



**CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY**  
**CHATTANOOGA PARKING AUTHORITY**

## **BOARD MEETING AGENDA**

June 20, 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. **Consent Agenda**
  - a. Financial Report: Sonja Sparks [\(page 14\) - I](#)
  - b. Statistical Report: Philip Pugliese [\(page 17\) - I](#)
  - c. Incline Ticket Pricing and Title VI Analysis: Annie Powell [\(page 21\) - I](#)
9. **Financial Report**
  - a. Bank Account-Signature Authorizations: Sonja Sparks [\(page 27\) – A](#)
  - b. FY2025 Budget: Sonja Sparks [\(page 28\) – A](#)
10. **Compensation and HR Committee Report:** Director Charita Allen
  - a. Performance Evaluation Policy & Procedure: Jeff Smith [\(page 38\) – A](#)
11. **Operations Committee Report:** Chairman de Nysschen
12. **New Business**
  - a. NEORide Multi-State Consortium Membership: Sonja Sparks [\(page 45\) –A](#)
13. **Old Business**
14. **Adjournment**

[\(A\) = ACTION ITEM](#) [\(I\) = INFORMATION](#)

**MINUTES OF THE BOARD OF DIRECTORS MEETING OF**  
**THE CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY**  
**AND**  
**THE CHATTANOOGA PARKING AUTHORITY**

**May 16, 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, May 16, 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 May 05, 2024. The following Board members were in attendance and constituted a quorum: Johan de Nysschen, Chairman; Evann Freeman, Vice Chairman; Patricia McKoy, Treasurer; 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. de Nysschen called the meeting to order and declared a quorum present.

Mr. de Nysschen called on Ms. McKoy to give the invocation and lead the Pledge of Allegiance. Mr. de Nysschen next opened the meeting for public comments regarding board action items. There were no public comments.

Mr. de Nysschen then stated that all members had been sent a copy of the April 18, 2024, board meeting minutes and asked if there were any additions or corrections. There being none, a motion was made by Mr. Evatt and seconded by Ms. McKoy, followed by a vote to approve the minutes. The motion was unanimously approved.

Mr. de Nysschen called on Mr. Smith for presentation of the employee Sunshine award for the month of April 2024 to Carla Bush.

Mr. de Nysschen then called on Mr. Frazier to present the CEO report. Mr. Frazier reported meeting with James McKissic and his team at ArtsBuild. CARTA provided a transit tour, and discussed ways in which CARTA and ArtsBuild can work together. One opportunity being exploring is how CARTA, through a limited pilot program, may be able to provide summer transportation to free, high-quality, Spanish dance classes for all ages. The summer program, called Expresate! will run for 6 weeks in June and July at La Paz and Crabtree Farms.

Mr. Frazier next reported meeting with Dr. Mina Sartipi, founding director of the Center for Urban Informatics and Progress (CUIP) at the University of Tennessee at Chattanooga (UTC), to learn about her time at the Center for Urban Informatics and Progress. Items discussed were her vision for Chattanooga to be a city-scale testbed for Smart Mobility, and her work with the Chattanooga Quantum Computing Initiative. Mr. Frazier advised CARTA is currently collaborating with UTC on a Tennessee Transportation Network Growth Opportunity (TNGO) grant request for testing of autonomous vehicles in Chattanooga.

Mr. Frazier then reported that he has been invited to participate in the Young American Leadership Program (YALP) at Harvard Business School this summer, and noted that Ms. Allen and Mr. Culp are past participants in the program.

Mr. Frazier next reported on the introduction of in-ground inductive battery charging pads for electric buses in partnership with UTC. Mr. Frazier explained the charging pads are positioned in the ground, and when the bus approaches they connect via inductive magnetic resonance. There is no need for any physical connection. This infrastructure not only aligns with CARTA's commitment to sustainability but also sets a new standard for eco-friendly transit solutions. Specifically, it allows a one-for-one swap of diesel buses for electric buses. Sam Huff and Annie Powell began working on this project in late 2020 and they have been working steadily to complete all the complex infrastructure and civil engineering work since that time. Mr. Frazier advised that attendees of the Mid-South Transportation Parking Association annual meeting received an up-close look at the groundbreaking technology. This project also provides an opportunity for STEM learning and engagement with local high-school students, which CARTA is pursuing.

Mr. Frazier then reported that on April 24th, CARTA's safety team conducted an emergency preparedness field exercise at the Incline Railway in collaboration with multiple agencies, including the Chattanooga Fire & Police Departments, Hamilton County Office of EMS, the County Sheriff's Office, Lookout Mountain Fire Department, National Parks Service, Tennessee Department of Transportation, and the Transportation Security Administration. Chief Terry Knowles with the Chattanooga Fire Department described the field exercise, noting that it allowed simulated response procedures in the event of an incident—in this case a catastrophic failure of the Incline's mechanical systems, stalling a car on a trestle. The goal of the exercise was to familiarize first responders with the unique circumstances that first responders would

encounter should there ever be an emergency on the Incline Railway. Mr. Frazier thanked Mr. Nye for participating in the exercise.

Mr. Frazier next welcomed Scott Wilson to the CARTA team as his new Chief of Staff. Mr. Frazier stated that Mr. Wilson has an extensive background in Chattanooga, in both the public and private sector. He worked in the Mayor's Office, during the Kinsey administration. He worked at Volkswagen, from plant construction to the launch of the second Chattanooga built vehicle, the Atlas. He most recently ran a non-profit foundation that built twenty-two parks across the state of Tennessee and was the team lead developing the innovative BlueSky Institute. Mr. Wilson brings a wealth of experience and insights that will undoubtedly bolster CARTA's executive leadership.

Mr. Frazier then introduced Mr. Randall Beck, and congratulated him on his retirement, thanking him for more than twenty (20) years of CARTA service.

Mr. de Nysschen asked if there were any comments or questions regarding the CEO report. There being none, a motion was made by Mr. Culp and seconded by Ms. Allen, followed by a vote to approve the report for information only. The motion was unanimously approved.

Mr. de Nysschen next called on Ms. Sparks to present the Financial Reports for April. Ms. Sparks reported that for the month of April, revenue was \$2,034,720 compared to a budgeted \$2,171,446. Transit revenue was under budget \$67,546 from governmental billing of \$66,246 for preventative maintenance due to reduction of maintenance expense during the month of April. Incline revenues were under budget \$157,000 due to a closure from April 8th through April 24th for maintenance.

Ms. Sparks further reported overall expenses for the month were \$ 2,201,162 compared to a budgeted \$2,311,561. The Transit expense under budget variance of \$165,885 was due to a wage and benefit under budget variance of \$110,453, arising from CARTA's budget for full staffing and ongoing staff vacancies. Fuel was under budget \$4,971; software maintenance was under budget \$18,921 and maintenance was under budget \$23,387. Care-A-Van expenses were over budget \$37,742 due to a budget variance in wages and benefits in the amount of \$45,559 arising from customer service covering after-hours and weekend shifts for CARTA GO.

The April Parking Report reflected a net positive revenue of \$41,314 due to receipts from parking meters and enforcement, which, when combined with net shuttle costs of (\$149,278), created a negative 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.

Ms. Sparks then provided an update of the implementation of Oracle NetSuite human resources, payroll, and accounting software system. Ms. Sparks advised CARTA is currently in the data conversion phase that is scheduled to be completed by the end of July 2024. During the months of August and September the training phase will commence. CARTA is scheduled to go live on October 15, 2024, with the financial milestone. Approximately four (4) to six (6) weeks thereafter CARTA will go live with human resources and payroll.

Mr. de Nysschen requested the capacity utilization of Chattanooga Parking Authority's parking garages. Mr. Frazier advised a Chattanooga Parking Authority presentation will be provided at the June 5, 2024, Operations committee meeting. The presentation will include an in-depth examination of parking policy, signage, and technology. Mr. de Nysschen then requested information regarding agreements with local hotels who utilize our parking structures

to also be provided at the June committee meeting. Mr. Nye then requested signage on 4<sup>th</sup> Street and Chestnut blocked by tree limbs be addressed.

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

Ms. Sparks next presented a resolution to approve a change of the check signing threshold from \$2,000 to \$10,000 for the requirement of Board Treasurer to physically sign vendor payments. Mr. de Nysschen asked if there were any comments or questions regarding the resolution. There being none, a motion was made by Ms. Allen, seconded by Ms. Peterson, and followed by a vote to pass the resolution. The resolution was unanimously approved.

The bank account signature authorization resolution was moved to the June board meeting to allow for documentation to be received.

Mr. de Nysschen next called Mr. Pugliese to present the Statistical Report. Mr. Pugliese stated that on a year-over-year comparison for April, transit ridership was up 16%; CARTA GO was up 35%; shuttle ridership was up 34%; Incline ridership was down 48% with eighteen (18) shut-down days; and Care-A-Van ridership was up 12% with zero turn downs or accidents. The number of bicycles carried was down 5%; and the number of wheelchairs carried increased by 11%. Ridership continues steady growth, with routine variation on individual routes in general. Shuttle ridership continues its spring growth with robust performance both Downtown and on the St. Elmo routes.

Mr. Evatt inquired about the downward trend of the North Shore route. Mr. Pugliese advised the route historically experiences a substantial amount of monthly variation. Mr. de

Nysschen requested the dollar value impact of the 43% Incline decline due to maintenance closures. Ms. Sparks advised the Incline's under budget variance was \$157,000. Mr. de Nysschen requested management schedule maintenance during off peak seasons to minimize fiscal impact. Mr. Frazier advised there was a cable supplier that delay contributed to the closure impact. Mr. de Nysschen requested a financial liability clause to be included in future contracts for Incline maintenance suppliers.

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

Mr. de Nysschen called on Ms. Allen to provide an update from the Compensation and HR committee. Ms. Allen stated the committee held a joint meeting with the Finance Committee on May 1. The items covered, at HR Committee's request, were staff evaluation items, job descriptions and evaluation implementation milestone timelines. Ms. Allen advised a policy is under development addressing expectations, metrics, frequency and impacts on employee pay increases and bonuses. This policy will be brought to the board upon completion.

Mr. de Nysschen advised the Operations Committee has nothing new to report.

Under "New Business" Mr. de Nysschen called Ms. Powell to provide a CARTA Fare Technology update. Ms. Powell advised that 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 has held workshops with CARTA's internal departments to both inform staff



about what is available in the marketplace and within the industry and to gather feedback on pain points within the current fare collection process.

Ms. Powell further advised that 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.

Mr. Nye requested the number of vendor options for the Separate Digital Validator option. Ms. Powell advised that currently there are two (2) to three (3). Mr. de Nysschen asked if CARTA is required to accept cash. Ms. Powell advised that CARTA is required to accommodate and provide availability of all payment methods, but it is not a requirement to accept cash on board the bus. A Title VI analysis would be required to ensure no individual is negatively impacted by any payment change. Ms. Peterson expressed concerns about access to purchase payment cards and how new fare technology will impact riders under 18 years of age and riders with no cell phone access. Ms. Powell advised offering multiple payment options will address these concerns. Mr. Culp inquired about Dayton, Ohio's loss of ridership when implementing cash free on-board buses. Ms. Powell advised that Dayton, OH reports it was a seamless process without a significant loss of ridership. Mr. Evatt expressed concerns that CARTA does not have infrastructure in place for a cash free option. Mr. de Nysschen stated CARTA must have a managed transition to new fare technology to address potential impacts to riders and CARTA management must be given the opportunity to address board concerns as they arise. Mr. Frazier recommended that CARTA move forward with a Title VI analysis in preparation for new fare technology and decide later about moving to cash free onboard payment options utilizing Title VI research data.

