



CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY  
& THE CHATTANOOGA PARKING AUTHORITY

## BOARD MEETING AGENDA

November 21, 2024, 10:00 AM ET

1. **Call to Order**
2. **Quorum Call**
3. **Moment of Silence & Pledge of Allegiance**
4. **Public Comment**
5. **Recognitions**
6. **Adoption of Minutes** [\(page 2\) - A](#)
7. **Special Presentation:** UTC Honors College: Guest Dr. Jordan King
8. **CEO Report:** Charles D. Frazier
9. **Consent Agenda**
  - A. Financial Report: Sonja Sparks [\(page 13\) - I](#)
  - B. Statistical Report: Philip Pugliese [\(page 16\) - I](#)
  - C. Chief of Staff Report: Scott Wilson [\(page 20\) - I](#)
10. **Action Items:**
  - A. Student K-12 Fare Policy: Sonja Sparks [\(page 23\) - A](#)
  - B. Procurement Report: Annie Powell [\(page 24\) - A](#)
  - C. Collective Bargaining Agreement (Extension): Jeff Smith [\(page 26\) - A](#)
11. **New Business**
  - A. Share Your Christmas: Scott Wilson
12. **Old Business**
13. **Adjournment**

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

**October 17, 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, October 17, 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 October 06, 2024. The following Board members were in attendance and constituted a quorum: Evann Freeman, Vice-Chairman; Arcie D. Reeves, Secretary; Stephen Culp, Corey Evatt, Bill Nye, and Daniela Peterson. The following persons were also in attendance: Charles Frazier, Chief Executive Officer; Sonja Sparks, Chief Financial Officer; Jeff Smith, Chief Operating Officer; Scott Wilson, Chief of Staff; Rachael Ruiz, Legal Counsel, Miller & Martin; Dena Franklin, Payroll & A/R Administrator; and various media and guests. Mr. Freeman called the meeting to order and declared a quorum present.

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Mr. Freeman opened the meeting with a moment of silent reflection followed by a request that Mr. Evatt lead the Pledge of Allegiance. Mr. Freeman next opened the meeting for public comments or questions. There were no public comments.

Mr. Freeman called on Mr. Wilson to present the Ambassador Award. Mr. Wilson recognized Terrell Barnes for her kindness and compassion while going above and beyond her duties as a fixed route operator. Ms. Barnes befriended a passenger, provided him food, counsel, and support as he transitioned to a new life phase.

Mr. Freeman then stated that all members had been sent a copy of the September 19, 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 Mr. Culp, followed by a vote to approve the minutes. The motion was unanimously approved.

Mr. Freeman then called on Mr. Frazier to present the CEO report. Mr. Frazier reported that CARTA continues to focus on partnerships that are helping CARTA strengthen its relationship with the Chattanooga community. While CARTA remains focused on fixing its foundation and advancing transit in the city, Mr. Frazier reported seeing significant progress in engagement, collaboration, and some small, but impactful service improvements.

Mr. Frazier next reported having been invited to participate in the Hamilton County Schools (HCS) Leadership Program, a year-long engagement consisting of eleven (11) monthly

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meetings connecting community leaders with HCS. The program will assist with forging a bond between CARTA and the school district providing potential for future partnerships that could help area public schools excel. Mr. Frazier further reported that he and Mr. Wilson met with HCS representatives who presented several transportation opportunities for CARTA that are being reviewed and advising that the board will be provided with updates as the review process progresses. This effort directly supports the FY2025 focus areas of Funding & Partnerships and Community Engagement.

Next, Mr. Frazier reported launching two (2) new bus wraps in a 50/50 collaboration with the City of Chattanooga. The first wrap promotes careers in public service and encourages new recruits to consider it as a career. The second wrap celebrates the City's new brand identity that was launched the previous month. This effort directly supports the FY2025 focus areas of Funding & Partnerships and Marketing Communications.

Mr. Frazier provided an update on the Incline Railway upper and lower station infrastructure improvements. He advised some of the work is currently in progress and the Incline remains open. Building an Americans with Disabilities Act of 1990 (ADA) compliant restroom and refurbishing the covered walkway will take place on November 4th and 15th when the Incline is closed. When these improvements are completed, CARTA will have addressed an open TDOT risk mitigation item.

