Outreach Coordinator; Allen McCallie, Legal Counsel, Miller & Martin; Rachael Ruiz, Legal Counsel, Miller & Martin; Starla Reidel, Payroll & A/R Administrator; and various media and guests. At Mr. Nysschen's request, Mr. Allen McCallie called the meeting to order and declared a quorum present. Mr. McCallie then called on Ms. McKoy to give the invocation.

Mr. McCallie stated that all members had been sent a copy of the March 16, 2023, Board meeting minutes and asked if there were any additions or corrections. There being no

further questions or corrections, a motion was made by Ms. Reeves, and seconded by Ms. McKoy, followed by a vote to approve the minutes. The motion was unanimously approved.

Ms. Maragnano introduced Mr. Jack Skelton and Ms. Lindsey Daniel of PCI Municipal Services (attending by video conference) to give a presentation on new parking technology and expanded on-street meter zones proposed for downtown. Mr. Skelton shared the On-Street Paid Parking Zone expansion proposal, indicating that the primary new zone that is being discussed would include West Main St., Cowart St., and the surrounding areas. Any expansion must be approved by the City Council. One of the biggest issues under consideration is whether to continue to use traditional meter kiosks allowing both coin and credit card payments, or to introduce exclusive payment by mobile app only. Mr. Skelton discussed the pros and cons of the mobile payment system; some pros would be: reduced equipment costs; reduced operating costs; and more efficient enforcement. Some of the cons would include: customer aversion to change; customers with no mobile phone and/or no credit card; customers reluctance to pay with credit card; privacy issues, and the “convenience fee” charges applied to every transaction. Mr. Skelton explained that a new sign would be installed on each block where mobile only payment is used; these signs would provide the customers with the information needed to pay through their phones, allowing them to pay by the app, by text, or by scanned QR code. The mobile-only program also supports residential permit parking programs which protect on-street parking spaces for resident use. Mr. Skelton also compared the financial projections for mobile-pay-only zones, and what the next steps would be to go forward with this program.

Mr. McCallie next called on Ms. Sparks to present the Financial Reports for March 2023. Ms. Sparks noted that Transit revenues were under budget \$7,428 because of the delayed receipt of federal reimbursement revenue, which is spread evenly in the budget

throughout the year, although variations occur in the actual monthly receipts. Transit expenses were under budget by \$215,666, due primarily to a wage and benefit variance of \$99,420, arising from the budget for full staffing. Software maintenance was under budget \$20,425 due to the timing of annual purchases. Fuel was under budget \$70,041; CARTA budgeted at \$2.893 per gallon for diesel and the actual average during March was \$2.75. Maintenance was under budget \$19,384 for March. In total, there was in a monthly favorable variance in net income of \$208,238.

Shuttle revenue was ahead of budget \$12,701 due to an increase in parking garage revenue at North and South. Shuttle expense was under budget \$63,919 due to a similar under-budget variance in wages and benefits of \$41,893 and professional services in the amount of \$17,430. Ms. Sparks noted that CARTA has reduced the cleaning services we had put in place for COVID, resulting in material savings. The net income favorable variance for the month is \$76,620.

Incline revenues were ahead of budget \$102,066 due to an increase in passenger fares and receipt of the annual variable rent payment from See Rock City in the amount of \$91,650. See Rock City pays an annual variable fee of 10% of the amount their gross receipts exceed \$700,000 per calendar year. Incline expenses were under budget \$18,886 due to favorable variance in professional services (temporary help) of \$20,886. The net income favorable variance for the Incline for the month is \$120,951.

Care-A-Van revenue was under budget \$834 due to a slight decrease in advertising revenue. Care-A-Van expenses were over budget \$4,433 due to a favorable variance in wages and benefits in the amount of \$17,743 and offsetting under-budget variances in professional services of \$7,245 and fuel of \$6,607. CARTA budgeted at \$2.514 per gallon and the actual cost during March was \$2.44. Professional services consist of a reduction in cleaning

expenses from the move from 11th Street and a reduction in cleaning services for COVID. The net income favorable variance is \$5,267 for the month.

Parking revenue showed a positive variance of \$42,880 due to an increase in both meter revenue of \$19,113, and an increase in lot revenue of \$23,767. The parking expense under-budget variance of \$2,658 was due to decreases from budget in credit card processing fees of \$1,470, and residual in garage maintenance. The net income favorable variance for parking is \$45,538 for the month.

Overall, for the month CARTA ended with \$2,475,946 in monthly revenue compared to a budgeted \$2,326,562, and monthly expenses of \$2,024,741 compared to a budgeted \$2,321,437, together resulting in a net favorable variance to budget of \$446,081.