Mr. de Nysschen asked if there were any additional comments or questions regarding Title VI research. There being none, a motion was made by Ms. Allen, seconded by Mr. Culp, and followed by a vote to complete a Title VI analysis. The motion was unanimously approved.

Under “New Business” Mr. de Nysschen next called on Mr. Smith to present CARTA’s Code of Ethics and Nepotism policy. Mr. Smith stated that each year, board members of CARTA reaffirm their understanding and commitment to adhere to the Code of Ethics and Nepotism Policy as mandated by their role within CARTA. The signed affirmation statement 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, 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. Mr. Smith requested board members to sign and return the annual affirmation statement by the end of the board meeting.

Under “New Business” Mr. de Nysschen next called Ms. Sparks to present a vehicle donation resolution request. Ms. Sparks advised that staff recommends that the Board adopt Resolution 603 authorizing the Chief Executive Officer 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. Ms. Sparks further advised that approval of this Resolution will authorize the CEO, at 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. Mr. de Nysschen asked if there were any comments or questions regarding the resolution stating approval is subject to compliance with the FTA's useful life schedule. There being none, a motion was made by Mr. Nye, seconded by Ms. McKoy, and followed by a vote to pass the resolution. The resolution was unanimously approved.

Under "Old Business", Mr. de Nysschen called on Ms. Peebles to provide an update on the Fare-Free pilot program with the Chattanooga Public library. Ms. Peebles reported that 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 CARTA's 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 eleven (11) and younger, and green for students twelve (12) and older. In addition to the registered students, the chaperones accompanying the children who are eleven (11) and under will also ride free.

Under "Old Business", Mr. de Nysschen then called on Ms. Powell to present information on the Incline ticket pricing public hearing. Ms. Powell advised that 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.

Ms. Powell further advised that 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.

Ms. Peterson requested information about language translation for the public hearing. Ms. Powell advised translation has been provided in the past, was not currently scheduled for the upcoming hearing, but will be included in future public hearings.

Mr. de Nysschen next called on Mr. Frazier to present his CEO 100-day Assessment. Mr. Frazier provided his base evaluation for CARTA addressing strengths, weaknesses, opportunities, and threats. Mr. Frazier next presented organizational priorities which included fixing the foundation, forging the future, and funding. In summary, Mr. Frazier reported the following: (i) the opportunities for success are abundant; (ii) the foundation of the organization must be fixed; (iii) the organization requires a strategic plan; (iv) and additional funding will be required for future expansion.

Mr. Evatt expressed appreciation for being provided with clear and concise under funding results. Mr. de Nysschen stated CARTA's funding challenges are an obstacle to providing a high quality, reliable and safe public transit system. Mr. de Nysschen further stated CARTA's fiscal cliff represents an existential threat to continued operations. Mr. de Nysschen advised that engagement with funding custodians and providing transparent information should be prioritized.

Mr. de Nysschen asked if there were any additional comments or questions regarding the CEO 100-day report. There being none, a motion was made by Mr. Evatt, seconded by Ms. Peterson, and followed by a vote to accept the report as information. The motion was unanimously approved.

Mr. de Nysschen 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

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### **RECOMMENDED ACTION**

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

### **HIGHLIGHTS, ANALYSIS AND CONCLUSIONS**

May, 2024

- Revenue for the month was \$2,124,482 compared to a budgeted \$2,131,447.
  - Transit revenues were under budget \$101,637 from under budget Governmental billing of \$108,411 for Preventative Maintenance due to reduction of maintenance expense during the month.
- Expenses for the month were \$2,610,319 compared to a budgeted \$2,311,561.
  - Transit expense over budget variance of \$101,637 is due to a wage and benefit over budget variance of \$125,684 due to a three payroll month cycle, we budget evenly throughout the year, going forward in the new budget year we will budget accordingly. We also had two offsetting under budget variances, fuel in the amount of \$10,389 and maintenance of \$14,534.
- The May Parking Report indicates receipts from parking meter and enforcement reflected net positive revenue of \$19,819 and when combined with net shuttle costs of (\$202,200), created a net of (\$182,381). Total net parking revenue for the month (adding in surface lot and garage revenues and expenses) reflected a positive net revenue of \$68,798.

### **RECURRING VARIANCES**

- Parking revenue was over budget \$67,246 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 \$83,312 due to an over budget variance in wages and benefits in the amount of \$80,744 from customer service covering after hour and weekend shifts for CARTA GO and the three week pay period cycle.

**CARTA**  
**Variance Report**  
**For the Eleven Months Ending Friday, May 31, 2024**

	<u>MONTHLY ACTUAL</u>	<u>MONTHLY BUDGET</u>	<u>VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>VARIANCE</u>
<b>TRANSIT</b>						
Revenues	\$1,091,294	\$1,192,932	(\$101,637)	\$12,476,152	\$12,852,248	(\$376,096)
Expenses	<u>1,531,529</u>	<u>1,440,839</u>	<u>90,691</u>	<u>14,552,786</u>	<u>15,808,858</u>	<u>(1,256,072)</u>
<b>NET</b>	<b>(440,235)</b>	<b>(247,907)</b>	<b>(192,328)</b>	<b>(2,076,634)</b>	<b>(2,956,610)</b>	<b>879,976</b>
<b>SHUTTLE</b>						
Revenues	\$180,830	\$132,474	\$48,356	\$1,969,363	\$1,929,518	\$39,845
Expenses	<u>253,877</u>	<u>218,055</u>	<u>35,822</u>	<u>2,211,944</u>	<u>2,391,862</u>	<u>(179,918)</u>
<b>NET</b>	<b>(73,047)</b>	<b>(85,582)</b>	<b>12,535</b>	<b>(242,581)</b>	<b>(462,344)</b>	<b>219,763</b>
<b>INCLINE</b>						
Revenues	\$404,975	\$407,173	(\$2,199)	\$3,642,195	\$3,748,902	(\$106,707)
Expenses	<u>261,366</u>	<u>214,352</u>	<u>47,014</u>	<u>2,328,386</u>	<u>2,351,644</u>	<u>(23,258)</u>
<b>NET</b>	<b>143,608</b>	<b>192,821</b>	<b>(49,213)</b>	<b>1,313,809</b>	<b>1,397,258</b>	<b>(83,449)</b>
<b>CARE-A- VAN</b>						
Revenues	\$80,580	\$99,310	(\$18,730)	\$978,303	\$1,000,104	(\$21,801)
Expenses	<u>318,553</u>	<u>235,241</u>	<u>83,312</u>	<u>2,951,739</u>	<u>2,446,986</u>	<u>504,753</u>
<b>NET</b>	<b>(237,973)</b>	<b>(135,931)</b>	<b>(102,042)</b>	<b>(1,973,436)</b>	<b>(1,446,882)</b>	<b>(526,554)</b>
<b>PARKING</b>						
Revenues	\$366,803	\$299,558	\$67,246	\$3,895,052	\$3,295,137	\$599,915
Expenses	<u>244,994</u>	<u>203,073</u>	<u>41,920</u>	<u>2,420,227</u>	<u>2,233,030</u>	<u>187,197</u>
<b>NET</b>	<b>121,810</b>	<b>96,485</b>	<b>25,325</b>	<b>1,474,825</b>	<b>1,062,107</b>	<b>412,717</b>
<b>CARTA - Total</b>						
Revenues	\$2,124,482	\$2,131,447	(\$6,964)	\$22,961,065	\$22,825,909	\$135,156
Expenses	<u>2,610,319</u>	<u>2,311,561</u>	<u>298,759</u>	<u>24,465,082</u>	<u>25,232,381</u>	<u>(767,298)</u>
<b>NET</b>	<b>(485,837)</b>	<b>(180,114)</b>	<b>(305,723)</b>	<b>(1,504,017)</b>	<b>(2,406,472)</b>	<b>902,455</b>

**MAY 2024 PARKING REPORT**

	<b><u>Meters</u></b>	<b><u>Shuttle</u></b>	<b><u>Lots</u></b>	<b><u>Garages</u></b>
Revenues	\$ 193,753	\$ -	\$ 136,339	\$ 175,471
Enforcement	\$ 57,835	\$ -	\$ -	\$ -
Donations	\$ -	\$ 866	\$ -	\$ -
Advertising	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ 800	\$ -	\$ 3,693
Fed/State Grants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Total Revenue	 \$ 251,588	 \$ 1,666	 \$ 136,339	 \$ 179,164
 Onstreet Enforcement Expenses	 \$ 231,769	 \$ -	 \$ -	 \$ -
Shuttle Expenses	\$ -	\$ 203,866	\$ -	\$ -
Lot Expense	\$ -	\$ -	\$ 14,313	\$ -
Garage Expense	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,011</u>
 Total Expense	 \$ 231,769	 \$ 203,866	 \$ 14,313	 \$ 50,011
 Net Revenue	 \$ 19,819	 \$ (202,200)	 \$ 122,026	 \$ 129,153
 Net Meters & Shuttle	 \$ (182,381)			
 Total Parking	 <u><u>\$ 68,798</u></u>			



**TO:** CARTA Board of Directors

**FROM:** Philip Pugliese

**SUBJECT:** Statistical Report

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**RECOMMENDED ACTION**

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

**HIGHLIGHTS, ANALYSIS AND CONCLUSIONS**

Ridership continues steady growth with routine variation on individual routes in general. Shuttle ridership has tapered from spring growth but still 122% year-over-year. Incline ridership has rebounded to a similar volume as the prior year. CARTA GO operations are leveling out as the system nears capacity limits. Discussions underway on potential service changes to best accommodate demand and future growth.

- May 2024
  - Fixed Route weekday ridership is up 7% year-over-year and 4% month-over-month.
    - CARTA GO is up 24 year-over-year but flattening out month-over-month.
    - Route 3-Enterprise South showing strong growth of 45% year-over-year.
    - Total monthly fixed route ridership is up 6% year-over-year.
  - Shuttle ridership is up 22% year-over-year, but down 10% from April.
  - Incline ridership up 1% year-over-year.
  - CAV ridership up 10% year-over-year but generally steady month-to-month.
  - Bikes on Board down 8% year-over-year.
  - Wheelchair boardings down 14% year-over-year.
- Special Note: Read and Ride Program Launched June 1, 2024
  - Cooperative program with Chattanooga Library launch June 1 and through June 13 has provided 554 trips for program participants.