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Mr. Frazier further reported: (i) meeting with Chattanooga Neighborhood Enterprise and local St. Elmo residents to revisit a development concept that had been presented to CARTA several years ago; (ii) updating the recorded informational scripts played on the Incline noting that Mayor Kelly agreed to record a greeting for passengers; (iii) taking UTC Honors Program students on a CARTA transit tour; (iv) meeting with representatives of Dolly Parton’s Imagination Library (DPIL) to discuss a potential pilot project providing mobile libraries on CARTA buses; and (v) finalizing plans for CARTA’s participation in the nonprofit Midtown Connects Fall Family Fest Block Party on October 26. CARTA will provide a wrapped bus for the Touch-A-Truck portion of the event and will offer fare-free trips on Fixed Route service for students and families from 3 p.m. to close.

Lastly, Mr. Frazier provided an update on the Amalgamated Transit Union (ATU) contract negotiations. He advised that while there isn’t an agreement to date, negotiations are headed in the right direction. President Strickland and Mr. Frazier have started meeting regularly outside of the formal process to address day-to-day issues. Mr. Frazier reported that the recurring labor/management collaborative has been productive, and is planned to continue beyond contract negotiations. He further reported that the ATU has presented compelling options which are currently being cost out.

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Mr. Culp requested details on the misconceptions of the UTC honors students that were uncovered during their tour. Mr. Frazier stated that two (2) things came to mind: (i) many of the students were unaware that CARTA owned and operated the Incline Railway; and (ii) there was a misconception of how CARTA is operated, funded, the level of infrastructure challenges faced, and the community impact of provided services.

Ms. Reeves requested information on transit tours. Mr. Frazier advised transit tours and windshield tours are an area of focus for the upcoming year and the board will be made aware of and encouraged to participate in the upcoming tours.

Under “Consent Agenda” Mr. Freeman asked if there were any comments or questions regarding the financial, statistical, or operations reports provided in the board packet sent electronically on October 11, 2024. There being none, a motion was made by Mr. Culp and seconded by Ms. Peterson, followed by a vote to approve the Consent Agenda items as received, read, understood, and accepted. The motion was unanimously approved.

Under “Action Items” Mr. Freeman called on Ms. Sparks to review the financial audit and the new meeting expenditure items. Ms. Sparks stated that as a quasi-governmental entity, CARTA is required to engage in an annual audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United

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States and the Yellow Book Audit. The audit firm is required to be independent of CARTA and to meet other ethical responsibilities, in accordance with the relevant ethical requirements relating to the audit. Ms. Sparks advised that Mauldin Jenkins was contracted by CARTA's RFP process to perform the audit for the fiscal year that ended June 30, 2024.

Ms. Sparks then called on James Bence, certified public accountant at Mauldin & Jenkins. Mr. Bence stated that as external auditors, Mauldin & Jenkins' responsibility was to express opinions on financial statements based on their audit. Mr. Bence advised that an audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Mr. Bence advised that the audit of the financial statements of CARTA for the year ending June 30, 2024. The audit was planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Mr. Bence stated the financial statements prepared by management, presented to and audited by Mauldin & Jenkins were materially correct. Mr. Bence further stated and provided details of the audit results as follows: (i) Mauldin & Jenkins did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for

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which there is a lack of authoritative guidance or consensus. CARTA's policies relative to the timing of recording of transactions are consistent with GAAP and typical government organizations; (ii) they encountered no difficulties in dealing with management relating to the performance of the audit; (iii) they encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on significant matters, the scope of the audit, or significant disclosures to be included in the financial statements; (iv) they requested written representations from management relating to the accuracy of information included in the financial statements and the completeness and accuracy of various information requested by Mauldin & Jenkins during the audit. Management provided those written representations without a problem, and there were no significant issues discussed with management related to business conditions, plans, or strategies that may have affected the risk of material misstatement of the financial statements.

Mr. Bence next advised that during the audit of the CARTA's basic financial statements for the year ending June 30, 2024, there were two (2) adjustments proposed to CARTA's funds. The two (2) adjustments were related to lease rental amortization recognition and to record CARTA's participation in the Local Government Other Post-Employment Benefit Plan. Mr. Bence provided the following recommendations for improvements: (i) use updated schedules for lease receivables and related deferred inflows; (ii) incorporate OPEB-related liabilities, deferrals, and

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expenses into the annual close-out procedures; and (iii) stay abreast of new Governmental Accounts Standards Board (GASB) standards, which will be effective in future years.

