



CHATTANOOGA AREA REGIONAL TRANSPORTATION
AUTHORITY THE CHATTANOOGA PARKING AUTHORITY

BOARD MEETING AGENDA

May 16, 2024, 10:00 AM ET

1. **Call to Order**
2. **Quorum Call**
3. **Invocation & Pledge of Allegiance**
4. **Public Comment**
5. **Adoption of Minutes** [\(page 2\) -A](#)
6. **Employee Recognition**: Jeff Smith
7. **CEO Report**: Charles D. Frazier
8. **Financial Report**
 - a. Financial Report: Sonja Sparks [\(page 11\) - I](#)
 - b. Accounts Payable -Treasurer's Signature Threshold: Sonja Sparks [\(page 14\) - A](#)
 - c. Bank Account-Signature Authorizations: Sonja Sparks [\(page 15\) - A](#)
 - d. Statistical Report: Philip Pugliese [\(page 16\) - I](#)
9. **Compensation and HR Committee Report**: Director Charita Allen
10. **Operations Committee Report**: Chairman de Nysschen
11. **New Business**
 - a. Fare Technology Request for Proposal: Annie Powell [\(page 20\) - I](#)
 - b. Code of Ethics and Nepotism Policy: Jeff Smith [\(page 30\) - A](#)
 - c. Vehicle Donation Policy (Resolution 603): Sonja Sparks [\(page 40\) - A](#)
12. **Old Business**
 - a. Fare-Free Pilot Program w/ Chattanooga Public Library: Veronica Peebles [\(page 42\) I](#)
 - b. Incline Ticket Pricing / Public Hearing: Annie Powell [\(page 43\) - I](#)
13. **CEO 100-Day Assessment**: Charles D. Frazier
14. **Adjournment**
15. **Executive Session**

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

AND

THE CHATTANOOGA PARKING AUTHORITY

April 18, 2024

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 21, 2024, starting at 10:00 a.m., at the Board Building, 1617B 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 07, 2024. The following Board members were in attendance and constituted a quorum: Evann Freeman, Vice Chairman; Arcie Reeves, Secretary; Charita Allen, Stephen Culp, Corey Evatt, Bill Nye, Daniela Peterson, and LeAndrea Sanderfur. The following persons were also in attendance: Charles Frazier, Chief Executive Officer; Sonja Sparks, Chief Financial Officer; Jeff Smith, Chief Operating Officer; Philip Pugliese, Transportation System Planner; Rachael Ruiz, Legal Counsel, Miller & Martin; Dena Franklin, Payroll & A/R Administrator; and various media and guests. Mr. Freeman called the meeting to order and declared a quorum present. Before addressing the scheduled agenda, Mr. Freeman called on Mr. Castleberry, a hardware engineer to provide details on the new “Owl” camera and microphone technology displayed in the Board room and being tested to improve public transparency of open board meetings. Mr. Castleberry advised that each “Owl” fixture contains a 360-degree camera, highly sensitive microphones and speakers. The microphones

are intended to pick up any conversation in the room, and the camera turns to focus on, and record, the person speaking.

Mr. Freeman then called on Mr. Nye to give the invocation and lead the Pledge of Allegiance. Mr. Freeman next opened the meeting for public comments regarding board action items.

Mr. Leamon Randall, resident of Chattanooga, proposed that CARTA adopt and install bus rapid transit from the Aquarium to the Incline in connection with the newly passed Lookouts stadium complex project. Mr. Randall stated the route would be 3.7 miles one way, and by maintaining an average speed of 22 mph, the travel time for the route one way would be approximately 10 minutes. Mr. Randall further stated that utilizing Broad Street would allow for 10 boarding stations. At the close of Mr. Randall's comments, Mr. Freeman advised that CARTA would attempt to address the questions presented during his presentation, and would reach out to him utilizing the contact information provided.

Mr. Freeman next stated that all members had been sent a copy of the March 21, 2024, board meeting minutes and asked if there were any additions or corrections. There being none, a motion was made by Ms. Allen and seconded by Ms. Reeves, followed by a vote to approve the minutes. The motion was unanimously approved.

Mr. Freeman called on Mr. Smith for presentation of the employee Sunshine award for the month of March, 2024 to Brian Genua.

Mr. Freeman then called on Mr. Frazier to present the CEO report. Mr. Frazier reported that CARTA has partnered with the City of Chattanooga, Hamilton County, the Chattanooga Area Chamber of Commerce, Chattanooga 2.0, the Benwood Foundation, and the Bethlehem

Center to submit the “South Chattanooga / East Lake Economic Revitalization Recompete” pilot program grant application. If approved the grant would bring significant grant money to the community, including funding for improved transit in the grant focus area. As part of the project, CARTA is developing transportation solutions to address the lack of reliable transportation in the underserved communities of South Chattanooga and East Lake. CARTA’s proposal includes increased frequencies and hours of service on key fixed routes; the addition of two new microtransit zones; and participation as a workforce development employer partner. One of the primary goals of the improved transit service would be to help unemployed and under-employed people to establish better access to workforce development and job opportunities. Mr. Frazier advised the Board will receive updates as they become available.

Mr. Frazier next provided a reminder about the ongoing maintenance work at the Incline Railway which has suspended service for a period. As part of CARTA’s robust preventive maintenance program, CARTA usually replaces 5,100-feet of cable, which has 71 tons of strength, every four to six years in order to maintain safe operation of the system. The work is still in progress and once complete, the Incline will be in prime working condition for the busy summer season.

Mr. Frazier then reported that CARTA has coordinated with Hamilton County Emergency Management Services for a field exercise on Wednesday, April 24th at 8 a.m. at the Incline Railway. The staged emergency will stop one of the trains halfway up Lookout Mountain. The exercise’s rescue mission will help to familiarize first responders with the

unique circumstances of responding to a situation at the Incline Railway, should such occur in the future.

Mr. Frazier next reported that staff held a productive listening session with the operators and dispatchers of the CARTA GO service. The team documented both recommendations and constructive criticisms during the meeting. Staff members are also working with the current software provider, VIA, to make some near-term adjustments to the application itself. In the meantime, three senior operators have volunteered to test a separate application to evaluate whether it offers an alternative or supplement to VIA's app. Staff will incorporate the findings into a new RFP slated to be released later this year.

Mr. Frazier next reported on his meeting with Chattanooga's Chief Equity Officer, Tony Sammons, and the City's Director of Community Engagement, Shadrina Booker. Topics discussed included opportunities to better educate the community on using public transit for access to the City's family justice center, and an additional opportunity to partner with the City on converting a retired CARTA bus into a mobile food station. Mr. Frazier advised he will provide details on both projects in the coming weeks.

Mr. Frazier further reported taking part in a planning meeting with the Chattanooga Public Library Executive Director, Will O'Hearn, and Kelly Valcarce, the Director of the Office of New Americans, where a joint project called "Chattanooga 101" was discussed. Mr. Frazier further reported attending a "Bridging Communities" meeting; Care-A-Van advisory committee meeting; and a meeting with Chattanooga City Council Vice Chairwoman Jenny Hill, District 2, and Councilwoman Carol Berz, District 6.

Mr. Frazier then introduced Mr. Charles Zeanah, and congratulated him on his upcoming retirement, also thanking him for his CARTA service of more than thirty years..

Mr. Freeman next called on Ms. Sparks to present the Financial Reports for March. Ms. Sparks reported that for the month of March, revenue was \$2,197,947 compared to the budgeted \$2,106,446. Transit revenue was under budget \$78,739 from an under-budget variance in passenger revenue of \$2,836 and federal reimbursements for preventative maintenance of \$71,688, due to a reduction of maintenance activity billings during the month. Incline revenues were ahead of budget by \$63,360. Although the Incline was closed February 21st through March 8th, \$137,659 was received from See Rock City (SRC) for the annual variable fee calculated on 10% of the amount by which SRC concession sales exceeds gross receipts of \$700,000.

The March Parking Report indicated receipts from parking meter and enforcement reflect net positive revenue of \$84,489, which when combined with net shuttle costs of (\$148,830), created a negative net of (\$64,341). Total net parking revenue for the month (adding in surface lot and garage revenues and expenses) reflected a positive net revenue of \$161,533.

Ms. Sparks further reported overall expenses for the month were \$2,169,456 compared to a budgeted \$2,311,561. The Transit expense under budget variance of \$146,460 was due to a wage and benefit variance of \$123,481, arising from CARTA budget for full staffing and ongoing staff vacancies. Fuel was under budget \$22,981. Care-A-Van expenses were over budget \$36,602 due to a budget variance in wages and benefits in the amount of \$36,881 arising from customer service covering after-hours and weekend shifts for CARTA GO.