**Chattanooga Area Regional Transportation Authority****Statistical Report****For the Period Ending May 31, 2024**

	<b>This Month</b>	<b>Month YR Ago</b>	<b>YTD</b>	<b>Prior YTD</b>
<b><u>TRANSIT</u></b>				
Ridership	85,528	80,251	887,980	852,806
Weekday Average - with Mocs	3,203	2,993	3,196	3,072
Weekday Average - without Mocs	3,203	2,989	3,105	2,939
Saturday Average	2,173	2,066	2,079	1,966
Sunday Average	795	790	788	742
Miles	167,900	157,965	1,756,337	1,585,604
Passengers/Mile	0.51	0.51	0.51	0.54
Accidents	3	1	17	20
Operating Cost/Rider	11.02	9.54	9.91	10.25
<b><u>SHUTTLE</u></b>				
Ridership	25,711	21,072	256,352	207,089
Weekday Average	891	688	806	649
Saturday Average	707	737	860	730
Sunday Average	597	574	499	381
Miles	17,725	13,635	183,797	139,545
Passengers/Mile	1.45	1.55	1.39	1.48
Accidents	1	0	6	1
Operating Cost/Rider	4.02	2.69	3.25	2.93
<b><u>INCLINE</u></b>				
Ridership	47,081	46,601	435,076	459,043
Net Revenue/Passenger	3.05	2.40	3.02	2.93
Days Down	0	0	30	0
<b><u>CARE-A-VAN</u></b>				
Ridership	4,806	4,357	48,401	45,516
Miles	54,002	50,288	549,953	515,881
Turndowns	0	0	14	0
Accidents	0	0	5	5
Operating Cost/Rider	52.00	45.14	48.44	44.65
Passengers/Hour	1.30	1.24	1.28	1.27
<b><u>TOTAL CARTA</u></b>				
<b>Ridership</b>	<b>163,126</b>	<b>152,281</b>	<b>1,627,809</b>	<b>1,564,454</b>

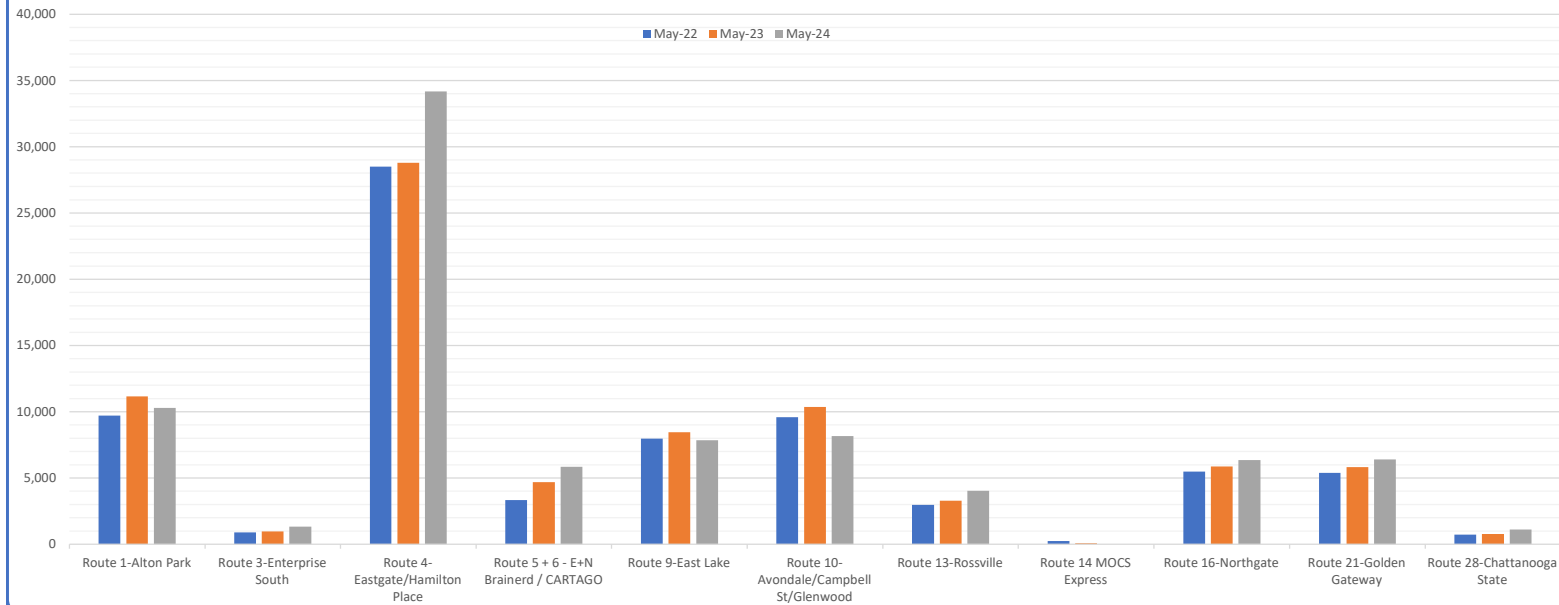
**\* Notes to the Statistical Report:**

North Shore Shuttle	2,382	2,595	24,447	26,074
MOCS Express	0	75	21,394	31,406
Bicycles Carried	1,451	1,585	16,456	15,657
Wheelchairs Carried	1,133	1,322	12,903	12,868
St.Elmo/Incline	2,095	2,037	22,505	16,900

Days of Operation Transit, Care-A-Van, Shuttle, Incline

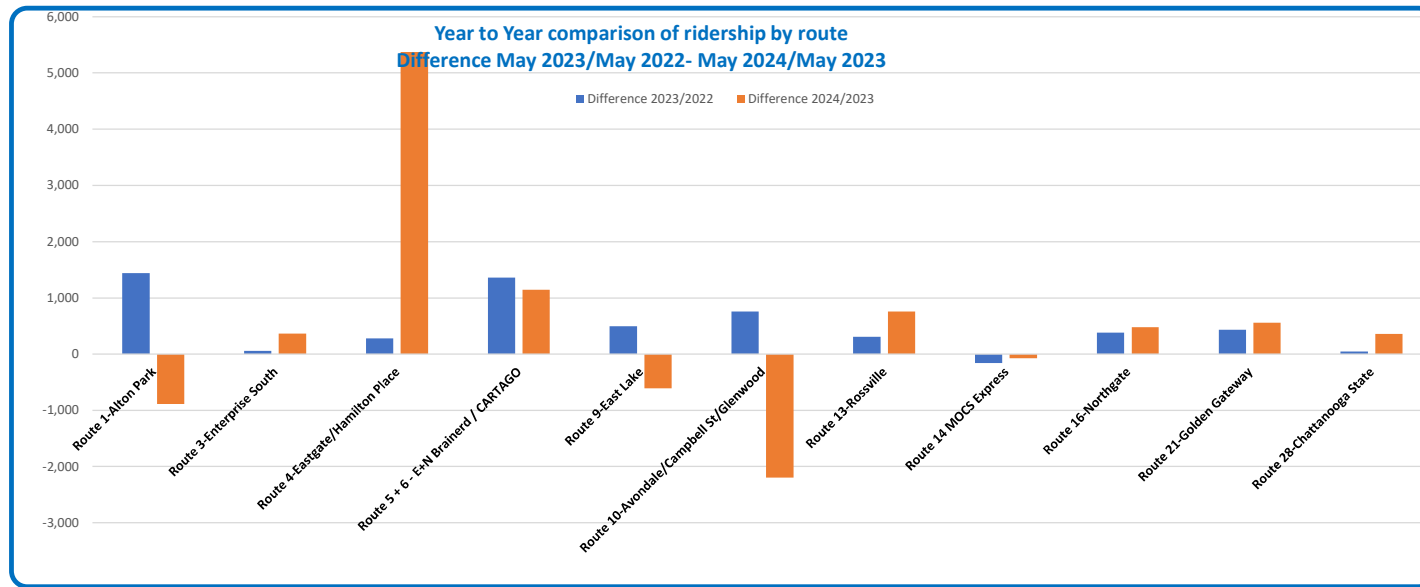
Number of Weekdays	23	23
Number of Saturdays	4	4
Number of Sundays	4	4
	<u>31</u>	<u>31</u>

### Year to Year comparison of ridership by route May 2022/May 2023/May 2024



	May-22	May-23	May-24
Route 1-Alton Park	9,719	11,162	10,276
Route 3-Enterprise South	908	968	1,337
Route 4-Eastgate/Hamilton Place	28,507	28,784	34,156
Route 5 + 6 - E+N Brainerd / CARTAGO	3,333	4,694	5,841
Route 9-East Lake	7,966	8,463	7,854
Route 10-Avondale/Campbell St/Glenwood	9,594	10,352	8,155
Route 13-Rossville	2,979	3,290	4,048
Route 14 MOCS Express	234	75	0
Route 16-Northgate	5,486	5,866	6,344
Route 21-Golden Gateway	5,396	5,830	6,389
Route 28-Chattanooga State	721	767	1,128

Totals: 74,843 80,251 85,528



	Difference 2023/2022	Difference 2024/2023
Route 1-Alton Park	1,443	-886
Route 3-Enterprise South	60	369
Route 4-Eastgate/Hamilton Place	277	5,372
Route 5 + 6 - E+N Brainerd / CARTAGO	1,361	1,147
Route 9-East Lake	497	-609
Route 10-Avondale/Campbell St/Glenwood	758	-2,197
Route 13-Rossville	311	758
Route 14 MOC5 Express	-159	-75
Route 16-Northgate	380	478
Route 21-Golden Gateway	434	559
Route 28-Chattanooga State	46	361

5408

5,277

**TO:** CARTA Board of Directors

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

**SUBJECT:** Incline Ticket Pricing and Title VI Analysis

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**RECOMMENDED ACTION**

N/A Information Only

**HIGHLIGHTS, ANALYSIS AND CONCLUSIONS**

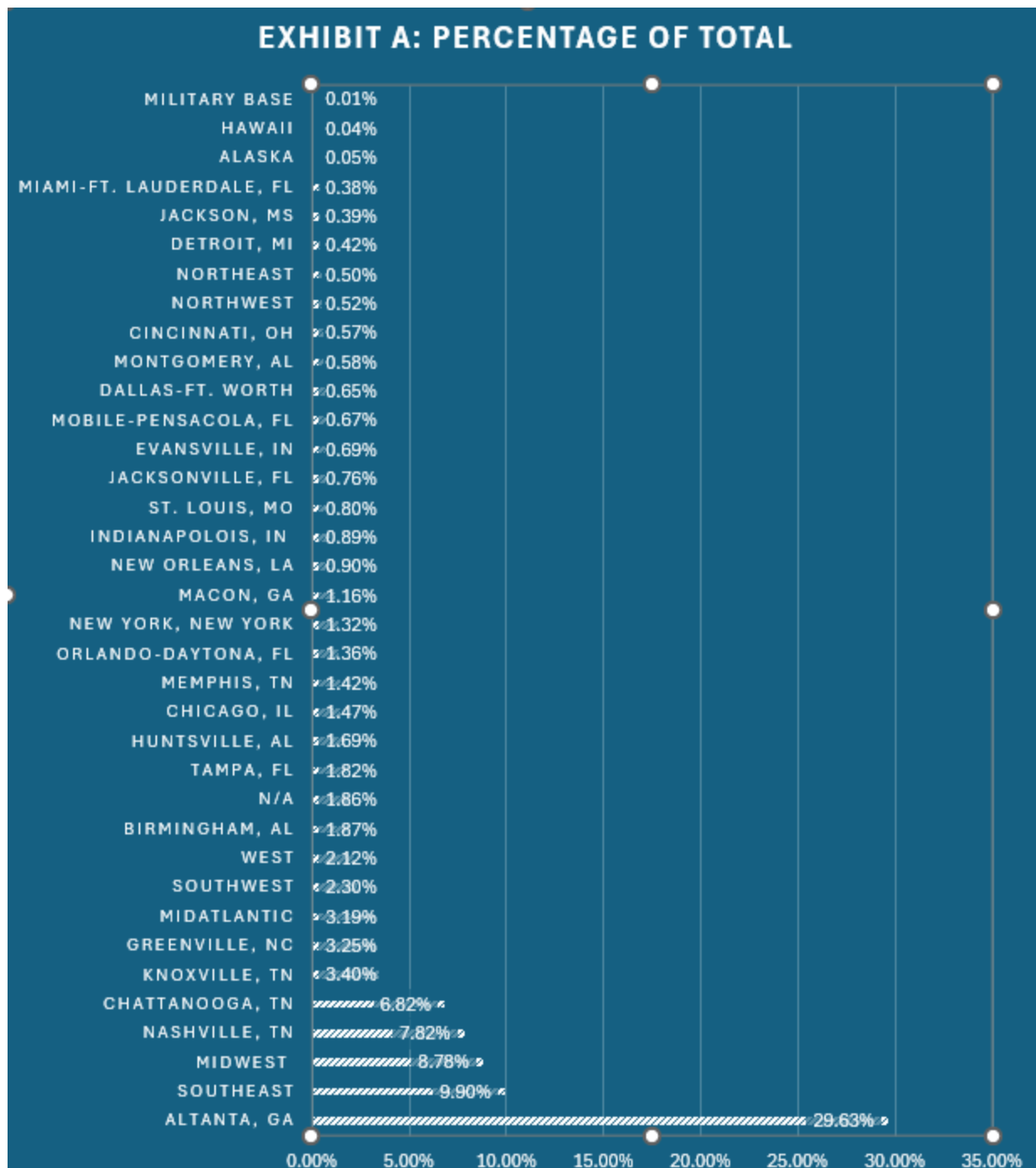
During the May Board meeting, staff reported that a public hearing was scheduled for May 22, 2024, to alert the public of CARTA's proposed plan to increase ticket prices at the Incline Railway and the addition of a yearly pass being offered on a trial basis. At the same time, a Title VI analysis was completed, and it has been determined that there are no disparate impacts or disproportionate burdens to low income or minority Chattanooga citizens by raising ticket prices at the Incline. Further details are below.