Mr. Freeman asked if there were any questions regarding the audit report presented by Mr. Bence. Ms. Reeves requested additional information regarding the adjustment related to lease receivables to which Mr. Bence replied the updated schedules were put in place at the close of the June 30, 2022 audit, and the adjustment was made to correct the straight-line amortization. Ms. Sparks advised that all contract receivables were reviewed in 2022 based on the new standards and the lease with The RiverCity Company was the only contract that fell within the new standards.

Mr. Freeman asked if there were any additional questions regarding the financial audit. There being none, a motion was made by Mr. Nye and seconded by Mr. Evatt, followed by a vote to approve. The motion was unanimously approved.

Ms. Sparks next presented the updated meeting expenditure policy advising approval will establish guidelines for expenditures related to meetings. Policy guidelines identify the following: (i) definitions of meetings; (ii) budget approval; (iii) allowable expenses and limits of expenditures; (iv) documentation requirements and non-allowable expenses; (v) cancellation policy; and (vi) review, compliance, and responsibilities. Mr. Freeman requested a motion be made to approve the updated meeting expenditure policy. Mr. Nye made a motion to approve.

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Ms. Reeves seconded the motion followed by a vote to approve. The motion was unanimously approved.

Mr. Freeman next called on Mr. Collins to present CARTA's Public Transportation Agency Safety Plan (ASP) rev. 5. Mr. Collins advised the board packet sent electronically on October 11, 2024, contained the redline copy of the ASP, which reflects all changes made in revision 5. Mr. Collins further reported that the ASP was revised in accordance with 49 C.F.R. Part 673, reflecting changes provided by the FTA and TDOT. The ASP received approval of the Joint Management Labor Safety Committee.

At the close of Mr. Collin's presentation, Mr. Frazier requested a modified approval motion to include providing the board chairman and vice chairman signature authority to sign stating the ASP had been approved. This modification request is a TDOT requirement. Mr. Culp made a motion to approve the modified motion. Mr. Evatt seconded the motion followed by a vote to approve. The modified motion was unanimously approved.

Mr. Freeman next called on Ms. Powell to present Resolution 607 and 608. Ms. Powell advised CARTA recently applied for funds from Public Entity Partners Property Conservation Grant to reduce the cost of emergency lighting upgrades for six (6) facilities in the amount of \$5,995.00. Ms. Powell further reported CARTA intended to apply for the James L. Richardson Driver Training Grant, which includes instructor-led training, DVD training, backup cameras and

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alarms, GPS tracking systems, alert systems to administrators, and Motor Vehicle Record (MVR) checks. Grant requirements for both include board application approval and a financial commitment of fifty percent (50%) matching funds. Application deadlines are October 25, 2024.

Mr. Freeman requested a motion to approve the resolutions. Mr. Evatt made the motion. Ms. Peterson seconded the motion followed by a vote to approve. Resolution 607 and Resolution 608 were unanimously approved.

Under “New Business” Mr. Freeman asked Ms. Powell to present a report on the mobile ticketing pilot program. Ms. Powell reported that CARTA will enter a one-year mobile ticketing pilot program with Token Transit. CARTA riders will be able to purchase mobile tickets for fixed route, CARTA Go, and Care-A-Van services. CARTA expects to implement this program in November and will work with Token Transit on developing training and customer engagement materials.

Ms. Powell stated that when assuming a rider adoption rate of fifteen percent (15%), the costs are approximately \$26,000 in year one. The onboarding fee is \$2,500 with a recurring annual fee of \$2,500. Cash App integration costs are \$10,000. Usage fees are ten percent (10%) of the gross total transaction proceeds for transactions \$2.00 and greater, and 0.06 plus seven percent (7%) of the gross total transaction proceeds for transactions less than \$2.00.

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Ms. Reeves stated that including the Cash App payment method will appeal to many potential users in the unbanked community. Mr. Evatt agreed, adding a mobile ticketing solution is highly requested by potential riders who prefer electronic payment options. Mr. Culp requested roll-out advertising details to which Ms. Powell advised Ms. Peebles and her team are currently working on options. Mr. Nye requested the driver training timeline. Ms. Powell advised it is expected to be completed prior to the November roll-out date.