Parking revenue reflected a net positive variance of \$86,065 from parking meters and enforcement, and lot variance of a positive \$73,982.

Mr. Freeman asked if there were any comments or questions regarding the Financial Report. There being none, a motion was made by Mr. Culp, seconded by Ms. Sanderfur, and followed by a vote to accept the Financial Report as information. The motion was unanimously approved.

Mr. Freeman next called Mr. Pugliese to present the Statistical Report. Mr. Pugliese stated that on a year-over-year comparison for March, transit ridership was up 3.1%; CARTA GO was up 27%; shuttle ridership was up 31%; Incline ridership was down 11% (with 8 shut-down days); and Care-A-Van ridership was stable with zero turn downs. The number of bicycles carried was down 6%; and the number of wheelchairs carried decreased by 12%. Ridership continues steady growth, with routine variation on individual routes in general. Shuttle ridership has rebounded very strongly from the winter slowdown, but this visitor growth was not reflected at the Incline. CARTA GO operations continue growth but are slowing somewhat as the system nears capacity limits.

Mr. Culp inquired about the CARTA GO growth in on-demand service. Mr. Pugliese advised it was from natural growth in demand, emphasizing no advertising efforts were being made. Ms. Reeves requested a poll to survey passengers in order to analyze growth further. Mr. Frazier advised CARTA is intentionally not advertising CARTA GO for 3 reasons; (i) to allow for software issues to be addressed; (ii) because CARTA GO is nearing capacity; (iii) and to carefully analyze the size of the zone where CARTA GO service is operating. Mr. Nye inquired about the duration of the CARTA GO service. Mr. Pugliese advised it had been in service for

twenty (20) months. Mr. Evatt noted that Saturday ridership has grown significantly, and expanding operations to Sunday may need to be considered in the future.

Mr. Freeman asked if there were any additional comments or questions regarding the Statistical Report. There being none, a motion was made by Mr. Culp, seconded by Ms. Reeves, and followed by a vote to accept the Statistical Report as information. The motion was unanimously approved.

Mr. Freeman called on Ms. Allen to provide an update from the Human Resources and Workforce Relations Committee. Ms. Allen stated the committee had not met during the month, and the next scheduled meeting is in May 2024. Mr. Freeman then advised the next scheduled meeting of the Operations committee is in June 2024.

Under “New Business” Mr. Freeman called Ms. Peebles to provide the May service update. Ms. Peebles advised CARTA’s spring and summer general markup will go into effect on Sunday, May 5, 2024. The specific changes include: making time adjustments to all the bus routes to improve service efficiency and on-time performance by providing adequate trip travel time; making modifications to route #4 Eastgate/Hamilton Place on two evening trips servicing the Enterprise South Industrial Park (ESIP) on weekdays and Saturday in order to provide service to the 2nd and 3rd shift employees at ESIP; changing route #21 Golden Gateway to serve the new Food City on Broad Street in order to help alleviate the “food desert” concerns for those residents; and extending service hours on the St. Elmo/Incline Shuttle to accommodate the summer operating hours of the Lookout Mountain Incline Railway. Ms. Peebles further reported that customers will be notified of the changes on the CARTA website, on our social media accounts, through text message alerts, and through flyers

which will be placed on all fixed route vehicles. Mr. Frazier advised that prior to the August markup, CARTA will be investigating running times for individual trips and will adjust accordingly. These recommendations will be presented at the June committee meeting and the final results will be presented to the Board at the July meeting.

Under “New Business” Mr. Freeman next called Mr. Brent Matthews, advised that the 2024 Mid-South Transportation and Parking Association’s (MSTPA) annual conference will be held in Chattanooga Monday, May 6th – Thursday, May 9th at the Westin Hotel on Pine Street, and will be hosted by CARTA and the Chattanooga Parking Authority. MSTPA is the regional transportation and parking association comprised of cities, universities, and airports throughout the states of Tennessee, Georgia, Kentucky, Mississippi, Alabama, and Louisiana. MSTPA’s mission is to provide professional growth, development, and interaction among persons involved in the operation of transportation and parking programs within the Mid-South region. As the host, CARTA is responsible for transportation of the 250 attendees to the Riverboat and back to the Westin which will cost approximately \$1,200.00. This expense was funded for and approved during the FY2024 budget process. All board members are invited and encouraged to attend. Mr. Matthews next thanked Mr. Freeman for agreeing to attend the Opening ceremonies for the conference.

Under “Old Business”, Mr. Freeman called on Mr. Pugliese to provide an update on various research grants projects. Mr. Pugliese advised that since the introduction of the Electric Shuttle program in 1992, CARTA has been actively engaged in research and development of technology and processes to improve public transportation. More recently, with direct awards from the Department of Energy, National Science Foundation, Federal

Transit Administration, and Tennessee Department of Transportation, these efforts have created a foundation and support structure to resolve challenges in operations, accessibility, and equity for public transit. This process positions CARTA as a leader in these endeavors and will promote continued savings and investment in facilities, labor, and technology.

Mr. Pugliese further advised that CARTA's primary goal of this research and implementation effort is the creation of a competitive, sustainable, and equitable public transportation system that can serve as an example for other cities. The rapid disruption of transportation and introduction of Connected, Autonomous, Shared, and Electric vehicle technologies, combined with concerns for our climate and environment, have led to significant challenges for public transit agencies, and generated policy guidance and investment in research at the federal, state, and local level. Highlights of this process for CARTA include the following grants and projects: Department of Energy grant for High-Dimensional Data-Driven Energy Optimization for Multi-modal Transit Agencies, HD-EMMA, Department of Energy grant for Artificial Intelligence for Optimizing Integrated Service in Mixed Fleet Transit Operations, National Science Foundation Smart and Connected Communities grant for Mobility for All – Harnessing Emerging Transit Solutions for Underserved Communities, and staff development and organizational relationships.

Mr. Freeman inquired if there were any other business items that need to be addressed. There being no further business, a motion was made to adjourn, and the meeting was adjourned.

TO: CARTA Board of Directors
Finance & Compliance Committee

FROM: Sonja Sparks
Chief Financial Officer

SUBJECT: Financial Report

RECOMMENDED ACTION

Staff recommends that the Board approve CARTA's financial reports for the month ending April 2024.

HIGHLIGHTS, ANALYSIS AND CONCLUSIONS

April, 2024

- Revenue for the month was \$2,034,720 compared to a budgeted \$2,171,446.
 - Transit revenues were under budget \$67,546 from Governmental billing of \$66,246 for Preventative Maintenance due to reduction of maintenance expense during the month.
 - Incline revenues were under budget \$157,000 due to the closure of April 8th through April 24th for maintenance.
- Expenses for the month were \$2,201,162 compared to a budgeted \$2,311,561.
 - Transit expense under budget variance of \$165,885 is due to a wage and benefit under budget variance of \$110,453, we budget for full staffing and due to vacancies, we have an under budget variance. Fuel was under budget \$4,971, software maintenance was under budget \$18,921 and maintenance was under budget \$23,387.
- The April Parking Report indicates receipts from parking meter and enforcement reflected net positive revenue of \$41,314 and when combined with net shuttle costs of (\$149,278), created a net of (\$107,964). Total net parking revenue for the month (adding in surface lot and garage revenues and expenses) reflected a positive net revenue of \$114,141.

RECURRING VARIANCES

- Parking revenue was over budget \$81,313 due to meter increase from \$.50 per half hour up to two hours to \$1.00 effective October, 2023.
- Care-A-Van expenses were over budget \$37,742 due to an over budget variance in wages and benefits in the amount of \$45,559 from customer service covering after hour and weekend shifts for CARTA GO.