From the breakout detail of the Parking Reports, Ms. Sparks noted that the combined parking meter and enforcement collections reflected net positive revenue of \$86,063. Net meters and net shuttle revenues together reflected a net positive of \$59,455, and total net parking revenue for the month (including surface lot and garage revenues and expenses) reflected a positive net revenue of \$253,151.

Mr. McCallie next called on Ms. Maragnano to present the Statistical Report. On a year-to-year comparison for March, Transit ridership was up 0.9%; Shuttle ridership was up 13.4%; Incline ridership was up 9.6%; and Care-A-Van ridership was up 1.4%, with zero (0) turndowns. North Shore Shuttle ridership was down 9.5%; the number of bicycles carried was up 1.3%; and the number of wheelchairs carried was up 17%. Regarding Preventable Accidents for the month, Transit had six (6), and Care-A-Van and Shuttle both had zero (0).

Mr. McCallie asked if there were any additional comments or questions regarding the Financial and Statistical Report. There being none, a motion was made by Ms. Allen,

seconded by Ms. Reeves, and followed by a vote to accept the Financial and Statistical Report as information. The motion was unanimously approved.

Mr. McCallie next called on Mr. Smith to give a staffing update. Mr. Smith reported that since the last board meeting CARTA has been operating sixty-four (64) daily runs on fixed routes; to staff these runs CARTA currently has seventy-seven (77) full-time fixed-route drivers on staff. Of these, CARTA currently has four (4) full-time drivers out on leave and one (1) driver in training. In the past month, CARTA has hired one (1) full-time fixed-route driver, two (2) fixed-route drivers have retired, and three (3) fixed-route drivers have left CARTA employment.

Under “Action needed,” Mr. McCallie next called on Mr. Nysschen for the election of the Board Vice Chairman and Secretary. Mr. Nye nominated Mr. Evan Freeman for Vice Chairman and a motion was made, seconded by Mr. Culp, and followed by a vote to elect the Vice Chairman. The motion was unanimously approved. Ms. Peterson then nominated Ms. Arcie Reeves for Secretary and a motion was made, seconded by Ms. Park, and followed by a vote to elect the Secretary. The motion was also unanimously approved.

Under “New Business”, Mr. Nysschen next discussed the creation of a Compensation Committee and a request for recommendations on compensation for Comptroller/Chief Financial Officer & Interim Executive Director. Mr. Nysschen recommended that the Committee should compare, study, and analyze the salary of the city’s leadership and include a compensation analysis for the entire organization. Mr. Nysschen then asked if there were any board members that would like to nominate themselves for the Compensation Committee. Ms. Charita Allen, Ms. Arcie Reeves, and Mr. Bill Nye each volunteered; a motion was made by Mr. Nysschen, seconded by Ms. McKoy, and followed by a vote to accept the Compensation Committee. The motion was unanimously approved.

Mr. Nysschen then discussed that the City Mayor has requested that CARTA participate in a Procurement Audit by the City Auditor, and that there were some concerns that communication with the City on this matter were not productive. Mr. Nysschen asked the board members to allow him time to continue the dialogue with the City on the scope of its relationship with the City and the Auditor's office. This request was approved by consensus.

Mr. Nysschen next called on Mr. McCallie to discuss the Town of Lookout Mountain's request for additional fee revenue from Incline ticket sales. Mr. McCallie explained the history and location of CARTA Incline and how the Town of Lookout Mountain provides fire and police services for the benefit of the upper Incline station. The Town of Lookout Mountain is requesting CARTA to increase the cost of the Incline tickets by adding a "debarition fee" to make up for the sales taxes that no longer flow to the Town because of the cessation of ticket sales from the Upper Station.

Mr. McCallie recommended that the Board approve engaging in a discussion with the Town of Lookout Mountain to come up with a reasonable agreement, Mr. Nysschen agreed with the recommendation, which was also approved by consensus.

Mr. Nysschen next discussed the establishment of other Board Committees. Mr. Nysschen would like to see the CARTA Board add a lot more value than what we have experienced in the past few months. There have been substantial changes in CARTA leadership, and it is important for the Board to be supportive and engage with the CARTA team. A corporate board is accountable and responsible for designated areas that may need construction and improvement. As Chairman, Mr. Nysschen recommend that the Board delegate members to participate in committees to focus on certain areas. Mr. Nysschen then recommended that the Board members continue this discussion in next month's Board meeting.

There being no further business, a motion was made to adjourn, and the meeting was adjourned, and the Board then continued with its orientation session.