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

**TO:** CARTA Board of Directors

**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 October 2024.

**HIGHLIGHTS, ANALYSIS AND CONCLUSIONS**

October, 2024

- Revenue for the month was \$2,465,421 compared to the budgeted \$2,418,478.
  - Parking Revenue over budget variance of \$79,365 is due to an increase in lots and meters. The Renaissance Lot was over budget \$13,064, the Coolidge Lot \$2,019, the Riverfront Lot \$19,013 and meters were over budget \$58,569.
- Expenses for the month were \$2,344,486 compared to the budgeted \$2,484,249.
  - See Recurring Variances
- The October Parking Report indicates receipts from parking meter and enforcement reflected net positive revenue of \$98,844 and when combined with net shuttle costs of (\$158,967), created a net of (\$60,123). Total net parking revenue for the month (adding in surface lot and garage revenues and expenses) reflected a positive net revenue of 157,645.

**RECURRING VARIANCES**

- Transit expense under budget variance of \$187,307 is due to a wage and benefit under budget variance of \$109,391 due to turnover and vacancies. We also had an under budget variance in fuel of \$37,082 and Maintenance expense of \$25,300. This results in a monthly under budget variance in net income of \$144,513.

**CARTA**  
**Variance Report**  
**For the Four Months Ending Thursday, October 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	\$1,201,178	\$1,243,972	(\$42,794)	\$4,882,610	\$4,975,887	(\$93,277)
Expenses	<u>1,332,483</u>	<u>1,519,789</u>	<u>(187,307)</u>	<u>5,277,765</u>	<u>6,079,157</u>	<u>(801,392)</u>
<b>NET</b>	<b>(131,305)</b>	<b>(275,818)</b>	<b>144,513</b>	<b>(395,155)</b>	<b>(1,103,270)</b>	<b>708,115</b>
<b>SHUTTLE</b>						
Revenues	\$156,499	\$146,504	\$9,995	\$626,033	\$586,017	\$40,016
Expenses	<u>227,350</u>	<u>211,932</u>	<u>15,418</u>	<u>846,440</u>	<u>847,729</u>	<u>(1,288)</u>
<b>NET</b>	<b>(70,851)</b>	<b>(65,428)</b>	<b>(5,423)</b>	<b>(220,408)</b>	<b>(261,712)</b>	<b>41,304</b>
<b>INCLINE</b>						
Revenues	\$572,253	\$571,496	\$757	\$2,188,075	\$2,173,622	\$14,453
Expenses	<u>229,284</u>	<u>232,366</u>	<u>(3,082)</u>	<u>960,986</u>	<u>929,465</u>	<u>31,521</u>
<b>NET</b>	<b>342,969</b>	<b>339,130</b>	<b>3,839</b>	<b>1,227,089</b>	<b>1,244,157</b>	<b>(17,068)</b>
<b>CARE-A- VAN</b>						
Revenues	\$85,880	\$86,260	(\$380)	\$331,857	\$345,039	(\$13,182)
Expenses	<u>309,867</u>	<u>298,295</u>	<u>11,572</u>	<u>1,091,744</u>	<u>1,193,180</u>	<u>(101,436)</u>
<b>NET</b>	<b>(223,987)</b>	<b>(212,035)</b>	<b>(11,952)</b>	<b>(759,887)</b>	<b>(848,140)</b>	<b>88,253</b>
<b>PARKING</b>						
Revenues	\$449,611	\$370,246	\$79,365	\$1,559,975	\$1,480,982	\$78,993
Expenses	<u>245,502</u>	<u>221,866</u>	<u>23,636</u>	<u>969,096</u>	<u>887,463</u>	<u>81,633</u>
<b>NET</b>	<b>204,109</b>	<b>148,380</b>	<b>55,729</b>	<b>590,878</b>	<b>593,519</b>	<b>(2,641)</b>
<b>CARTA - Total</b>						
Revenues	\$2,465,421	\$2,418,478	\$46,943	\$9,588,549	\$9,561,547	\$27,002
Expenses	<u>2,344,486</u>	<u>2,484,249</u>	<u>(139,762)</u>	<u>9,146,032</u>	<u>9,936,994</u>	<u>(790,962)</u>
<b>NET</b>	<b>120,935</b>	<b>(65,771)</b>	<b>186,705</b>	<b>442,517</b>	<b>(375,447)</b>	<b>817,964</b>