CARTA
Variance Report
For the Ten Months Ending Tuesday, April 30, 2024

	<u>MONTHLY ACTUAL</u>	<u>MONTHLY BUDGET</u>	<u>VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>VARIANCE</u>
TRANSIT						
Revenues	\$1,125,385	\$1,192,932	(\$67,546)	\$11,384,858	\$11,659,316	(\$274,459)
Expenses	<u>1,274,954</u>	<u>1,440,839</u>	<u>(165,885)</u>	<u>13,021,257</u>	<u>14,368,019</u>	<u>(1,346,763)</u>
NET	(149,569)	(247,907)	98,338	(1,636,399)	(2,708,703)	1,072,304
SHUTTLE						
Revenues	\$159,109	\$132,474	\$26,636	\$1,788,533	\$1,797,044	(\$8,511)
Expenses	<u>200,348</u>	<u>218,055</u>	<u>(17,708)</u>	<u>1,958,067</u>	<u>2,173,807</u>	<u>(215,740)</u>
NET	(41,238)	(85,582)	44,343	(169,534)	(376,762)	207,229
INCLINE						
Revenues	\$290,172	\$447,173	(\$157,000)	\$3,237,220	\$3,341,729	(\$104,509)
Expenses	<u>214,755</u>	<u>214,352</u>	<u>403</u>	<u>2,067,019</u>	<u>2,137,292</u>	<u>(70,273)</u>
NET	75,418	232,821	(157,403)	1,170,201	1,204,437	(34,236)
CARE-A- VAN						
Revenues	\$79,183	\$99,310	(\$20,128)	\$897,723	\$900,794	(\$3,070)
Expenses	<u>272,983</u>	<u>235,241</u>	<u>37,742</u>	<u>2,633,187</u>	<u>2,211,745</u>	<u>421,441</u>
NET	(193,800)	(135,931)	(57,869)	(1,735,463)	(1,310,952)	(424,512)
PARKING						
Revenues	\$380,871	\$299,558	\$81,313	\$3,528,248	\$2,995,579	\$532,669
Expenses	<u>238,122</u>	<u>203,073</u>	<u>35,049</u>	<u>2,175,234</u>	<u>2,029,957</u>	<u>145,277</u>
NET	142,749	96,485	46,264	1,353,015	965,622	387,392
CARTA - Total						
Revenues	\$2,034,720	\$2,171,446	(\$136,726)	\$20,836,582	\$20,694,462	\$142,120
Expenses	<u>2,201,162</u>	<u>2,311,561</u>	<u>(110,399)</u>	<u>21,854,763</u>	<u>22,920,820</u>	<u>(1,066,057)</u>
NET	(166,441)	(140,114)	(26,327)	(1,018,181)	(2,226,358)	1,208,178

APRIL 2024 PARKING REPORT

	<u>Meters</u>	<u>Shuttle</u>	<u>Lots</u>	<u>Garages</u>
Revenues	\$ 198,232	\$ -	\$ 128,270	\$ 156,309
Enforcement	\$ 68,184	\$ -	\$ -	\$ -
Donations	\$ -	\$ 1,020	\$ -	\$ -
Advertising	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ 800	\$ -	\$ 980
Fed/State Grants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Total Revenue	 \$ 266,416	 \$ 1,820	 \$ 128,270	 \$ 157,289
 Onstreet Enforcement Expenses	 \$ 225,102	 \$ -	 \$ -	 \$ -
Shuttle Expenses	\$ -	\$ 151,098	\$ -	\$ -
Lot Expense	\$ -	\$ -	\$ 14,205	\$ -
Garage Expense	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,249</u>
 Total Expense	 \$ 225,102	 \$ 151,098	 \$ 14,205	 \$ 49,249
 Net Revenue	 \$ 41,314	 \$ (149,278)	 \$ 114,065	 \$ 108,040
 Net Meters & Shuttle	 \$ (107,964)			
 Total Parking	 <u><u>\$ 114,141</u></u>			

TO: CARTA Board of Directors

FROM: Sonja Sparks
Chief Financial Officer

SUBJECT: Accounts Payable-Treasurer's Signature Threshold

RECOMMENDED ACTION

Staff recommends that the Board approve a change of the check signing threshold from \$2,000 to \$10,000 for the requirement of the Treasurer to physically sign vendor payments.

ALIGNMENT WITH STRATEGIC GOALS

This action aligns with CARTA's strategic imperatives of Fiscal Accountability, Efficiency and Transparency.

SUMMARY OF NEED

Approval of this item will reduce the volume of vendor payments requiring the physical signature by the Treasurer. Both the Treasurer and Board continue to have complete access to the entire check register regardless of the amount.

BACKGROUND AND HISTORY

CARTA enforces a detailed Purchasing Policy which includes CARTA's ethics and standards of conduct regarding purchasing, handling of Disadvantaged Business Enterprises, general procurement practices (per FTA guidelines & regulations), methods of procurement including requirements for micro, small, and large purchases, protest procedures, contract requirements (per FTA guidelines & regulations), rental/leasing guidelines, and disposition of property. An expense check and any other type of vendor payment requires three signatures. The Treasurer's signature is always included on expense checks. The Accounts Payable Administrator keeps any expense checks over \$2,000 in a separate file for the Treasurer's approval, in which she physically signs. The other two signatures can be any of the authorized signers. The Treasurer has a signature stamp that is used for checks less than \$2,000 and maintained in the Accounts Payable Administrators' office and is used for every expense check. The Treasurer only physically approves and signs expense checks over the \$2,000 threshold. Staff recommends increasing this threshold to \$10,000. A vendor list and supporting documentation of expenses over \$2,000 will be provided for the Treasurer's review.

PROCUREMENT OVERVIEW

N/A

FISCAL IMPACT

N/A

DBE PARTICIPATION

N/A

TO: CARTA Board of Directors

FROM: Sonja Sparks
Chief Financial Officer

SUBJECT: First Bank Authorized Signature Resolution's -CARTA and CPA

RECOMMENDED ACTION

Staff recommends that the Board approve a Resolution identifying the authorized signers on the Chattanooga Area Regional Transportation Agency's (CARTA) First Bank operating and capital accounts and Chattanooga Parking Authority's (CPA) operating account.

ALIGNMENT WITH STRATEGIC GOALS

This action aligns with CARTA's strategic imperatives of Fiscal Accountability, Efficiency and Transparency.

SUMMARY OF NEED

Approval of this Resolution will identify the appropriate representatives of CARTA and CPA as authorized signers on operating and capital accounts at First Bank as dictated in CARTA's by laws. Authorized signers will be able to authorize payments, make deposits and have general account management capabilities.

BACKGROUND AND HISTORY

First Bank has been CARTA's and CPA's bank for operating and capital accounts since 2012. Whenever the need arises to revise the authorized signatures, First Bank provides the resolutions for Board approval and credentialling. The most recent signature change was done on April 30, 2023, and now with all representatives in place a full Resolution is needed. The Treasurer reviews and signs vendor payments over \$10,000 monthly and only upon the rare occasion that other signers are not available will this responsibility be asked of the signers that are board members.

Chief Executive Officer	Charles D. Frazier
Chief Operating Officer	Jeff Smith
Chief Financial Officer	Sonja Sparks
Director of Grants & Technology	Ann M. Powell
Board Chairman	Johan de Nysschen
Vice Chairman	Evann Freeman
Treasurer	Patricia M. McKoy
Secretary	Arcie D. Reeves
Director of Parking	Brent Matthews

PROCUREMENT OVERVIEW

N/A

FISCAL IMPACT

N/A

DBE PARTICIPATION

N/A

TO: CARTA Board of Directors

FROM: Philip Pugliese

SUBJECT: Statistical Report

RECOMMENDED ACTION

Staff recommends that the Board accept CARTA's statistical report for the month ending April 2024 as information to the Board.

HIGHLIGHTS, ANALYSIS AND CONCLUSIONS

Ridership continues steady growth with routine variation on individual routes in general. Shuttle ridership continues spring growth with strong performance both Downtown and on the St Elmo routes (up 44% and 19% year over year respectively). CARTA GO operations continue growth with weekly peak ridership records and 35% growth year over year.

- April 2024
 - Fixed Route ridership is up 16% year-over-year and 5% over the prior month.
 - April vs March 2024
 - Weekday fixed route per day up 3%
 - Saturday fixed route per day up 7%
 - Sunday fixed route per day is down 5%
 - Shuttle ridership is up 34% year-over-year, continuing a much stronger spring rebound over 2023.
 - Incline ridership down 48% year-over-year with 18 shut-down days due to cable replacement project.
 - CAV ridership is up this month 12% year-over-year.
 - Bikes on Board remain slightly down 5% from last year but remained stable over March.
 - Wheelchair boardings up 11% from prior month and 16% year-over-year
- Care-a-Van
 - No accidents or turndowns for April

Chattanooga Area Regional Transportation Authority**Statistical Report****For the Period Ending April 30, 2024**

	This Month	Month YR Ago	YTD	Prior YTD
<u>TRANSIT</u>				
Ridership	84,501	72,743	802,452	772,555
Weekday Average - with Mocs	3,294	3,007	3,196	3,081
Weekday Average - without Mocs	3,220	2,924	3,095	2,933
Saturday Average	2,206	1,921	2,071	1,957
Sunday Average	803	751	787	737
Miles	166,890	143,791	1,588,437	1,427,639
Passengers/Mile	0.51	0.51	0.51	0.54
Accidents	1	3	14	19
Operating Cost/Rider	9.39	10.84	9.79	10.32
<u>SHUTTLE</u>				
Ridership	28,689	21,485	230,641	186,017
Weekday Average	989	780	797	645
Saturday Average	1,035	783	873	729
Sunday Average	696	394	491	363
Miles	17,259	12,223	166,072	125,910
Passengers/Mile	1.66	1.76	1.39	1.48
Accidents	0	0	5	1
Operating Cost/Rider	2.42	2.38	3.16	2.96
<u>INCLINE</u>				
Ridership	26,144	50,159	387,995	412,442
Net Revenue/Passenger	2.88	2.98	3.02	2.99
Days Down	18	0	30	0
<u>CARE-A-VAN</u>				
Ridership	4,804	4,152	43,595	41,159
Miles	51,566	47,071	495,951	465,593
Turndowns	0	0	14	0
Accidents	0	1	5	5
Operating Cost/Rider	45.63	44.08	48.05	44.60
Passengers/Hour	1.34	1.29	1.27	1.27
<u>TOTAL CARTA</u>				
Ridership	144,138	148,539	1,464,683	1,412,173