The purpose of the public meeting was to gather public comments on the proposed pricing changes. During the public hearing, a summary of the following proposed changes was provided to attendees:

- The cost of an adult ticket is proposed to increase from \$15 to \$20 effective July 1;
- The cost of a child ticket is proposed to increase from \$7 to \$10 effective July 1; and
- CARTA will be offering a yearly pass on a trial basis for \$75 beginning August 1.

Four members of the public attended the public meeting. Those present were generally supportive of the increased ticket prices, particularly since there has not been an increase in ticket prices since 2012. There were some questions about the yearly pass: whether it would be transferable to others when purchased and whether parking would be available at the Incline lower station anytime or only when riding the Incline. For the initial trial deployment, a yearly pass will be available for a singular person, and their name will be notated on the pass. It will not be transferable to others. Free parking was initially considered at the lower Incline Station for yearly passholders but was removed as it is difficult to monitor whether the passholder was riding the Incline Railway or not. It was determined that there was too much potential for parking abuse within our current system.

A Title VI analysis is required as part of CARTA's process for updating fares, including ticket pricing for the Incline Railway. The Incline Railway is unique among CARTA's services in that most customers do not live within the Chattanooga area; approximately 93% live in other metropolitan market areas according to zip code information provided from See Rock City, Inc. ("SRC") (see Exhibit A below). SRC currently sells tickets to the Incline Railway through an agreement with CARTA. The information provided was based on attendees who booked online from October 2023 to May 2024 and represents approximately 55.4% of all attendees for that period. SRC utilizes a Point of Sale (POS) system that has an online ticketing module that is linked to the Incline website. While CARTA does not currently have demographic or other survey information available for Incline Railway customers specifically, the zip code information from SRC provides some context on the Title VI impact for raising ticket prices at the Incline Railway for those living within the Chattanooga area.



The Chattanooga metropolitan area census information was used instead of the City of Chattanooga information as the zip code information provided by SRC was for the Chattanooga market area and included municipalities in both Hamilton County and North Georgia. CARTA used this information to determine whether a disparate impact or disproportionate burden would exist once the new Incline Railway ticket prices were in effect (see Attachment A for Title VI Disparate Impact and Disproportionate Burden Policies). The results of CARTA's analysis is below (Exhibit B). CARTA estimated low-income and minority populations by using averages by specific zip codes and applying those to the number of attendees reported. For example, if there were 100 attendees in a zip code that had an average of 20% low income

and 20% minority populations provided by the census, then 20 low income and 20 minority attendees would be included in the table below.

### Exhibit B

Count	Cost		Change		Usage by Group		
	Existing	Proposed	Absolute	Percentage	Low-Income	Minority	Overall
Adult	\$15.00	\$20.00	\$5.00	33%	451	820	2,830
Child	\$15.00	\$20.00	\$5.00	33%	122	222	767
Total					573	1,042	3,597

Percentage	Cost		Change		Usage by Group		
	Existing	Proposed	Absolute	Percentage	Low-Income	Minority	Overall
Adult	\$15.00	\$20.00	\$5.00	33%	11%	20%	69%
Child	\$15.00	\$20.00	\$5.00	33%	11%	20%	69%

A disparate impact would exist if minority populations were disproportionately affected by more than 10% over what is estimated as the effect on the overall population. Since the overall population would be impacted at a greater percentage (69% vs. 20%), there is no determination of a disparate impact. Similarly, a disproportionate burden would exist if low-income populations were affected by more than 10% over what is estimated as the effect on the overall population. Since the overall population is impacted at a greater percentage (69% vs. 11%), there is no determination of a disproportionate burden. As both estimated low-income and minority populations are below the overall percentage of riders, it has been determined that there are no disparate impacts or disproportionate burdens to low-income or minority Chattanooga citizens by raising ticket prices at the Incline.

**RESOLUTION NO. 563**

**A RESOLUTION APPROVING A MAJOR SERVICE CHANGE POLICY, DISPARATE IMPACT POLICY, AND A DISPROPORTIONATE BURDEN POLICY PURSUANT TO THE FEDERAL TRANSIT ADMINISTRATION'S TITLE VI REGULATIONS**

WHEREAS, the Federal Transit Administration has issued Title VI and Environmental Justice regulations in FTA circulars C 4702.1B and 4703.1, respectively; and

WHEREAS, the Chattanooga Area Regional Transportation Authority (CARTA) is required to comply with these regulations; and

WHEREAS, as part of said compliance, the Chattanooga Area Regional Transportation Authority (CARTA) is required to adopt a Major Service Change Policy, a Disparate Impact Policy, and a Disproportionate Burden Policy; and

WHEREAS, the development of these policies has been undertaken through a public process, as required;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Chattanooga Area Regional Transportation Authority (CARTA):

Section 1: The Chattanooga Area Regional Transportation Authority hereby adopts the Major Service Change Policy, the Disparate Impact Policy, and the Disproportionate Burden Policy, as attached;

Section 2: This Resolution shall take effect from and after its passage.

ADOPTED:

August 21, 2014

Date

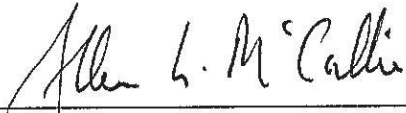
  
Chairman, CARTA Board of Directors

ATTEST:

  
Secretary - CARTA Board of Directors



APPROVED AS TO FORM AND LEGALITY:

A handwritten signature in cursive script, reading "Allen L. McCallie". The signature is written in dark ink and is positioned above a horizontal line.

---

Miller & Martin  
CARTA Legal Counsel

### **Major Service Change Policy**

The Chattanooga Area Regional Transportation Authority (CARTA) defines a "Major Service Change Policy" as any change that affects 25% or more of the number of transit route miles of a route (either addition or deletion); or 25% or more of the number of transit revenue vehicle miles of a route, computed on a daily basis for the day of the week for which the change is to be made (either addition or deletion). When a change is determined to be a "Major Service Change," CARTA staff will conduct a service equity analysis, according to FTA Circulars 4702.1B and 4703.1, and present the results of that analysis to the CARTA Board of Directors to be included when considering approval of said change. A temporary addition or deletion of service, such as a demonstration project, or detours are exempt from CARTA's definition of "Major Service Change Policy." Should the temporary change of service last longer than 12 months, the service change will be considered a "Major Service Change," and a service equity analysis will be conducted by CARTA staff and considered by the CARTA Board of Directors.

### **Disparate Impact Policy**

Disparate impact policies apply to minority populations, as defined by the FTA. A determination of disparate impact shall be made if the effects of a major service change borne by the minority population, both adverse and beneficial, are not within ten percent (10%) of the effects borne by the non-minority population.

### **Disproportionate Burden Policy**

Disproportionate burden policies apply to low-income populations, as defined by FTA. A determination of disproportionate burden shall be made if the effects of a major service change borne by the minority population, both adverse and beneficial, are not within ten percent (10%) of the effects borne by the non-low-income population.

**TO:** CARTA Board of Directors

**FROM:** Sonja Sparks  
Chief Financial Officer

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

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**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:** Sonja Sparks  
Chief Financial Officer

**SUBJECT:** Approval of Fiscal Year (FY) 2025 Operating Budget

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**RECOMMENDED ACTION**

Staff recommends that the Board approve the operating budget for fiscal year 2025.

**ALIGNMENT WITH STRATEGIC GOALS**

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

**SUMMARY OF NEED**

Approval of this item will allow CARTA to submit a budget to meet the requirements by local municipalities and sound business and management practices deem it necessary to plan revenue and expenses for the ensuring year.

**BACKGROUND AND HISTORY**

Annually, staff develops the operating budget based on the prior year's activity and planned areas of improvement. The suggested budget of \$29,886,901 represents an 8.51% increase from last year and utilizes \$2,085,532 of ARPA funds. This budget includes the following areas of improvements and revenue increases:

- Passenger Revenue increase from Incline fare increase;
- Parking increase from meter charge increases;
- Service Quality Improvement of cleaning services, CARTA GO minor expansion and the addition of two road supervisors
- Safety and Security Enhancements of an attendant and custodial services to Shuttle Park North, a Facility Manager and a Claims/Safety Manager
- Management Efficiencies of a Technology/Innovation Manager
- Workforce Development from an increase in training programs
- Governmental affairs expense of \$75,000

**FISCAL IMPACT**

CARTA has budgeted \$29,886,901 in a balanced budget for the year ending 6/30/2025 with minimal necessary improvements and one microtransit expansion, ARPA funds of \$2,085,532, and increased revenue from Incline ticket sales and Parking.

**CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY**  
**JULY 1, 2024 TO JUNE 30, 2025**

**Version VIII**

Agenda Item 9b1

	<u>Fixed Route</u>	<u>Incline</u>	<u>Care-A-Van</u>	<u>Shuttle</u>	<u>Parking</u>	<u>Total</u>	<u>2024 Budget</u>	<u>Change</u>	
<b><u>OPERATING REVENUE</u></b>									
Passenger Revenue	1,554,000	4,144,314	133,488	9,114	-	5,840,916	4,374,129	1,466,787	33.53% based on actual annualized
Special Route Guarantee	569,687	-	-	2,000	-	571,687	557,566	14,121	2.53% increase in UT Mocs contract
Advertising Revenue	135,410	10,000	-	8,000	-	153,410	186,000	(32,590)	-17.52% based on actual annualized
Concession Revenue	-	312,436	-	-	-	312,436	280,000	32,436	11.58% Concessions avg 5 years over \$700,000 SRC
Parking Garage Revenue	-	-	-	1,650,200	-	1,650,200	1,461,400	188,800	12.92% based on actual annualized
Parking Lots Revenue	-	186,500	-	-	1,033,098	1,219,598	929,404	290,195	31.22% based on actual annualized
Parking Meters Revenue	-	-	-	-	2,064,000	2,064,000	1,674,631	389,369	23.25% increase due to meter increases
Parking Enforcement Revenue	-	-	-	-	1,340,000	1,340,000	1,121,369	218,631	19.50% increase due to estimated increase
Rent Revenue	14,400	-	-	88,737	-	103,137	99,589	3,548	3.56% River City, Coca Cola, Shift, Parking
PM & Unit Overhaul - State	414,738	41,809	15,632	-	-	472,179	463,170	9,010	1.95% increase due to FTA grant increases
PM & Unit Overhaul - Federal	3,456,150	348,408	130,270	-	-	3,934,828	3,859,746	75,082	1.95% increase due to FTA grant increases
American Rescue Plan	1,885,532	100,000	100,000	-	-	2,085,532	3,051,585	(966,053)	-31.66%
FTA/Federal Grants & Reimb Reve:	216,991	40,905	602,535	-	-	860,431	752,803	107,628	14.30% increase due to FTA grant increases
State Grants & Reimb Revenue	12,274	3,563	53,193	-	-	69,030	67,876	1,154	1.70% increase due to State 10% matching FTA grant
Local Operating Assistance	6,300,000	-	-	-	-	6,300,000	5,905,200	394,800	6.69%
State Operating Assistance	2,548,220	-	-	-	-	2,548,220	2,410,738	137,482	5.70% increase due to State UROP increase
Planning (JARC)	341,712	-	-	-	-	341,712	336,000	5,712	1.70% increase due to FTA grant increases
Other Operating Revenue	4,077	9,659	-	-	5,848	19,584	12,735	6,849	53.78% Interest, Tower and Antenna
Total Operating Revenue	17,453,192	5,197,593	1,035,118	1,758,051	4,442,946	29,886,901	27,543,940	2,342,961	8.51%
<b><u>OPERATING EXPENSES</u></b>									
Operations	10,900,714	1,138,180	2,709,570	933,750	181,312	15,863,526	15,387,727	475,798	3.09% 3% wage increase, new positions, cleaning services
Maintenance	4,235,171	544,366	299,122	1,128,519	116,745	6,323,923	6,126,782	197,141	3.22% Cleaning services, new positions
General Administration	3,151,605	1,112,356	581,685	488,848	2,364,958	7,699,452	6,029,430	1,670,022	27.70% CEO Adjustment, new positions, 3%, cleaning services
Total Operating Expenses	18,287,490	2,794,902	3,590,377	2,551,117	2,663,016	29,886,901	27,543,940	2,342,961	8.51%
Net Operating Revenue	(834,298)	2,402,691	(2,555,258)	(793,066)	1,779,930	(0)	0	(0.2)	

**TO:** CARTA Board of Directors

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

**SUBJECT:** Approval of Fiscal Year (FY) 2025 Capital Budget

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**RECOMMENDED ACTION**

Staff recommends that the Board approve the capital budget for fiscal year 2025.

**ALIGNMENT WITH STRATEGIC GOALS**

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

**SUMMARY OF NEED**

Approval of this item will allow CARTA to formally establish a capital budget for FY 2025.

**BACKGROUND AND HISTORY**

A capital budget has been developed, identifying funded capital projects for FY 2025 of \$4,393,913 and unfunded capital projects in the amount of \$35,730,000. On March 8, 2024, CARTA submitted a request for \$1,500,000 in local capital match funds from the city of Chattanooga to align with the city of Chattanooga's capital budget submission process. This amount includes funds of \$658,850 in already awarded grant projects, with the remaining \$841,150 to be utilized as capital match for competitive grant opportunities that are currently available. For fiscal years 2026-2029, CARTA has budgeted \$17,526,390 in capital projects that are projected to be funded.

**FISCAL IMPACT**

CARTA has budgeted \$4,393,913 in funded capital projects for FY 2025 and has developed competitive grant applications for the replacement of electric shuttle buses and smaller vehicles for Care-A-Van and CARTA Go.



# BOARD MEETING

June 20, 2024

1



## Mission Statement:

To provide a cost effective, efficient, and safe multimodal transit system for the citizens, visitors and businesses of the City of Chattanooga, Hamilton County, and the surrounding areas.



2



## VISION STATEMENT:

CARTA's vision is to drive economic development in support of a vibrant and thriving community. We provide access to opportunity in the areas of workforce development, jobs, health, wellness, education, and affordable housing.



3

## FY 2025 Fiscal Forecast & Budget Summary



4



# American Rescue Plan Funds

**\$4,048,415**  
CARTA is able to utilize these funds through 9/2029, however, our estimates show us expending all funds closer to the third quarter of year ending 6/30/2026.



5

## CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY JULY 1, 2024 TO JUNE 30, 2033 Version VIII 10 YEAR PROJECTION

	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget
<b>OPERATING REVENUE</b>										
Passenger Revenue	4,374,129	5,840,916	5,957,734	6,076,889	6,198,426	6,322,395	6,448,843	6,577,820	6,709,376	6,843,564
Special Route Guarantee	557,566	571,687	583,121	594,784	606,679	618,813	631,189	643,813	656,689	669,823
Advertising Revenue	186,000	153,410	153,410	153,410	153,410	153,410	153,410	153,410	153,410	153,410
Concession Revenue	280,000	312,436	328,057	344,460	361,683	379,767	398,756	418,693	439,628	461,610
Parking Garage Revenue	1,461,400	1,650,200	1,666,702	1,683,369	1,700,203	1,717,205	1,734,377	1,751,721	1,769,238	1,786,930
Parking Lots Revenue	929,404	1,219,598	1,240,576	1,261,913	1,283,618	1,305,697	1,328,155	1,350,999	1,374,236	1,397,873
Parking Meters Revenue	1,674,631	2,064,000	2,099,583	2,135,779	2,172,599	2,210,054	2,248,155	2,286,913	2,326,339	2,366,444
Parking Enforcement Rev	1,121,369	1,340,000	1,407,000	1,477,350	1,551,218	1,628,778	1,710,217	1,795,728	1,885,515	1,979,790
Rent Revenue	99,589	103,137	103,137	103,137	103,137	103,137	103,137	103,137	103,137	103,137
PM & Unit Overhaul - Sta	463,170	472,179	481,623	491,255	501,081	511,102	521,324	531,751	542,386	553,233
PM & Unit Overhaul - Fe	3,859,746	3,934,828	4,013,525	4,093,795	4,175,671	4,259,185	4,344,368	4,431,256	4,519,881	4,610,278
American Rescue Plan	3,051,585	2,085,532	1,962,883	-	-	-	-	-	-	-
FTA Grants & Reimb Rev	752,803	860,431	869,035	877,725	886,503	895,368	904,321	913,364	922,498	931,723
State Grants & Reimb Rev	67,876	69,030	69,720	70,418	71,122	71,833	72,551	73,277	74,010	74,750
Local Operating Assistance	5,905,200	6,300,000	6,300,000	6,300,000	6,300,000	6,300,000	6,300,000	6,300,000	6,300,000	6,300,000
State Operating Assistance	2,410,738	2,548,220	2,599,184	2,651,168	2,704,191	2,758,275	2,813,441	2,869,710	2,927,104	2,985,646
Planning	336,000	341,712	341,712	341,712	341,712	341,712	341,712	341,712	341,712	341,712
Other Operating Revenue	12,735	19,584	21,542	23,697	26,066	28,673	31,540	34,694	38,164	41,980
<b>Total Operating Revenue</b>	<b>27,543,940</b>	<b>29,886,901</b>	<b>30,198,545</b>	<b>28,680,862</b>	<b>29,137,320</b>	<b>29,605,404</b>	<b>30,085,497</b>	<b>30,577,997</b>	<b>31,083,322</b>	<b>31,601,904</b>
<b>OPERATING EXPENSES</b>										
Operations	15,387,727	15,863,526	16,339,431	16,829,614	17,334,503	17,854,538	18,390,174	18,941,879	19,510,136	20,095,440
Maintenance	6,126,782	6,323,923	6,387,162	6,451,034	6,515,544	6,580,699	6,646,506	6,712,971	6,780,101	6,847,902
General Administration	6,029,430	7,699,452	8,084,425	8,488,646	8,913,079	9,358,733	9,826,669	10,318,003	10,833,903	11,375,598
<b>Total Operating Expenses</b>	<b>27,543,940</b>	<b>29,886,901</b>	<b>30,811,018</b>	<b>31,769,294</b>	<b>32,763,125</b>	<b>33,793,970</b>	<b>34,863,350</b>	<b>35,972,853</b>	<b>37,124,140</b>	<b>38,318,940</b>
<b>Net Operating Revenue</b>	<b>0</b>	<b>(0)</b>	<b>(612,473)</b>	<b>(3,088,433)</b>	<b>(3,625,805)</b>	<b>(4,188,566)</b>	<b>(4,777,853)</b>	<b>(5,394,856)</b>	<b>(6,040,818)</b>	<b>(6,717,036)</b>

American Rescue Plan has a total of \$4,048,415 operating with eligibility through 9/2029 which will be expended by our third quarter of year ending 6/30/2026

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## Income Statement Comparison to Budget

DESCRIPTION	BUDGET	BUDGET	CHANGE	CHANGE
REVENUE	2024	2025	\$	%
Passenger Revenue	\$4,931,695	\$6,412,605	\$1,480,910	30.03%
Advertising Revenue	186,000	153,410	(32,590)	(17.52%)
Concessions Revenue	280,000	312,436	32,436	11.58%
Parking Revenue	5,186,804	6,273,798	1,086,994	20.96%
Rent Revenue	99,589	103,137	3,548	3.56%
Federal Revenue	4,948,549	5,136,971	188,422	3.81%
ARPA	3,051,585	2,085,532	(966,053)	(31.66%)
State Revenue	2,941,784	3,089,429	147,645	5.02%
Local Operating Revenue	5,905,200	6,300,000	394,800	6.69%
Other Operating Revenue	12,735	19,584	6,849	53.78%
Total Revenue	27,543,941	29,883,300	2,339,360	8.51%

8

## Income Statement Comparison to Budget

EXPENSES:	BUDGET	BUDGET	CHANGE	CHANGE
	2024	2025	\$	%
Operations	15,387,727	15,863,526	475,798	3.09%
Maintenance	6,126,782	6,323,923	197,141	3.22%
General Administration	6,029,430	7,699,452	1,670,022	27.70%
<b>Total Operating Expenses</b>	<b>27,543,940</b>	<b>29,886,901</b>	<b>2,342,961</b>	<b>8.51%</b>

9

## Improvement Summary Operating Budget

- **Service Quality Improvements**
  - Increase vehicle cleaning services
  - CARTA GO Minor Expansion (\$253,997)
  - Add 2 FTE Road Supervisors
- **Safety / Security Enhancements**
  - Add attendant and custodial services to Shuttle Park North (\$40k)
  - Add FTE Facility Manager
  - Add FTE Claims/Safety Manager
- **Management Efficiencies**
  - Add FTE Technology / Innovation Manager
- **Workforce Development**
  - Increase training programs
- **Governmental affairs expense of \$75,000**

10

## Capital Budget FY 2025

FY 25 Funded = \$4,393,913

FY 25 Unfunded = \$35,730,000

FY 26-29 Funded = \$17,526,390

Local capital budget request of \$1,500,000 includes local match of \$658,850 in already awarded federal and state grants and \$841,150 for competitive grant applications that are available for application now

11

## Improvement Summary Capital Budget

### •Service Quality Improvements

- Fare Technology Replacement
- Replacement of 21 Cutaway and Other Smaller Vehicles for Paratransit/CARTA GO service
- Replacement of 14 Electric Shuttle Vehicles
- Planning Services Task Orders
- Planning/Preliminary Engineering for Innovation and Mobility Center
- Elevator Update at Shuttle Park South
- Expansion of In-Ground Inductive Assemblies at 3 locations
- Painting Bus Barn and Paint/Repair Breezeway

### •Safety/Security Enhancement

- Replacement security cameras
- Purchase generators for facilities

12





**Charles D. Frazier, Chief Executive  
Officer**

**Sonja Green Sparks  
Chief Financial Officer**



**TO:** CARTA Board of Directors

**FROM:** Jeff Smith  
Chief Operating Officer

**SUBJECT:** Performance Evaluation Resolution

---

#### **RECOMMENDED ACTION**

The staff recommends that the Board approve a resolution to implement a formal evaluation procedure for the Chief Executive Officer, Chief Financial Officer, and non-represented employees.