**OCTOBER 2024 PARKING REPORT**

	<u><b>Meters</b></u>	<u><b>Shuttle</b></u>	<u><b>Lots</b></u>	<u><b>Garages</b></u>
Revenues	\$ 230,908	\$ -	\$ 146,714	\$ 151,264
Enforcement	\$ 97,974	\$ -	\$ -	\$ -
Donations	\$ -	\$ 1,347	\$ -	\$ -
Advertising	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ 800	\$ -	\$ 3,088
Fed/State Grants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Total Revenue	 \$ 328,882	 \$ 2,147	 \$ 146,714	 \$ 154,352
 Onstreet Enforcement Expenses	 \$ 230,038	 \$ -	 \$ -	 \$ -
Shuttle Expenses	\$ -	\$ 161,114	\$ -	\$ -
Lot Expense	\$ -	\$ -	\$ 17,062	\$ -
Garage Expense	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,236</u>
 Total Expense	 \$ 230,038	 \$ 161,114	 \$ 17,062	 \$ 66,236
 Net Revenue	 \$ 98,844	 \$ (158,967)	 \$ 129,652	 \$ 88,116
 Net Meters & Shuttle	 \$ (60,123)			
 Total Parking	 <u><u>\$ 157,645</u></u>			

**TO:** CARTA Board of Directors

**FROM:** Philip Pugliese  
Director of Planning

**SUBJECT:** Statistical Report

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### **RECOMMENDED ACTION**

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

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

Ridership (fixed route and CARTA GO) continues to trend upwards with calendar 2024 year-to-date running 4.7% above same period (January-October) 2023, while Shuttle ridership is up 20% also for calendar year-to-date versus 2023.

- Weekday Fixed route ridership is up 3% for the month year-over-year, but down 3% year-over-year for September. Saturday fixed route is up 12% while Sunday ridership was steady compared to September.
- Weekday CARTA GO ridership is up 9% for the month year-over-year. Saturday ridership is up 27% year-over-year and up 22% month-over-month.
- Total Shuttle ridership continues with 22% growth year-over-year and up 10% over the prior month bolstered by strong event activities. St Elmo/Incline route continues with steady growth and is 37% year-over-year. North Shore Shuttle route is up 10% year-over-year.
- Incline ridership rebounded from weather-affected September, but calendar year to prior year total is down 10% overall.
- Care-a-Van ridership at an annual high of 5016 trips provided. Route productivity (passengers per hour) increased 22% with zero turndowns.
- Special Note: Read and Ride Program Launched June 1, 2024. Read and Ride Program has provided 8,406 trips through October 31<sup>st</sup> with 26% growth in October over September.
- Special Note: Election Day November 5, 2024, Fare Free Day sponsored by AARP. CARTA ridership (Fixed route, CARTA GO, Care-a-Van) up 17% over average weekday ridership with 4,246 trips for the day.



# Chattanooga Area Regional Transportation Authority

## Statistical Report

For the Period Ending October 31, 2024

	This Month	Month YR Ago	YTD	Prior YTD
<b><u>TRANSIT</u></b>				
Ridership	92,096	88,260	343,981	333,866
Weekday Average - with Mocs	3,479	3,424	3,385	3,288
Weekday Average - without Mocs	3,205	3,172	3,199	3,143
Saturday Average	2,220	2,269	2,124	2,206
Sunday Average	799	774	787	815
Miles	167,126	164,130	637,674	634,738
Passengers/Mile	0.55	0.54	0.54	0.53
Accidents	2	1	10	6
Operating Cost/Rider	8.93	9.09	9.58	9.25
<b><u>SHUTTLE</u></b>				
Ridership	29,313	24,117	114,233	96,501
Weekday Average	956	783	963	791
Saturday Average	1,215	1,066	1,082	974
Sunday Average	615	526	597	565
Miles	17,834	17,787	70,966	63,739
Passengers/Mile	1.64	1.36	1.61	1.51
Accidents	0	1	1	3
Operating Cost/Rider	2.48	3.02	2.47	3.08
<b><u>INCLINE</u></b>				
Ridership	54,736	55,845	203,131	213,315
Net Revenue/Passenger	6.27	4.26	6.04	3.09
Days Down	0	0	2	0
<b><u>CARE-A-VAN</u></b>				
Ridership	5,619	4,560	19,045	17,539
Miles	54,830	51,134	206,141	203,773
Turndowns	0	0	0	7
Accidents	0	1	2	1
Operating Cost/Rider	42.24	45.41	46.42	45.62
Passengers/Hour	1.57	1.30	1.32	1.27
<b><u>TOTAL CARTA</u></b>				
<b>Ridership</b>	<b>181,764</b>	<b>172,782</b>	<b>680,390</b>	<b>661,221</b>