*** Notes to the Statistical Report:**

North Shore Shuttle	2,138	2,676	22,065	23,479
MOCS Express	1,632	1,650	21,394	31,331
Bicycles Carried	1,285	1,346	15,005	14,072
Wheelchairs Carried	1,143	988	11,770	11,546
St.Elmo/Incline	2,216	1,866	20,410	14,863

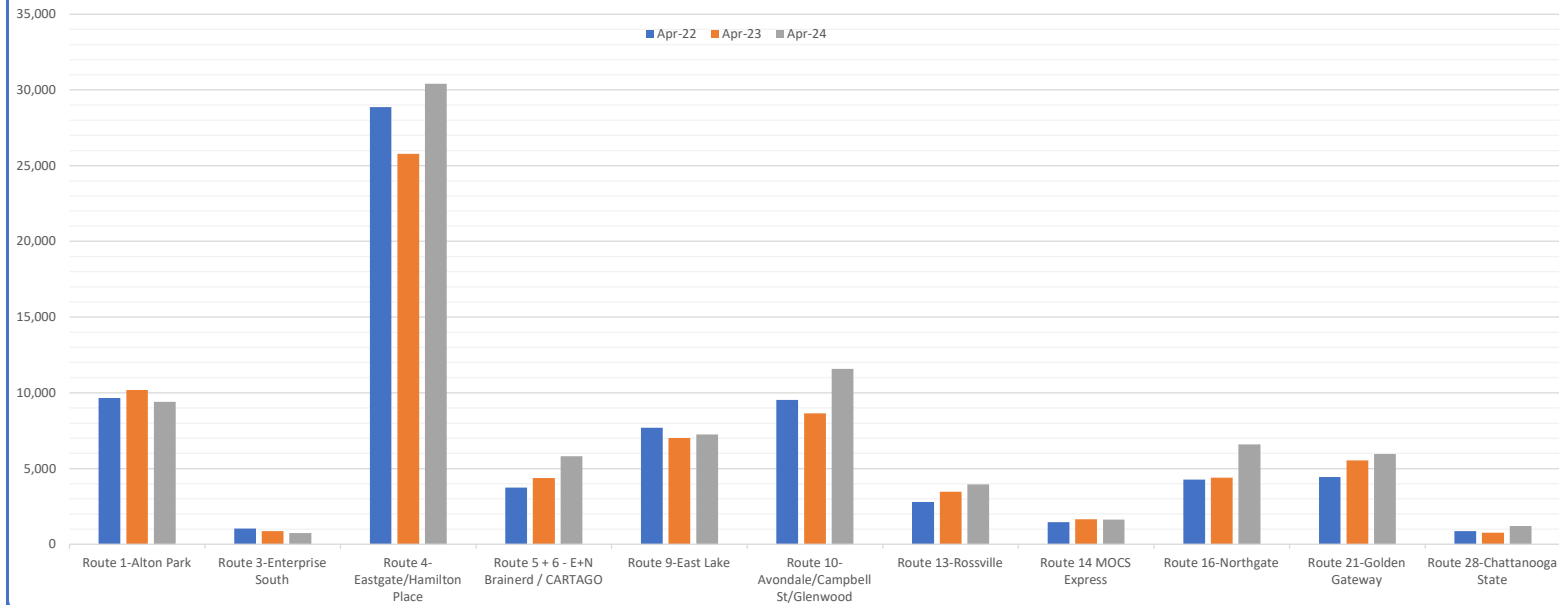
Days of Operation Transit, Care-A-Van

Number of Weekdays	22	20
Number of Saturdays	4	5
Number of Sundays	4	4
	<u>30</u>	<u>29</u>

Days of Operation Incline

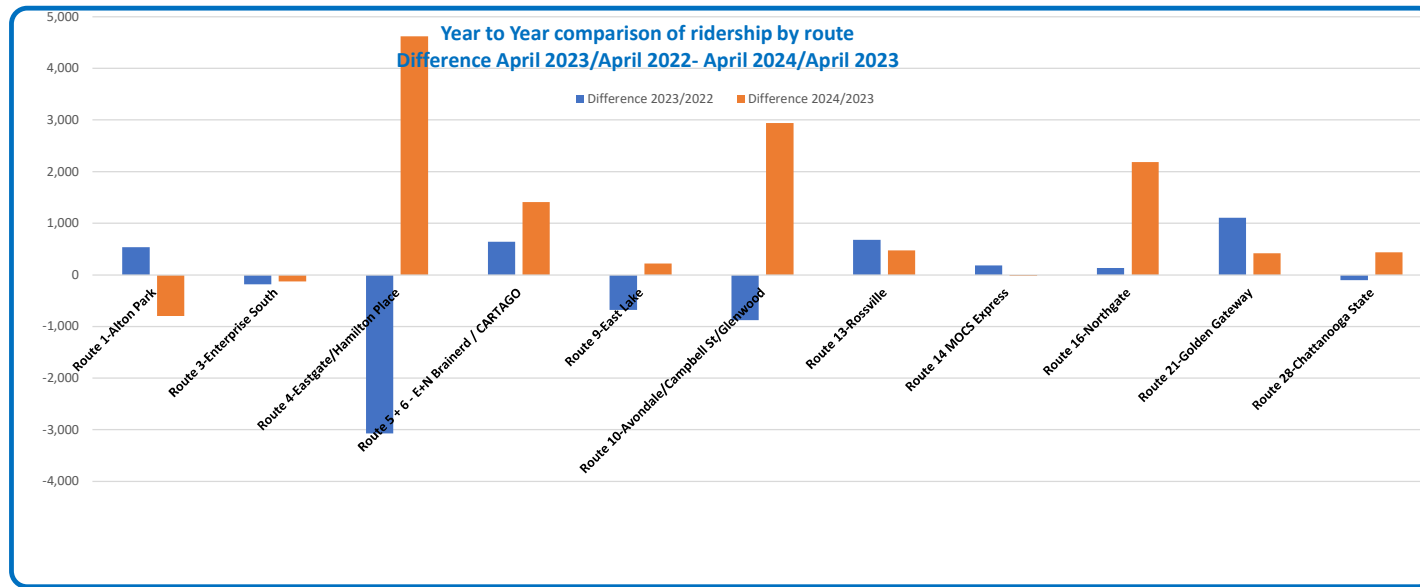
Number of Weekdays	8	20
Number of Saturdays	2	5
Number of Sundays	2	5
	<u>12</u>	<u>30</u>

Year to Year comparison of ridership by route April 2022/April 2023/April 2024



	Apr-22	Apr-23	Apr-24
Route 1-Alton Park	9,659	10,194	9,395
Route 3-Enterprise South	1,049	865	739
Route 4-Eastgate/Hamilton Place	28,851	25,782	30,397
Route 5 + 6 - E+N Brainerd / CARTAGO	3,749	4,389	5,801
Route 9-East Lake	7,700	7,020	7,240
Route 10-Avondale/Campbell St/Glenwood	9,528	8,650	11,589
Route 13-Rossville	2,799	3,473	3,948
Route 14 MOCS Express	1,466	1,650	1,632
Route 16-Northgate	4,272	4,402	6,589
Route 21-Golden Gateway	4,441	5,546	5,964
Route 28-Chattanooga State	875	772	1,207

Totals: 74,389 72,743 84,501



	Difference 2023/2022	Difference 2024/2023
Route 1-Alton Park	535	-799
Route 3-Enterprise South	-184	-126
Route 4-Eastgate/Hamilton Place	-3,069	4,615
Route 5 + 6 - E+N Brainerd / CARTAGO	640	1,412
Route 9-East Lake	-680	220
Route 10-Avondale/Campbell St/Glenwood	-878	2,939
Route 13-Rossville	674	475
Route 14-MOCS Express	184	-18
Route 16-Northgate	130	2,187
Route 21-Golden Gateway	1,105	418
Route 28-Chattanooga State	-103	435

-1646 11,758

TO: CARTA Board of Directors

FROM: Annie Powell
Director of Grants, Technology, and Research

SUBJECT: CARTA Fare Technology Update

RECOMMENDED ACTION

N/A Information Only

HIGHLIGHTS, ANALYSIS AND CONCLUSIONS

Since funding was identified through the Tennessee Department of Transportation (TDOT)'s IMPROVE Act, CARTA staff has engaged with a consulting firm to assist in determining the scope of the Request for Proposals for updated fare technology. The consulting firm held workshops with CARTA internal departments to both inform staff about what's available in the marketplace and within the industry and to gather feedback on pain points within the current fare collection process. During the April 12 finance committee meeting, preliminary information was provided regarding fare solutions, and there were some follow-up questions that were addressed during the May 1 finance committee meeting, many of them centering on cash collection on board vehicles and whether CARTA should continue to accept cash on board its vehicles or move to a system where cash is loaded onto smart cards at retail locations.