#### **ALIGNMENT WITH STRATEGIC GOALS**

This action aligns with CARTA's strategic goals of establishing a structured process for evaluating the performance of CARTA's leadership and non-represented employees.

#### **SUMMARY OF NEED**

Approval of this item will enable CARTA to align individual performance with the organization's strategic objectives, enhance overall efficiency, and support informed decision-making regarding promotions, compensation, and training needs.

#### **BACKGROUND AND HISTORY**

On an annual basis the Human Resources Subcommittee, led by the Chairperson, shall perform a review of the Chief Executive Officer.

- The review will be based on goals set by the Board which may change periodically.
- The results of the evaluation will be brought to the Board for approval.
- The Board will also conduct quarterly reviews with the Chief Executive Officer and Chief Financial Officer in addition to the annual performance evaluations.

The Chief Executive Officer will evaluate the performance of the Chief Financial Officer, which will be brought to the Human Resources Subcommittee for review and to the Board for approval.

The Chief Executive Officer will oversee the annual performance evaluations of non-represented employees based on set performance goals reasonably determined by the CEO from time to time.

#### **PROCUREMENT OVERVIEW**

N/A

#### **FISCAL IMPACT**

N/A

#### **DBE PARTICIPATION**

N/A

# Performance Evaluation Summary

June 20<sup>th</sup>, 2024

*Empowering Journeys, Empowering Careers*

1

## Planning the Employee Evaluation

- At the beginning of the evaluation period, expectations and goals for accomplishments and demonstration of core competencies as related to the employee's role at CARTA are discussed.
- The employee will be informed that evaluations are conducted annually, with an additional mid-year check-in.
- Start tracking key performance indicators and collect feedback from colleagues or other stakeholders who work with the employee, then compare this feedback with your KPIs and observations.
- If an employee undergoing evaluation has not received prior guidance or training in the areas being assessed, CARTA will provide the necessary training to meet the job criteria used in the evaluations.

2

## Conducting the Employee Evaluation

- Step 1. The employee will complete a self-assessment.
- Step 2. To minimize potential bias, a multi-rater system is used, where:
- The manager and each member of the Executive Leadership Team independently evaluate the employee.
  - The completed evaluations are then compared, and a consensus evaluation score is determined.
- Step 3. The manager and the employee will meet to compare the consensus evaluation score with the employee's self-assessment score, discussing any questions, comments or concerns.

3



### Management Performance Evaluation

Employee Name:  
Job Title:  
Department:  
Supervisor/Manager:

Superior 5  
Strong 4  
Satisfactory 3  
Substandard 2  
Unsatisfactory 1

Full CARTA Standard ----->

#### Rating Period:

**PERFORMANCE MEASURES:** (This rating should take into account an employee's overall performance for the entire rating period, including but not limited to the employee's success in achieving any specific goals listed on the previous goals form, as well as any significant performance measures which were tracked.)

#### CORE COMPETENCIES:

##### 1. DIVERSITY, EQUITY & INCLUSION:

Does the employee incorporate the strategic imperatives into their work?  
Does the employee treat co-workers with dignity and respect?  
Is employee willing to accept feedback, learn and listen to concerns of others?

##### 2. DECISION MAKING/PROBLEM SOLVING:

Consider the employee's ability to recognize and identify problem areas, and arrive at appropriate/effective solutions.  
Does employee use good techniques to investigate and document executing a plan for resolution?  
Does employee see the whole picture?  
Are priorities in order? Is the employee decisive?

##### 3. INITIATIVE: Consider enthusiasm shown for job.

Does employee set stretch goals that are consistent with organizational goals?  
Does employee volunteer for assignments that may be outside of the functional scope of the job?  
Does employee ask questions and make recommendations?  
Does employee accept responsibility?

Score (Whole numbers only)	Weight (5 - 25% range)	Weighted Score
	10%	0.000
	10%	0.000
	10%	0.000

4



<b>4. COMMUNICATION:</b> Consider the ability and willingness to share needed information. Demonstrate the ability to communicate in a clear and concise both verbally and in writing if applicable. Consider persuasiveness of communication.		5%	0.000
<b>5. LEADERSHIP (Supervisory Employees)/Teamwork</b> Consider how well employee works with co-workers, and if the public. Does employee accept constructive criticism? Does employee demonstrate professional leadership skills including consistent performance management? Is behavior consistent w/EEO/AAP law and policy? Does employee regularly participate in brainstorming and supports peers in achieving project deadlines?		15%	0.000
<b>GOALS (specific, measurable, achievable, relevant, time-bound):</b> <b>1. QUALITY OF WORK &amp; QUANTITY OF WORK (productivity):</b> Are assignments completed as scheduled? Is proper attention given to details? Is employee conscientious? Is employee organized and effective? Are instructions followed? Does employee treat customers, and coworkers in a manner, which integrity, honesty and fairness? Does the employee waste time on non-productive activities?		15%	0.00
<b>2. DEPENDABILITY:</b> Is employee at work and on time during ordinary business hours? Can employee be depended on during adverse conditions? Does employee fulfill obligations? Is employee conscientious in use of sick leave?		10%	0.00
<b>3. PLANNING:</b> Does employee plan ahead or merely react to the circumstances? Does employee seek the input of others in the planning process? Does employee plan for contingencies, or is employee frequently unprepared for changes?		5%	0.00

5

<b>4. TECHNICAL PROFICIENCY:</b> Consider how well employee knows his/her job, as well as related Does employee know what to do in unusual circumstances? Do others consult employee for advice? Does employee work with appropriate amount of supervision?		10%	0.00
<b>5. ADHERENCE TO POLICIES</b> Understands and actively supports organizational/department Takes responsibility for department performance. Demonstrates an ability to influence others to perform job functions accordance with organizational/department safety policies. Provides resources to maintain organizational/department safety		10%	0.00
<b>Total Weighted Score</b>		<b>100.000%</b>	<b>0.000</b>

Must Equal 100%

Goals &amp; Objectives Form Completed (Circle One)

Yes / No

(If No, Why not?)

**Job Description Review**

The employee and I have reviewed the employee's job description.

**Note:** If changes are necessary, please attach revisions to this document.

Circle one

It does need revision

It does not need revision

**Exempt Test Review** (For Exempt Employees Only)

Circle one

It does need to be changed / does not need to be changed

**Comments (By Supervisor)**

6

## Ratings Example

### Initiative:

- **Superior** - Is action oriented and full of energy for challenging opportunities in areas of importance. Proactively leads others, regardless of formal role or title. Demonstrates courage in acting with a minimum of planning, leading others beyond their comfort zones to open up solutions and unimagined possibilities. Seizes more opportunities than others. Consistently aligns own and others' goals and activities with team/department/organization goals and makes significant contributions to goals at all levels. Is a role model for frequently asking for feedback on performance and continually learning new skills and knowledge.
- **Strong** - Frequently identifies and acts on challenging goals and development opportunities. Is able to make effective decisions without complete information. Consistently aligns own goals and activities with team/department/organization goals. Frequently seeks new assignments or leadership opportunities to enhance skills and knowledge.
- **Satisfactory** - Regularly identifies and acts on opportunities for improvement. Demonstrates leadership in achieving challenging goals within own and others' areas of responsibility. Is able to align own activities with team/department/organization goals. Volunteers for additional assignments. Consistently learns new skills and expands knowledge.
- **Substandard** - Does not see, or is not confident in acting on, opportunities for improvement. Needs significant guidance in setting challenging goals. Does not meet all deadlines. Rarely volunteers for additional projects or responsibilities. Is unable to align own activities and goals with team/department/organization goals.
- **Unsatisfactory** Unskilled - is slow to act on opportunities. Tends to be overly methodical, a perfectionist, or risk averse. Procrastinates on tasks. Does not independently set challenging goals. Lacks the confidence to act independently and proactively. Resists learning new skills or knowledge and does not volunteer for projects.  
Overused - suggests solutions before conducting adequate analysis. Is unlikely to be strategic with actions. Attends to non-challenging tasks instead of important ones.



*Human Resources*

*Empowering Journeys, Empowering Careers*



**RESOLUTION NO. 604**

**A RESOLUTION ADOPTING A REQUIREMENT FOR ANNUAL PERFORMANCE  
EVALUATIONS FOR THE CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER,  
AND NON-REPRESENTED EMPLOYEES**

WHEREAS, the Chattanooga Area Regional Transportation Authority (“**CARTA**”) desires to adopt a formalized performance evaluation procedure for the Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”), and non-represented employees.

WHEREAS, pursuant to Article VI, Section 1(a) of CARTA’s Bylaws and Section 23-4(1) of CARTA’s establishment ordinance (the “**Ordinance**”), the CEO and CFO and serve at the pleasure of the Board.

WHEREAS, pursuant to Article VI, Section 2 of their Bylaws and Section 23-5 of the Ordinance, the CEO employs other non-represented employees, who serve at the pleasure of the CEO.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board shall perform an annual review of the CEO and CFO based on set performance goals reasonably determined by the Board from time to time.
2. The board will also conduct quarterly reviews with the CEO and CFO in addition to the annual performance evaluations.
3. The CEO shall perform annual performance evaluations of non-represented employees based on set performance goals reasonably determined by the CEO from time to time.

ADOPTED:

June 20, 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:** Sonja Sparks  
Chief Financial Officer

**SUBJECT:** NEORide Membership Resolution

---

### **RECOMMENDED ACTION**

Staff recommends that the Board approve Resolution 605 authorizing the Chief Executive Officer to execute the membership agreement and bylaws to become a member of NEORide, an Ohio Council of Governments.