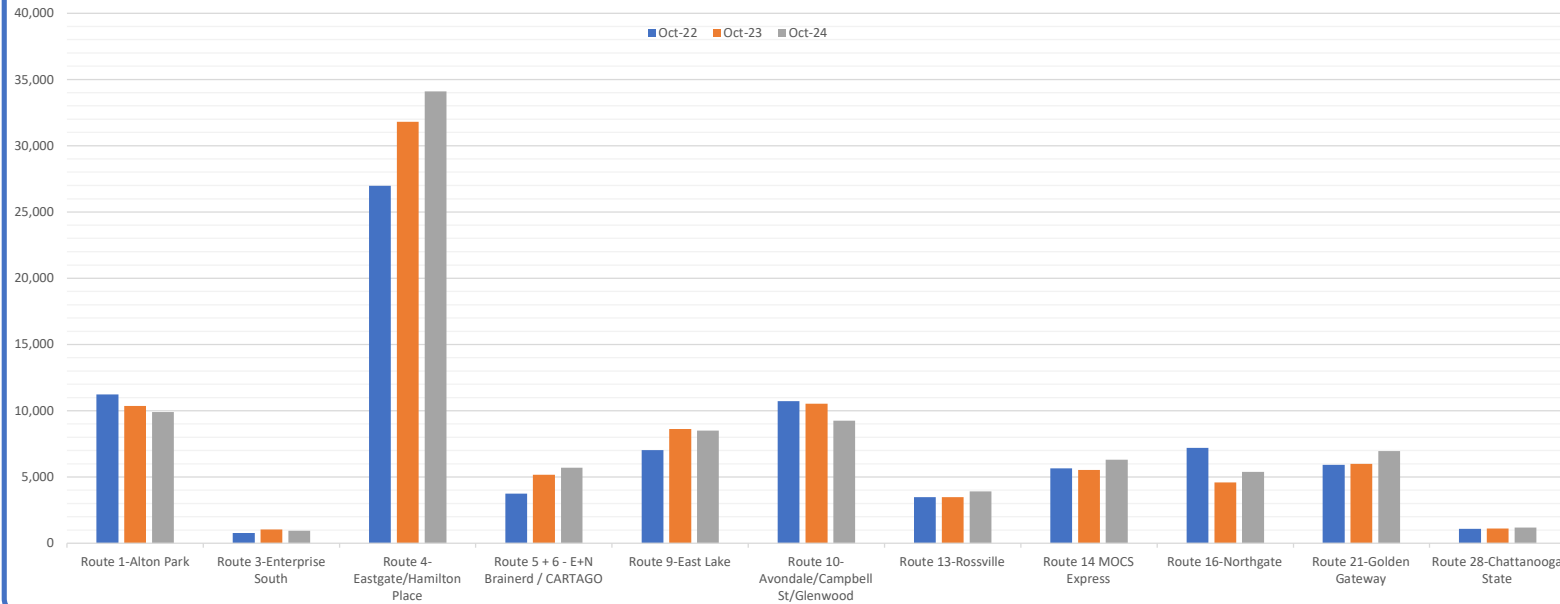
**\* Notes to the Statistical Report:**

North Shore Shuttle	2,649	2,409	12,488	10,344
MOCS Express	6,302	5,529	16,147	12,296
Bicycles Carried	1,740	1,963	6,635	6,881
Wheelchairs Carried	1,229	1,241	4,637	5,379
St.Elmo/Incline	2,920	2,137	11,351	8,719