The next step in this process will be to decide whether CARTA will continue to accept cash on board its vehicles. If the desire is not to continue to accept cash on board, then extensive public engagement will be required as well as a Title VI analysis.



Fare Technology Update

May 16, 2024

1

Current Technology

- Fareboxes on board all fixed route vehicles
 - Accepts cash and smartcards
 - Exact fare required
 - Bill and coin validators check for authenticity
 - 24 hour Unlimited Ride Passes available for purchase on board (no value until passenger adds at farebox)
 - 7 Day and 31 Unlimited Ride Passes available for purchase at CARTA and Chattanooga Parking Authority
 - Value can be added to smartcards at CARTA or on the bus only

2

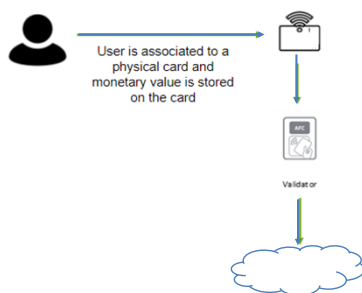
Fare System Types and Trends

3

Card-Based System vs Account-Based System

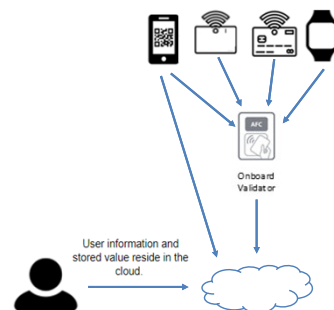
- **Card-Based**

- Smart card ticketing system includes smart cards, terminals, vending machines, back-end servers
- Funds, proof of entitlement and primary records of travel are held directly by the card
- Majority of the larger US agencies use card-based system



- **Account-Based**

- Fare collection system that uses back office system to apply relevant business rules, determine fare and settle transaction
- Right to travel is managed by backend office and ticket acts as token
- Gives riders flexibility to use any fare media associated with their account



4

Onboard Options

- **Separate Digital Validator**

- Farebox for collecting tickets/cash and smart card validator are separate
 - Can keep existing farebox of include purchase of separate mechanical farebox
- Account based system including options for open payment, mobile ticketing, and smart cards



- **Integrated Farebox**

- Smart card validator is embedded in farebox
- Full system replacement
- Account based system including options for open payment, mobile ticketing, and smart cards



5

Integrated Farebox

- **Advantages**

- Single system for maintenance
- Can support familiar customer experience for onboard purchasing/reloading
- Directly address concerns with current farebox
- Improved off board fare payment options (i.e., reloading smartcards off-board)

- **Disadvantages**

- Higher cost implementation
- Fewer vendors resulting in reduced competition for price and functionality



6

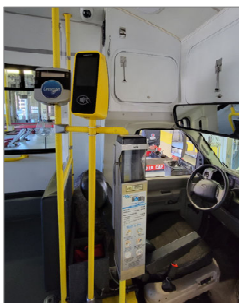
Separate Digital Validator

- **Advantages**

- Lower cost implementation
- More vendors resulting in increased competition for price and functionality
- Improved off board fare payment options (i.e., reloading smartcards off-board)

- **Disadvantages**

- Multiple systems to maintain
- Changes to customer experience related to onboard payments (i.e. reduction in onboard cash payment options)

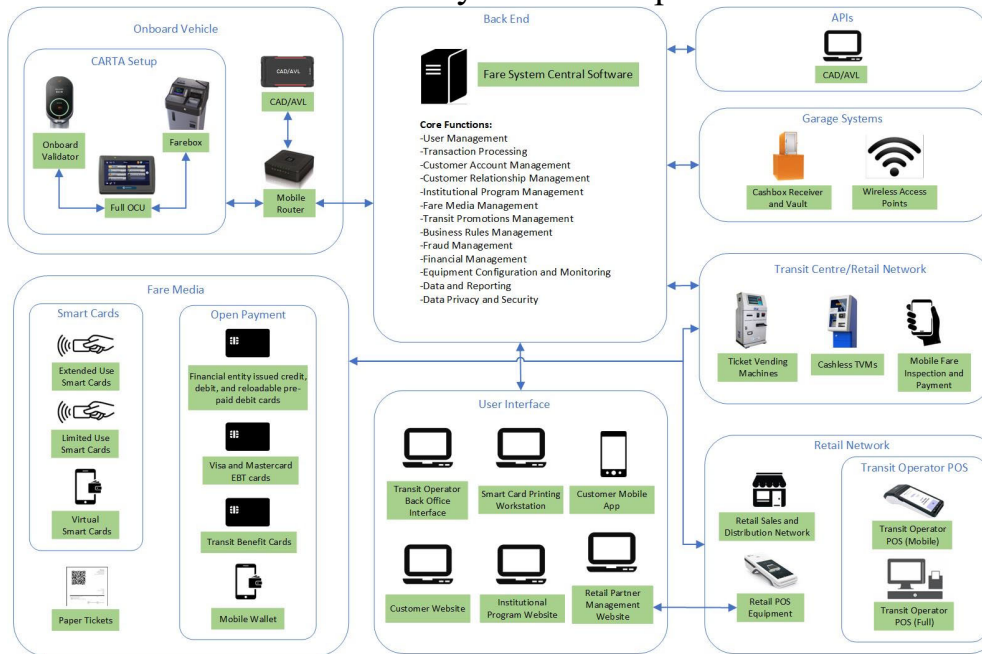


7

Fare System Concept of Operations

8

Fare System Concept



9

High-Level Cost Estimates

Solution Scenarios		Estimated Cost (Median)	Estimated Cost (Low)	Estimated Cost (High)
1	Integrated Farebox	\$2,400,000	\$2,000,000	\$2,800,000
2	Separate Digital Validator	\$700,000	\$500,000	\$900,000
3	Separate Digital Validator and Simple Farebox	\$1,800,000	\$1,500,000	\$2,100,000

Notes/Assumptions

- Estimates are based on currently available information and high-level scope assumptions. They are rough order of magnitude estimates suitable for planning purposes.
- Estimate include equipment, central system, and implementation costs
- Estimates are based on following quantities: 100 vehicles, 1 garage system (cashbox receiver, vault, etc.)

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Fare System Considerations

11

Cost/Benefit Analysis

Cost Area	Continue Onboard Cash Collection	Eliminate Onboard Cash Collection
Capital Onboard Equipment Cost	Higher <ul style="list-style-type: none"> Integrated Farebox (\$2.0-\$2.8M) 	Lower <ul style="list-style-type: none"> Standalone Digital Validator (\$500k-\$900k)
Cost of Cash Collection	Similar <ul style="list-style-type: none"> ~5% 	Similar <ul style="list-style-type: none"> ~5%
Overall Operating Costs	<ul style="list-style-type: none"> Lower 	<ul style="list-style-type: none"> Higher
Benefits	<ul style="list-style-type: none"> Familiar customer and staff experience Fare capping potential for some customers Single integrated modern system 	<ul style="list-style-type: none"> Reduced dwell times and improved operating efficiency Fare capping potential for all customers Single integrated modern system
Risks	<ul style="list-style-type: none"> Missed opportunity for operating efficiency improvement Potential for disparate impact to low income or minority groups (fare capping) 	<ul style="list-style-type: none"> Potential for disparate impact to low income or minority groups (cash payment access) Limited control of retail agreements Significant public communication and education investment required

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Title VI, Civil Rights Act of 1964 Analysis

- Title VI requires transit agencies to conduct a fare equity analysis to assess whether fare changes will result in disparate impacts on Title VI-protected populations.
- Potential Mitigation efforts for disparate impacts (removal of on-board cash collection)
 - Present more TVM or retail re-load locations in neighborhoods with higher populations of Title VI-protected residents
 - Allow customers to go into negative balance in order to access cash re-load location
 - Allow customers to board the bus to a re-loading facility.