### **ALIGNMENT WITH STRATEGIC GOALS**

This action aligns with CARTA's strategic imperatives of Safety, Security, Customer Service, Community Engagement, Service Quality, Fiscal Accountability, and Compliance by gaining access to a network of transit agencies and experts, facilitating knowledge sharing, best practices and collaborative problem-solving through membership.

### **SUMMARY OF NEED**

Approval of this item will allow CARTA to join the multi-state consortium which will provide CARTA with cost savings through group purchasing and streamline procurement of transit-specific resources while giving CARTA a voting seat on the NEORide board.

### **BACKGROUND AND HISTORY**

CARTA has not participated in a membership with NEORide but feel doing so will provide us with the following:

- **Grant Opportunities:** Membership in NEORide opens up access to joint grant and funding initiatives, enabling CARTA to pursue additional financial resources for transit projects without bearing the full cost alone.
- **Enhanced Technology Integration:** By joining NEORide, CARTA can benefit from advanced fare collection technologies like smartcards, account-based ticketing (ABT), fare capping, EMV (Europay, MasterCard, and Visa), and ticket vending machines (TVMs), leading to a seamless and efficient rider experience.
- **Efficient Use of Taxpayer Dollars:** By joining NEORide, CARTA can ensure that taxpayer dollars are used more wisely and efficiently through shared services and collaborative projects, maximizing value for the community.
- **Innovative Mobility Solutions:** The implementation of an Integrated Mobility Platform can enhance CARTA's service offerings by integrating microtransit solutions, improving accessibility and flexibility for riders.
- **Improved Coordination and Efficiency:** Joining NEORide promotes coordinated action and resource sharing among member agencies, fostering improved operational efficiency and better service delivery.

- **Future-Proofing and Strategic Planning:** NEORide’s long-term objectives, such as developing a Multi-State Regional Mobile MaaS (Mobility as a Service) System and exploring feasibility studies for Medicaid Transportation Dispatching, position CARTA to stay ahead of emerging trends and challenges in public transit.
- **Cost Savings through Group Purchasing:** NEORide’s coordinated procurement efforts allow members to leverage group purchasing power, resulting in significant cost savings on essential technologies and services.
- **Grant Opportunities:** Membership in NEORide opens up access to joint grant and funding initiatives, enabling CARTA to pursue additional financial resources for transit projects without bearing the full cost alone.

#### **PROCUREMENT OVERVIEW**

N/A

#### **FISCAL IMPACT**

Membership fees are based on annual ridership numbers. The fees are prorated based on the time of year of joining, fees for calendar year 2024 are \$4,000 and annually \$8,000 to be paid from operating.

#### **DBE PARTICIPATION**

N/A

**RESOLUTION NO. 605**

**RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE MEMBERSHIP AGREEMENT AND BYLAWS TO BECOME A MEMBER OF NEORIDE AN OHIO COUNCIL OF GOVERNMENTS.**

WHEREAS, the Board of Directors of the Chattanooga Area Regional Transportation Authority (CARTA) hereby finds and determines that all formal actions relative to the adoption of this resolution were taken in an open meeting of the Board of CARTA Directors, and that all deliberations of the Board of CARTA Directors, and of its committees, if any, which resulted in formal actions, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Ohio Revised Code, and

WHEREAS, Section 167 of the Ohio Revised Code provides that a political subdivision may, pursuant to the extent that it considers necessary, join with other political subdivisions in establishing and maintaining a Council of Governments for the purpose of including, but not limited to promoting cooperative arrangements and coordinate actions among its members, and

WHEREAS, a need has been identified to plan and promote future and enhanced transportation options within and between the jurisdictions of the members by encouraging cooperative arrangements and coordinating action among the members, and between the members and other governmental agencies, private persons, corporations, or agencies, and

WHEREAS, CARTA Board of Directors has determined that it is in the best interest of CARTA to become a member of a NEORide an Ohio Council of Governments to explore coordination options and join with other political subdivisions to benefit all involved.

NOW THEREFORE, BE IT RESOLVED, by the CARTA Board of Directors, in and for Hamilton County, Tennessee that:

- Section 1.     The CARTA Board of Directors authorizes the Chief Executive Officer, or their designee, to execute a membership agreement and bylaws of NEORide a Council of Governments to explore coordination options and join with other political subdivisions to benefit all involved.
- Section 2.     The Chief Executive Officer is appointed as the primary voting Director and the Chief of Staff is appointed as the alternate voting Director to represent CARTA on the NEORide Counsel of Government Board.
- Section 3.     This resolution is effective immediately upon its adoption.

ADOPTED:

June 20, 2024  
Date

\_\_\_\_\_  
Johan de Nysschen, Chairman

ATTEST:

\_\_\_\_\_  
Arcie Reeves, Secretary

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
Miller & Martin PLLC  
CARTA Legal Counsel

**BYLAWS  
OF  
NEORIDE REGIONAL COUNCIL OF GOVERNMENTS**

**Adopted November 19, 2014**

**Revised August 22, 2019**

**Revised November 12, 2020**

**Revised September 15, 2021**



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**BYLAWS  
OF  
NEORIDE REGIONAL COUNCIL OF GOVERNMENTS**

**ARTICLE I GENERAL**

**SECTION 1. AUTHORITY:** The NEORide Regional Council of Governments (“NEORide”) was originally established by the legislative action of the Portage Area Regional Transportation Authority (“PARTA”), Metro Regional Transit Authority (“METRO”) and Stark Area Regional Transit Authority (“SARTA,” and together with PARTA and METRO, collectively, the “Cooperative Parties”) as a regional council of governments pursuant to the authority of Chapter 167 of the Ohio Revised Code.

**SECTION 2. ORGANIZATION:** PARTA, METRO and SARTA entered into the Agreement Establishing the NEORide Regional Council of Governments dated as of November 19, 2014 (the “Establishing Agreement”).

**SECTION 3. PURPOSE:** In accordance with the Establishing Agreement, the purpose of NEORide is to plan, promote, further and enhance transportation options within the jurisdictions of the Members and in the State of Ohio by encouraging cooperative arrangements and coordinating action among the Members, and between the Members and other governmental agencies, private persons, corporations, or agencies.

**SECTION 4. POWERS:** NEORide shall have such powers as are now, or hereafter may be, granted to regional council of governments by Chapter 167 of the Ohio Revised Code, as amended from time to time, and the Establishing Agreement. Except as indicated at Article II, Section 3, these powers shall be exercised exclusively by a majority vote of the Executive Committee, and will include but not be limited to, without additional action or approval by the legislative authorities of the Members:

- (a) Acquire by purchase, lease, gift, or otherwise, on such terms and in such manner as it considers proper, real and personal property, including any intellectual property rights, or any estate, interest, or right therein.
- (b) Fix, alter, impose, collect and receive service and user fees, rentals, and other charges from Members.
- (c) Employ such employees and independent contractors as may be appropriate in the exercise of the rights, powers and duties conferred upon it, prescribe the duties and compensation for such persons, require bonds to be given by any such persons and by officers of the authority for the faithful performance of their duties, and fix the amount and surety therefor; and pay the same.
- (d) Make and enter into all contracts and agreements and execute all instruments relating to the authorized purposes of NEORide.

(e) Apply for and accept grants, loans or commitments of guarantee or insurance, from the United States, the state, or other public body or other sources, and provide any consideration which may be required in order to obtain such grants, loans or contracts of guarantee or insurance.

**SECTION 5. APPOINTMENT OF FISCAL OFFICER:** In accordance with Section 167.04 of the Ohio Revised Code, the Ohio Transit Risk Pool is hereby appointed as the Fiscal Officer of NEORide. The Fiscal Officer shall receive, deposit, invest, and disburse the funds of NEORide in the manner authorized by action of the Executive Committee. The Fiscal Officer shall make an annual report of the activities of NEORide to the Members in compliance with Section 167.06(C) of the Ohio Revised Code. The Fiscal Officer shall develop and follow procedures for the receipt, expenditure and accounting of funds in a manner that is capable of being audited and in accordance with the public accounting practices required for data information sites by the law of Ohio and the regulations of the Auditor of State. The Fiscal Officer shall prepare an annual budget for consideration and adoption by the Executive Committee. The Fiscal Officer shall prepare and file an annual report on behalf of NEORide in the manner set forth in Section 117.38 of the Ohio Revised Code and shall participate in all audits of NEORide as required by Section 117.11 of the Ohio Revised Code.

**SECTION 6. LEGAL ADDRESS:** The legal address for the NEORide and the Executive Committee shall be: NEORide, 1 Park Center Drive #300, Wadsworth, OH 44281. All notices permitted or required by law, these by-laws or establishing agreement shall be written and delivered, by first class mail postage prepaid, to the Legal Address; provided, however, notices of the withdrawal of a Member, a hearing on the removal of a Member, or a hearing on any request to amend these by-laws, shall be sent by certified mail.

**SECTION 7. ADDITIONAL MEMBERS.** Any political subdivision in the State of Ohio, or any other state to the extent that laws of such other state permit membership, may apply for membership in NEORide in accordance with the Establishing Agreement and mutually agreed upon initial fiscal contribution under Section 7.2 of said agreement.

## **ARTICLE II MEMBERSHIP IN NEORIDE**

**SECTION 1. MEMBERS:** Members of NEORide shall include the Cooperative Parties and any other political subdivision admitted as a Member pursuant to the terms of the Establishing Agreement.

**SECTION 2. ADDITIONAL MEMBERS:** Any political subdivision eligible may apply for membership in NEORide in accordance with the Establishing Agreement and mutually agreed upon initial fiscal contribution under Section 7.2 of said agreement. The Executive Committee of NEORide shall meet and shall take action to admit or decline to admit the applicant as a Member of NEORide.

**SECTION 3. ACTION BY MEMBERS:** Any action to be taken by NEORide that requires the authorization, approval or ratification of the Members shall be taken only with the affirmative vote of a majority of the Members. Each Member shall as to such matter have one vote, which vote shall be exercised by such Member's Representative. The Members will have the exclusive authority to approve the following:

- (a) Annual goals.
- (b) Annual Administrative Budget.
- (c) Changes to Bylaws.
- (d) Election of Officers.

The Executive Committee may make recommendations to the NEORide Member Representatives as to additional matters to be considered for their approval.

The Representative designated by each Member, and all designated Alternates, shall be invited to an Annual Meeting, to be held in a location to be chosen by the President in the first instance, and then by the Executive Committee thereafter. The Executive Committee will endeavor to have the Annual Meeting in a central location each Fall. At the Annual Meeting, the Representatives will decide on the matters listed in Section 3, above, and solicit volunteers to serve on the Executive Committee.

**SECTION 5. REMOVAL OF MEMBERS** If a member fails to pay its financial commitments to NEORide when due, then such Member may be removed by a majority vote of the members of the Executive Committee.

### **ARTICLE III EXECUTIVE COMMITTEE**

**SECTION 1. EXECUTIVE COMMITTEE:** There shall exist an Executive Committee whose purpose it shall be to consider matters relating to the membership and operation of NEORide. The powers of NEORide shall be exercised by and under the direction of the Executive Committee.

**SECTION 2. MEMBERS OF THE EXECUTIVE COMMITTEE:** The executive committee shall consist of those representatives at the annual meeting who have volunteered to serve. An alternate may serve instead of a representative with the approval of the member. The individuals designated at the annual meeting shall serve until the close of the next annual meeting unless removed pursuant to the next section.

**SECTION 3. RESIGNATION AND REMOVAL:** Any individual on the Executive Committee may resign at any time by giving written notice thereof to the secretary of the Executive Committee. Any individual on the Executive Committee may be removed at any time, for any reason, by a two-thirds vote of the Executive Committee, and automatically if the individual is absent from two regularly scheduled meetings of the Executive Committee

**SECTION 4. VACANCIES:** As soon as an individual serving on the Executive Committee is no longer employed by a Member, his/her seat on the Executive Committee shall be considered vacant. Any such vacancy occurring in the Executive Committee may be filled from time to time by the Member whose Representative has created such vacancy.

**SECTION 5. LIMITATION CLAUSE:** The Executive Committee shall have no authority to do or perform any act and thing which is reserved to the Members in the Establishing Agreement or under Ohio law.

### **ARTICLE IV MEETINGS OF THE EXECUTIVE COMMITTEE**

**SECTION 1. REGULAR MEETINGS:** Regular meetings of the Executive Committee shall be held not less than five times each year at a time, place, and manner designated by the Chairman of the Executive Committee.

**SECTION 2. SPECIAL MEETINGS:** Special meetings of the Executive Committee may be called by the Chairman of the Executive Committee or by a majority of the Executive Committee in a writing delivered to the secretary of the Executive Committee. The person or persons calling the meeting shall specify the place, time and purpose for such meeting.

**SECTION 3. LOCATION OF MEETING:** Meetings of the executive committee shall be held at any place located within the territory of the members. If allowed under Ohio law, the executive committee may meet virtually via teleconference or video conference or any other similar electronic technology.

**SECTION 4. NOTICE OF MEETING:** Meetings of the Executive Committee shall be public meetings under the law of the State of Ohio. In addition to the requirements for public meetings under Ohio law, written notice of the time and place of each regular and special

meeting of the Executive Committee shall be given to each Representative and Alternate by personal delivery, facsimile or e-mail transmission or by regular mail at least five days before the meeting, which notice, in the case of a regular meeting, need not specify the purpose of the meeting. If the notice is mailed, it shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid. The attendance at a Executive Committee meeting shall constitute a waiver of notice of such meeting, except where the member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

**SECTION 5. QUORUM:** A majority of the individuals serving on the executive committee, not counting those who have been removed, is necessary to constitute a quorum for a meeting of the executive committee. Once a quorum is present, the executive committee can act only by majority vote of those present.

**SECTION 6. VOTING:** Each individual serving on the Executive Committee shall be entitled to one vote on any matter coming before the Executive Committee for vote or action.

**SECTION 7. COMPENSATION AND EXPENSES:** Individuals who serve on the Executive Committee shall not receive any compensation for their service. At the discretion of the Executive Committee, the individuals may be entitled to expenses.

**SECTION 8. PUBLIC MEETINGS:** The Executive Committee of NEORide hereby adopts the public meetings policy set forth in Exhibit A attached hereto as required by Section 121.22 of the Ohio Revised Code.

## **ARTICLE V COMMITTEES OF NEORIDE**

**SECTION 1. COMMITTEES:** The Chairman may recommend to the Executive Committee such committees which shall have and may exercise such powers as shall be conferred or authorized from time to time by the Executive Committee. The Executive Committee shall have power at any time to change the powers and members of any such committees, to fill vacancies, and to dispose of any such committee. Once committees have been affirmed by the Executive Committee, the NEORide Chair shall appoint a committee chair.

**SECTION 2. ACTION BY COMMITTEES:** A majority of the members of any committee may determine its actions and fix the time and place of its meetings unless the Executive Committee shall otherwise provide. The Chair of the Committee will determine the time and place of any meetings. Committees may include officials or employees of the Members who are not Representatives or Alternates. Committees will provide reports of activity, in person or in any other format, at each Executive Committee meeting unless excused by the Chairman. Committees are required to follow Ohio law for public meetings. Notices, minutes, and reports will also be posted in locations directed by the Executive Committee.

## **ARTICLE VI OFFICERS OF EXECUTIVE COMMITTEE**

**SECTION 1. OFFICERS:** The officers of the Executive Committee shall consist of a Chairman, a Vice Chairman and a Secretary-Treasurer and such other officers and assistant officers as the Representatives of the Members may deem necessary, each of whom may be designated by such other titles as may be provided in an action of the Representatives. The officers of the Executive Committee shall each be elected from among the Representatives of the Members.

**SECTION 2. ELECTION AND TERM OF OFFICE:** The officers of the Executive Committee shall be elected annually by the Representatives of the Members at the Annual Meeting. Each officer shall hold office for a term of one year, or until his successor shall have been duly elected and accepted office, or until his death, resignation or removal in the manner hereinafter provided.

**SECTION 3. REMOVAL:** As soon as an officer is no longer employed by a Member, his/her office shall be considered vacant. Any officer may also be removed at any time by the Executive Committee by a vote of a majority of the members of the Executive Committee.



**SECTION 4. VACANCIES:** A vacancy in office because of death, resignation, removal, disqualification or otherwise may be filled by the Executive Committee.

**SECTION 5. CHAIRMAN:** The Chairman of the Executive Committee shall preside at all meetings of the Executive Committee. The Chairman shall have general overall supervision of all of the business and affairs of the Executive Committee.

**SECTION 6. VICE CHAIRMAN:** In the absence of the Chairman or the inability or refusal of the Chairman to act, the Vice Chairman shall perform the duties of the Chairman, and otherwise the Vice Chairman shall perform duties as may be prescribed by the Executive Committee from time to time.

**SECTION 7. SECRETARY-TREASURER:** The Secretary-Treasurer shall, subject to the direction of the Executive Committee, keep or cause to be kept the minutes of the meetings of the Executive Committee; assure that minutes of all meetings of committees of the Executive Committee are prepared and filed with the records of the Executive Committee; assure that minutes of all notices are given in accordance with the provisions of these Bylaws or as required by the Cooperative Agreement; be custodian of the records of the Executive Committee; and in general perform all duties as may be assigned to the Secretary-Treasurer by Executive Committee from time to time.

## **ARTICLE VII ANNUAL BUDGET**

**SECTION 1. ANNUAL BUDGET:** At the Annual Meeting, the Representatives of the Members shall consider and adopt an annual administrative budget as prepared by the Fiscal Officer which maintains operations and expenditures within the budget.

**SECTION 2. BUDGET PROCESS:** The Executive Committee shall provide, or cause to be provided, budget procedures and shall maintain supervision over budget controls.

**SECTION 3. PAYMENTS:** The Executive Committee shall determine the time and the amount of all payments from Members and Former Members.

## **ARTICLE VIII AMENDMENTS**

**SECTION 1. AMENDMENTS:** These Bylaws may be amended or repealed, and new Bylaws adopted by a majority vote of the Representatives of the Members upon the recommendation of the Executive Committee.

## **ARTICLE IX TERMINATION**

**SECTION 1. TERMINATION:** If and when determined by a majority vote of the Representatives of the Members that the purposes of NEORide are not being fulfilled, that the continuation of NEORide is impractical, unnecessary, or contrary to law, NEORide shall be terminated. In the event of termination, all assets of NEORide must first be used to pay all debts and legal obligations of NEORide. All assets remaining after the satisfaction of all legal

obligations shall be distributed to the then current Members on a pro-rata basis as determined by their membership dues or contributions to NEORide. No Member shall be liable for any debt or obligation of NEORide.

## **EXHIBIT A**

### **Section 1: Deliberations**

Ohio Revised Code Section 121.22(A) states that “This section shall be liberally construed to require public officials to take official action and to conduct all deliberations upon official business only in open meetings unless the subject matter is specifically excepted by law.” This provision, which includes all deliberations rather than just final decisions is difficult to fully specify in law but should be considered a major guiding principle concerning public meetings. It clearly requires that deliberations upon official business not occur at private meetings, even if a quorum of the Council or of a particular committee is not present. However, there is also a proper place in government for research, consultation, identification of alternatives, personal reflection, and informal discussion outside of public meetings.

### **Section 2: Definitions**

“**Deliberations**” are defined as the process of choosing among alternatives for official action by the Executive Committee.

“**Executive Session**” means a meeting of the Executive Committee or any committee that is not open to the public.

“**Public meeting**” means any prearranged discussion of official business relating to NEORide which is open to the public and for which the public notice and other requirements of this ordinance and Section 121.22 of the Ohio Revised Code have been met.

### **Section 3. State Law to Control**

All provisions of Ohio Revised Code Section 121.22 and all other provision of general law related to open, public meetings shall apply to the conduct of NEORide. All provisions of this ordinance shall be construed only in ways that are consistent with general law.

### **Section 4: Open Meetings**

(a) Open Meetings Required. All meetings conducted by any public body at which official action is considered or deliberations upon official business takes place shall be open to the public.

(b) Executive Session. Notwithstanding the foregoing, any public body may conduct an Executive Session, provided that all of the requirements of Ohio Revised Code Section 121.22, as amended, are met. An Executive Session may be conducted solely to discuss but not act upon any of the matters set forth in Ohio Revised Code Section 121.22 (G), as amended, and no other matters may be discussed or acted upon.

Prior to conducting an Executive Session, the public body shall, at a public meeting of that body, adopt a motion to go into Executive Session, stating the specific matter(s) to be discussed and stating that no other matters shall be discussed. The motion shall be approved

by a majority of members present, by roll call vote, with a quorum being present. The agenda for the meeting at which an executive session is to be conducted shall state the intent to conduct an executive session and name the matter(s) to be discussed.

## **Section 5: Notice Requirements**

(a) Schedule of Executive Committee and Committee Meetings. The Fiscal Officer shall post on NEORide's website and make available to the public a list of the dates, times, and locations of the meetings of the Executive Committee and any committees thereof.

(b) Publication of Notice and Agenda for Meetings. Not later than the close of business on the second business day prior to each Executive Committee or committee meeting, the Fiscal Officer shall post the meeting notice and agenda for the meeting and supporting information from the packets of information prepared on NEORide's website.

(c) Emergency Meetings. The Executive Committee, its committees, and other public bodies may conduct emergency or special meetings with less notice than that specified in Section 5(b) of this policy. Such meetings shall be publicized in the same way as other meetings of the same public body and the meeting notice and agenda shall also be sent to news media organizations who have requested this information. A meeting may be held with less than twenty-four (24) hours' notice only when (A) there is an emergency that requires immediate official action, (B) the notice and agenda for the meeting state the nature of the emergency, and (C) matters related to the emergency are the only matters discussed at the meeting.

(d) Minutes. Minutes shall be kept at all public meetings and maintained as public records. Minutes of all meetings shall be available to the public and posted on the appropriate page of NEORide website when approved by the Executive Committee. The minutes of all public meetings shall include the following:

the name of the organization conducting the meeting;

that location, date, and time that the meeting started and the time that the meeting adjourned;

a presentation of the events of the meeting that included all matters discussed and all actions taken, including amendments and procedural actions;

a summary of all votes taken, including a description of the question that was considered, the results of the vote, and the vote of each member.

(e) Advance Notice Available to News Media. The Fiscal Officer shall provide to any news organization, upon request, information including the date, time, location, and agenda of any special or emergency meeting of that public body. The Fiscal Officer shall establish a procedure, consistent with Section 121.22 of the Ohio Revised Code, for news media to apply to receive this information on an ongoing basis.