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Lessons Learned from Other Agencies

• Knoxville, TN

- Currently using Masabi mobile ticketing on board vehicles, integrated with Transit App
- Working to remove cash on board vehicles beginning in October with distribution of smartcards in September
- Through their contract with Masabi, they will have access to InComm – who will manage retail relationships – there will be a barcode on the smartcard that retailers will use; they are early in discussions with InComm
- Reducing fare from \$1.50 to \$1 has streamlined the boarding process somewhat but taking cash is a timely process

• Dayton, OH

- Removed on-board cash collection in 2021 to improve efficiency and reduce issues at the farebox.
- Transitional approach over the course of a year, with cash declining from 43% of cash payments to 8% throughout.
 - starting with the introduction of mobile ticketing through Transit App;
 - established a retail network for customers to purchase tickets as well as TVMs at transit center,
 - Introduced reloadable “smartcards”
 - Removed cash on-board buses.
- Currently, the fareboxes on Dayton RTA buses have not been removed, rather, they are covered.

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Next Steps

15

Scope of New System

- Determine whether to continue accepting cash on board
 - Robust public outreach would be needed prior to procurement, including Care-A-Van customer engagement
 - Cash would be accepted at retail locations; CARTA would need a general idea on locations to see if Ticket Vending Machine supplementation needed
- Expected functions independent of onboard equipment decision
 - Move to account-based system and enable introduction of fare capping
 - Accept cash either on board or at retail locations, smartcards, mobile ticketing, credit/debit cards, near-field technology (Apple & Google Pay)
 - Ability to add value to smartcards online
 - Ability to add value to smartcards at retail locations
 - If paying with cash on board, exact change required
- Expected additional functions of integrated farebox
 - Bill and coin validators to check for validity if continuing to collect cash on board
 - Ability to add value to smartcards onboard

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Budget & Timeline

- Funds Available: \$1,440,228
- Timeline for Procurement (Note: moving away from cash collection on board would add significant time to this process)
 - Finalize scope by May Board meeting
 - Request for Proposals available for publication July 2024
 - Proposals due by September 2024
 - Award by October 2024
 - Implementation by April 2025

17



Annie Powell
Director of Grants, Research and Technology
anniepowell@gocarta.org



18

TO: CARTA Board of Directors

FROM: Jeff Smith
Chief Operating Officer/Human Resources

SUBJECT: Reaffirm Code of Ethics and Nepotism Policy

RECOMMENDED ACTION

Staff recommends that the Board reaffirms their understanding and commitment to adhere to the Code of Ethics and Nepotism Policy as mandated by their role within CARTA.

ALIGNMENT WITH STRATEGIC GOALS

This action aligns with CARTA's strategic imperatives of commitment to upholding principles of integrity, fairness, and accountability.

SUMMARY OF NEED

The Board reaffirming their commitment to these policies demonstrates its dedication to promoting fairness, accountability, and trustworthiness in all aspects of decision-making and operations. This not only strengthens the ethical culture of the company but also enhances its reputation and credibility among stakeholders and the broader community.

BACKGROUND AND HISTORY

Each year, board members of CARTA affirm their understanding and commitment to adhere to the Code of Ethics and Nepotism Policy as mandated by their role within CARTA. This affirmation acknowledges their obligation to abide by the Code of Ethics outlined in Article XIII of the Chattanooga City Code, Sections 2-750 through 2-767, and the Nepotism Policy detailed in Section 2-195 which was adopted by the CARTA Board on August 20, 2015.

The City's Code of Ethics addresses, in Particular – under section 2-754 of the City's Ethics Code, the prohibition of accepting gifts, money, or gratuity **over \$50** for the performance of any act or refraining from performing any act in the regular course of their duties and/or refraining from performing any act that may reasonably be interpreted as an attempt to influence actions.

PROCUREMENT OVERVIEW

N/A

FISCAL IMPACT

N/A

DBE PARTICIPATION

N/A

CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY

**ANNUAL AFFIRMATION STATEMENT FOR CODE OF
ETHICS AND NEPOTISM POLICY OF THE CITY OF CHATTANOOGA
FOR BOARD OF DIRECTORS**

I am a member of the Board of Directors of the Chattanooga Area Regional Transportation Authority (“CARTA”), which I understand to be an independent authority created under state law by the City of Chattanooga.

I understand that the position I hold with CARTA requires that I comply with the Code of Ethics (the “Code of Ethics”) as adopted by the Chattanooga City Council and as set forth at Article XIII of the Chattanooga City Code, in Section 2-750 through 2-767, and the Nepotism Policy as set forth in Section 2-195.

I hereby affirm that I have received a copy of both the Code of Ethics and the Nepotism Policy; that I have read both documents; and that I understand the requirements of both documents, as modified by Board Resolution #567 adopted by CARTA on August 20, 2015.

I agree to comply with both the Code of Ethics and the Nepotism Policy, and annually to re-affirm all of the above as to the Code of Ethics and the Nepotism Policy as they may then be in force and effect and as they may have been from time to time modified or amended.

Affirmed this the ____ day of _____, 2024.

Name of Director (PLEASE PRINT)

Signature

ARTICLE XIII. CODE OF ETHICS¹

Sec. 2-750. Applicability.

This Article is the code of ethics for personnel of the City of Chattanooga ("City"). It applies to all full-time and part-time employees, including individuals serving on any separate board, commission, committee, authority, corporation, or other instrumentality appointed or created by the City, whether compensated or not.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-751. Definition of "personal interest."

- A. For purposes of Sections 2-752 and 2-753, "personal interest" means:
1. Any financial, ownership, or employment interest in the subject of a vote by a municipal board not otherwise regulated by state statutes on conflicts of interests; or
 2. Any financial, ownership, or employment interest in a matter to be regulated or supervised; or
 3. Any such financial, ownership, or employment interest of the official's or employee's spouse, parent(s), stepparent(s), grandparent(s), sibling(s), child(ren), or stepchild(ren).
- B. "Employment interest" includes, but is not limited to, a situation in which an official or employee or an immediate family member is negotiating possible employment with a person or entity that is the subject of the vote or that is to be regulated or supervised.
- C. In any situation in which a personal interest is also a conflict of interest under state law, the provisions of the state law take precedence over the provisions of this chapter.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-752. Disclosure of personal interest by official with vote.

An official with the responsibility to vote on a measure shall disclose during the meeting at which the vote takes place, before the vote and so it appears in the minutes, any personal interest that affects or that would lead a reasonable person to infer that it affects the official's vote on the measure. In addition, the official shall not lobby any official or employee of the City of Chattanooga or vote on matters in which they have a personal interest.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-753. Disclosure of personal interest in nonvoting matters.

An official or employee who must exercise discretion relative to any matter, other than casting a vote, and who has a personal interest in the matter that affects or that would lead a reasonable person to infer that it affects the exercise of discretion shall disclose, before the exercise of the discretion when possible, the interest on a form

¹Editor's note(s)—Formerly entitled "Boards and Commissions," which was created by Ord. No. 11769, § 1, 12-6-05 and repealed by Ord. No. 11985, § 2, 6-26-07.

provided by and filed with the Office of the City Attorney. In addition, the official or employee shall not participate in any way on matters in which they have a personal interest.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-754. Acceptance of gratuities, etc.

- A. An official or employee may not accept, directly or indirectly, any money, gift, gratuity, or other consideration or favor of any kind from anyone other than the City:
 - 1. For the performance of an act, or refraining from performance of an act, that he or she would be expected to perform, or refrain from performing, in the regular course of his or her duties; or
 - 2. That might reasonably be interpreted as an attempt to influence his or her action, or reward him or her for past action, in executing business of the City.
- B. No official or employee shall solicit or accept, directly or indirectly, on behalf of himself or any member of the employee's household, any gift, including but not limited to any gratuity, service, favor, food, entertainment, lodging, transportation, loan, loan guarantee or any other thing of monetary value from any person or entity that:
 - 1. Has or is seeking to obtain contractual or other business or financial relations with the City;
 - 2. Conducts operations or activities that are regulated by the City; or
 - 3. Has interests that may be substantially affected by the performance or nonperformance of the official's or employee's duties.
- C. Exceptions. The prohibition of accepting gifts does not apply to:
 - 1. A gift or gratuity that is not cash or a cash equivalent (such as a check or gift card), and which has a value of Fifty Dollars (\$50.00) or less, shall not be interpreted as an attempt to influence the action of an official or employee;
 - 2. A gift given by a member of an official's or employee's immediate family, or by an individual if the gift is given for a non-business purpose and is motivated by a close personal relationship;
 - 3. Informational materials, such as books, periodicals, audio or video, or sample merchandise helpful as a part of the employee's or official's duties in determining the appropriateness of the product for use as a part of city business;
 - 4. Unsolicited tokens or awards of appreciation, honorary degrees or bona fide awards in recognition of public service, provided that any such item cannot be readily converted to cash;
 - 5. Food, refreshments, foodstuffs, entertainment or beverages provided as a part of a meal or other event in which the employee or official is attending or is a speaker or part of a panel discussion at a scheduled meeting of an established or recognized membership organization;
 - 6. Loans from established financial institutions made in the ordinary course of business on usual and customary terms; and
 - 7. Voluntary, legally disclosed political campaign contributions given in accordance with applicable federal and state statutes to an individual covered by the provisions of this section who has announced his intention to seek elected office.

Except as provided in subsection C. above, an official or employee shall not accept any gift from anyone for any service or duty performed as an official or employee of the City without the express consent of the City Council.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14; Ord. No. 12863, § 1, 10-14-14)

Sec. 2-755. Use of information.

- A. An official or employee shall not disclose any information obtained in his or her official capacity or position of employment that is made confidential under state or federal law except as authorized by law.
- B. An official or employee shall not use or disclose information obtained in his or her official capacity or position of employment with the intent to result in financial gain for himself or any other person or entity.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-756. Use of municipal time, facilities, etc.

- A. An official or employee shall not use or authorize the use of municipal time, facilities, equipment, or supplies for private gain or advantage to himself or herself.
- B. An official or employee shall not use or authorize the use of municipal time, facilities, equipment, or supplies for private gain or advantage to any private person or entity, except as authorized by legitimate contract or lease that is determined by the governing body to be in the best interests of the municipality.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-757. Use of position or authority.

- A. An official or employee shall not make or attempt to make private purchases, for cash or otherwise, in the name of the municipality.
- B. An official or employee shall not use or attempt to use his or her position for personal financial gain or to secure any privilege or exemption for himself, herself, or others that is not authorized by the charter, general law, or ordinance or policy of the municipality.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-758. Outside employment.

An official or employee shall not accept or continue any outside employment if the work unreasonably inhibits the performance of any affirmative duty of the municipal position or conflicts with any provision of the municipality's charter or any ordinance or policy and outside employment must comply with Sections 2-431 and 2-432 of this chapter.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-759. Ethics Officer.

- A. Authority. The city attorney is designated as the Chief Ethics Officer of the City. Upon the written request of an official or employee potentially affected by a provision of this chapter, the city attorney may render an oral or written advisory ethics opinion based upon this chapter and other applicable law.
- B. Conflicts of Interest. Except as otherwise provided in this subsection, the Chief Ethics Officer shall investigate any credible complaint against an appointed official or employee charging any violation of this chapter, or

(Supp. No. 34)

may undertake an investigation on his or her own initiative when he or she acquires information indicating a possible violation and make recommendations for action to end or seek retribution for any activity that, in the attorney's judgment, constitutes a violation of this code of ethics.

- C. Conflicts of Interest for the Chief Ethics Officer. When a conflict of interest exists in a particular matter, the Chief Ethics Officer may request that the governing body hire another attorney, individual, or entity to act as Chief Ethics Officer.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-760. Ethics Committee.

- A. Creation and membership. There is created the Ethics Committee for the City. The Ethics Committee shall consist of the Director of Human Resources, the Chief Financial Officer, and the Chair of the City Council or his or her designee.
- B. Duties of the Ethics Committee. The Ethics Committee shall work with the Chief Ethics Officer to review ethics opinions as provided in subsection C of this section and to perform such other duties as provided in this Article.
- C. Ethics opinions.
1. An official or employee subject to this Article may request an ethics opinion; provided, however, that the Ethics Committee or the Chief Ethics Officer shall retain sole discretion concerning whether such a formal ethics opinion should be issued.
 2. The Chief Ethics Officer shall place and publish formal ethics opinions on the Office of City Attorney's website for public access.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-761. Complaints and Complaint Procedures.

- A. Complaints against an official or employee.
1. Any citizen of the City, including but not limited to officials or employees, may submit a complaint in writing and under oath, alleging that one (1) or more officials or employees have violated or may have violated any provision of this Article within ninety (90) days following of the alleged violation.
 2. The complaint must be signed by the complainant and notarized, and must contain the following:
 - (i) The complainant's legal name and current mailing address;
 - (ii) The name or names of any officials or employees who committed or may have committed the alleged violation;
 - (iii) A summary of the facts giving rise to the complaint; and
 - (iv) Some explanation of why those facts constitute or may constitute a violation of this Article.
 3. Anyone filing a false complaint will be subject to the penalties for perjury.
 4. The Chief Ethics Officer, or his or her designee, may assist complainants in completing the form of a complaint.
 5. The complaint must be filed with the Chief Ethics Officer. Upon receipt, the Chief Ethics Officer shall promptly provide a copy of the complaint to the official or employee named therein and to the Ethics

Committee. As used in this section, unless otherwise noted, the term "provide" means to send by U.S. mail or to hand deliver.

6. The Chief Ethics Officer will evaluate the complaint, applying the law of the standards of conduct to the facts alleged in the complaint.
 7. Within twenty-one (21) days from receipt of the complaint, the Chief Ethics Officer shall issue a report and recommendation, including a copy of the complaint, to the Ethics Committee. The report should provide a conclusion as to whether the facts alleged in the complaint, if true, would give rise to a violation of this Article.
 8. After receiving the Chief Ethics Officer's report, the Ethics Committee shall review the Chief Ethics Officer's report, and may accept or reject the Chief Ethics Officer's recommendation. Based on its findings, the Ethics Committee is authorized to dismiss the complaint or make certain recommendations to the official, administrator, or chair of the board, commission, or committee on which an employee or official serves.
 9. Any decision shall require the affirmative concurring vote of at least two (2) members of the Ethics Committee. The decision shall be filed with the Chief Ethics Officer, who shall within a reasonable amount of time place all such decisions on City Attorney's office website for public access, and provide to the complainant and to the official or employee named in the complaint.
 10. From the time a complaint has been received by the members of the Ethics Committee, until a written decision has been issued, no member of the Ethics Committee shall participate in any communication regarding the allegations or merits of the complaint, outside of the Ethics Committee's public meetings or hearings, except as contemplated by these procedures.
 11. If a complaint is filed against a member of the Ethics Committee, that member shall recuse himself or herself from any discussion contemplated by this article pursuant to the process outlined herein.
- B. Complaints against members of City Council. When a complaint of a violation of any provision of this Article is lodged against a member of City Council, the Chief Ethics Officer shall present such complaint at the next regularly scheduled meeting of the City Council. Upon hearing the nature of the complaint, by a majority vote, the City Council shall determine that the complaint has merit, determine that the complaint does not have merit, or determine that the complaint has sufficient merit to warrant further investigation. If by a majority vote, the City Council determines that a complaint warrants further investigation, it shall authorize an investigation by the Chief Ethics Officer or another individual or entity chosen by the City Council.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-762. Reporting; whistleblower protection; abuse of process; complicity.

- A. It is the duty of every employee of the City to report, directly and without delay, to their supervisor, Chief Ethics Officer, or City Auditor any and all information concerning conduct which they know or should reasonably know to involve corrupt or other criminal activity, by an official or employee, which concerns his or her office or employment or by persons dealing with the City, which concerns their dealings with the City. The knowing failure of any official or employee to report as required above shall subject the official or employee to disciplinary action. For purposes of this Subsection A, a report made to the ethics hotline shall be considered a report to the City Auditor.
- B. Officials and employees are encouraged to report suspected ethical violations to the Ethics Committee.
- C. No official or employee shall use or threaten to use any official authority or influence to discourage, restrain or interfere with any other person for the purpose of preventing such person from acting in good faith to

report or otherwise bring to the attention of the Ethics Committee information relating to an ethics violation or investigation.

- D. No official or employee shall use or threaten to use any official authority or influence to effect any action to retaliate against any person who reports or initiates a complaint, or otherwise assists in the investigation of an ethics complaint.
- E. No official or employee shall file a complaint with the Chief Ethics Officer absent a good-faith basis for the allegations.
- F. An official or employee shall not falsely accuse another official or employee of failing to comply with this Article.
- G. No official or employee may knowingly induce, encourage, or aid anyone to violate any provision of this Article.
- H. Any violation of this subsection shall be subject to investigation and action by the Chief Ethics Officer and the Ethics Committee.

(Ord. No. 11985, § 2, 6-26-07; Ord. No. 12804, § 1, 2-18-14)

Sec. 2-763. Violations.

An elected official or appointed member of a separate municipal board, commission, committee, authority, corporation, or other instrumentality who violates any provision of this Article is subject to punishment as provided by the Charter, City Code, or other applicable law and, in addition, is subject to censure by the governing body, which censure shall be made a part of the minutes of the governing body. Additionally, an appointed official or an employee who violates any provision of this Article is subject to disciplinary action.

(Ord. No. 12804, § 1, 2-18-14)

Sec. 2-764. Conduct during meetings.

Conduct of individual members during meetings of any municipal board, commission, committee, authority, corporation, or other instrumentality is expected to reflect a total sense of respect for the office held by those assembled to conduct business. Members shall be courteous to one another, to any member of the administrative staff, as well as to other persons who may address the municipal board, commission, committee, authority, corporation, or other instrumentality. A member may not speak until recognized by the Chair and shall not be recognized the second time on the same subject matter until all members who wish to speak have had an opportunity to do so. Any disorderly conduct shall be noted by the Chair, and the offending member shall forfeit the privilege of the floor for the remainder of the meeting, except for the purpose of casting his or her vote.

(Ord. No. 12804, § 1, 2-18-14)

Sec. 2-765. Meeting attendance.

Municipal board, commission, committee, authority, corporation, or other instrumentality members shall be prompt and regular in attendance for scheduled meetings. Failure of a member to be present at three (3) consecutive scheduled meetings for a calendar year shall constitute grounds for terminating his/her membership. The removal of City Council members for failure to attend meetings is provided for in Title 8, Section 8.5 of the City of Chattanooga Charter and therefore not governed by this section.

(Ord. No. 12804, § 1, 2-18-14)

Sec. 2-766. Ethics Training.

The ethics training program to be provided by the Ethics Committee in accordance with the City's ethics ordinance shall be mandatory for all City personnel described in Section 2-750. The training should not simply be a review of this ethics ordinance, policy or law. Instead, training should emphasize ethical decision making in complex and/or high pressure situations.

(Ord. No. 12804, § 1, 2-18-14)

Sec. 2-767. Ethics Pledge.

The following persons shall comply with the requirements of this section:

- (1) Any employee who serves in the Office of the Mayor;
- (2) Any Administrator or Director reporting to the Mayor;
- (3) Any employee who serves City Council; and
- (4) Any person who is appointed by the Mayor or the City Council to a statutory board, commission, authority, or agency on or after February 4, 2014.

As a condition of employment or appointment, any person meeting the requirements of this section shall sign, and upon signing shall be contractually committed to, the following pledge:

"As a condition, and in consideration, of my employment or appointment by the City of Chattanooga in a position of the public trust, I hereby acknowledge and agree to abide by the City of Chattanooga's Code of Ethics as set forth in City Code Section 2-750 et seq. which I understand is binding on me. I understand that the terms of this pledge are in addition to any statutory or other legal restrictions applicable to me by my government service."

Any person required to sign a pledge under this section shall file such pledge with the Chief Ethics Officer within fourteen (14) days of commencing employment or appointment.

(Ord. No. 12804, § 1, 2-18-14)

Secs. 2-768—2-774. Reserved.

**CITY OF CHATTANOOGA
NEPOTISM POLICY**

Sec. 2-195. - Nepotism.

No applicant shall be employed in a position where a member of his/her immediate family would serve in a supervisory position which could directly affect his/her job performance or job evaluation.

(Code 1986, § 2-199; Ord. No. 11638, § 1, 11-2-04)

TO: CARTA Board of Directors

FROM: Sonja Sparks
Chief Financial Officer

SUBJECT: Resolution Adopting Policy for Donation of Bus/Vehicle

RECOMMENDED ACTION

Staff recommends that the Board adopt Resolution 603 authorizing the Chief Executive Officer (CEO) to donate, assign, give, convey, transfer and/or deliver out-of-service buses, vans, and/or other fleet vehicles that have exceeded their useful life.

ALIGNMENT WITH STRATEGIC GOALS

This action aligns with CARTA’s strategic imperatives of Transparency and Community Partnerships.

SUMMARY OF NEED

Approval of this Resolution will authorize the CEO, in the CEO’s sole discretion, from time to time donate, assign, give, convey, transfer and/or deliver out-of-service buses, vans, and/or other fleet vehicles that have exceeded their useful life to the City of Chattanooga, Tennessee, and/or to other governmental entities or to non-profit organizations for use in community projects.

BACKGROUND AND HISTORY

Under Federal Transit Administration (“FTA”) regulations, the Chattanooga Area Regional Transportation Authority (“CARTA”) has the right to auction, donate, or scrap excess out-of-service vehicles that have exceeded their useful life. Further, as a good steward of taxpayer dollars and as a trusted community partner, CARTA will look for opportunities to donate and/or transfer fleet vehicles that have exceeded their useful life to the City of Chattanooga, Tennessee, and/or to other governmental entities or to non-profit organizations for use in community projects.

PROCUREMENT OVERVIEW

N/A

FISCAL IMPACT

N/A

DBE PARTICIPATION

N/A

RESOLUTION NO. 603

**A RESOLUTION ADOPTING POLICY FOR DONATION OF BUS/VEHICLE AFTER
EXCEEDING USEFUL LIFE**

WHEREAS, under the Federal Transit Administration (“**FTA**”) regulations, the Chattanooga Area Regional Transportation Authority (“**CARTA**”) has the right to auction, donate, or scrap excess out-of-service vehicles that have exceeded their useful life, as such term is used in the FTA regulations; and

WHEREAS, CARTA desires to authorize the Chief Executive Officer (“**CEO**”) from time to time, to donate, assign, give, convey, transfer and/or deliver buses, vans, and/or other fleet vehicles that are out of service and have exceeded their useful life to the City of Chattanooga, Tennessee, and/or to other governmental entities or to non-profit organizations for use in community projects.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The CEO may, in the CEO’s sole discretion, from time to time donate, assign, give, convey, transfer and/or deliver out-of-service buses, vans, and/or other fleet vehicles that have exceeded their useful life to the City of Chattanooga, Tennessee, and/or to other governmental entities or to non-profit organizations for use in community projects.

ADOPTED:

May 16, 2024
Date

Johan de Nysschen, Chairman

ATTEST:

Arcie D. Reeves, Secretary

APPROVED AS TO FORM AND LEGALITY:

Miller & Martin PLLC
CARTA Legal Counsel

TO: CARTA Board of Directors

FROM: Veronica Peebles
Director of Communications and Planning

SUBJECT: Fare-Free Pilot Program with the Chattanooga Public Library

RECOMMENDED ACTION

N/A Information Only

HIGHLIGHTS, ANALYSIS AND CONCLUSIONS

CARTA will partner with the Chattanooga Public Library (CPL) for its Make, Play, Read, Learn (MPRL) summer program and will provide free bus rides to school-aged children and their chaperones when applicable, on our fixed route service beginning June 1st through July 31st. Students in grades K – 12 who register with the CPL for the summer program will receive a Read and Ride bus pass with a sticker to indicate their grade level; red for students aged 11 and younger, and green for students 12 and older. In addition to the registered students, the chaperones accompanying the children who are 11 and under will also ride free.

This fare-free pilot will provide the students and chaperones with transportation to the library for the summer reading program, access to hot lunches, parks, recreation centers, museums, summer school activities, athletic events, etc. We have also created customized, interactive maps with these points of interest that are on our bus routes to help the students to navigate the system. The Read and Ride bus pass will offer free unlimited bus rides for two months to anywhere that the students need to travel within our service network. This pilot program will be promoted on the CARTA website, our social media accounts, and on marketing collateral.

CARTA's travel trainer will provide training to the registered participants of the MPRL program on how to use our services, assist them with their trip planning, and will ride with them until they are comfortable riding alone.

TO: CARTA Board of Directors

FROM: Annie Powell
Director of Grants, Technology, and Research

SUBJECT: Incline Ticket Pricing Change and Scheduling of Public Hearing

RECOMMENDED ACTION

N/A Information Only

HIGHLIGHTS, ANALYSIS AND CONCLUSIONS

During preparation of the Fiscal Year 2025 budget, opportunities for increased revenue were discussed. One of the recommendations was to increase ticket prices for the Incline Railway. An increased ticket price of 25% plus a \$1.25 capital fee (for restricted use for local grant matching funds) was recommended. A yearly pass was also suggested to be offered on a trial basis. A summary of changes includes:

- The cost of an adult ticket is proposed to go from \$15 to \$20 effective July 1;
- The cost of a child ticket is proposed to go from \$7 to \$10 effective July 1; and
- CARTA will be offering a yearly pass on a trial basis for \$75 that will include free parking at the Incline Railway Lower Station

Since this is a change in fares, CARTA is required to hold a public hearing and complete a Title VI analysis to evaluate the effects of fare changes on low-income populations in addition to Title VI-protected populations. A public hearing has been set for May 22, 2024, at 5 p.m. at the Shuttle Park South Conference Center. A summary of any public comments and the Title VI analysis will be presented at the June Board meeting.