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

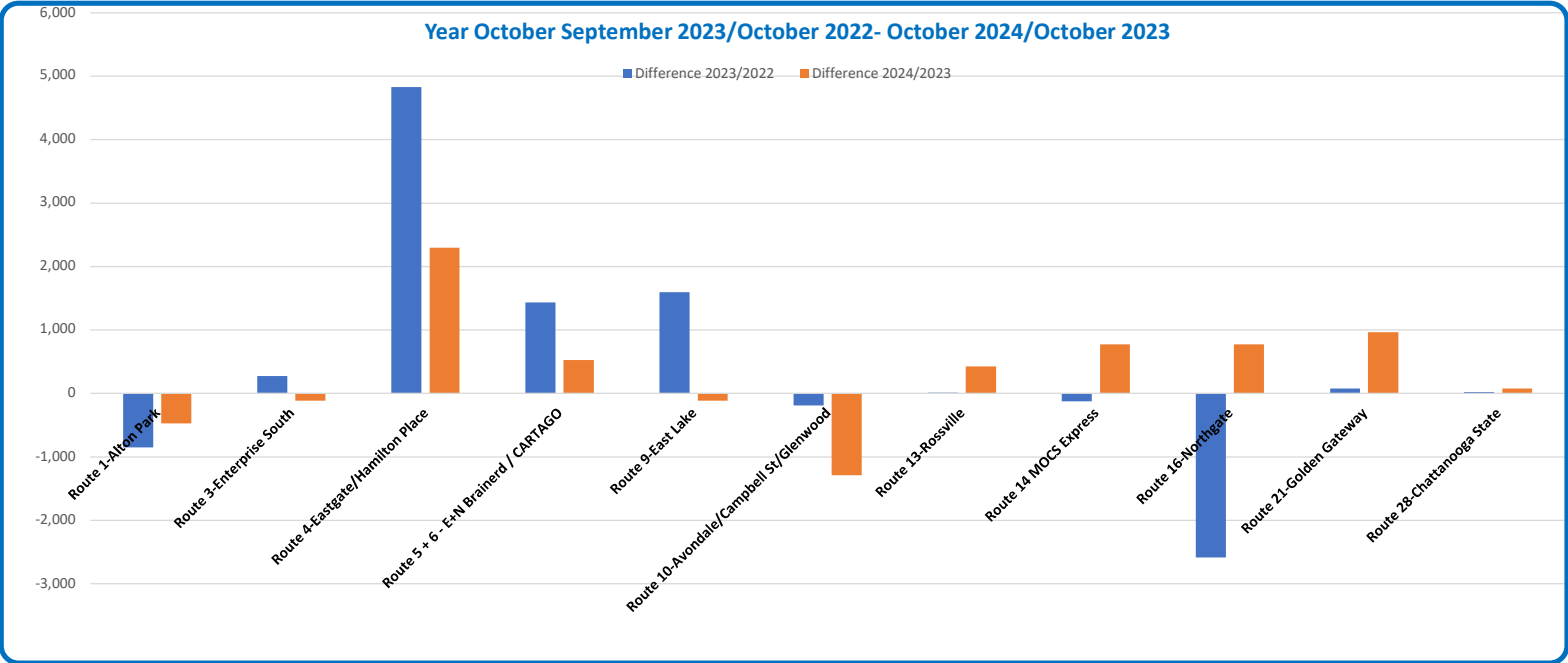
Number of Weekdays	23	22
Number of Saturdays	4	4
Number of Sundays	4	5
	<u>31</u>	<u>31</u>

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



	Oct-22	Oct-23	Oct-24
Route 1-Alton Park	11,219	10,370	9,897
Route 3-Enterprise South	773	1,047	932
Route 4-Eastgate/Hamilton Place	26,963	31,791	34,085
Route 5 + 6 - E+N Brainerd / CARTAGO	3,741	5,175	5,699
Route 9-East Lake	7,024	8,618	8,503
Route 10-Avondale/Campbell St/Glenwood	10,725	10,537	9,245
Route 13-Rossville	3,474	3,484	3,911
Route 14 MOCS Express	5,653	5,529	6,302
Route 16-Northgate	7,187	4,601	5,375
Route 21-Golden Gateway	5,923	6,000	6,964
Route 28-Chattanooga State	1,085	1,108	1,183

Totals: 83,767 88,260 92,096



	Difference 2023/2022	Difference 2024/2023
Route 1-Alton Park	-849	-473
Route 3-Enterprise South	274	-115
Route 4-Eastgate/Hamilton Place	4,828	2,294
Route 5 + 6 - E+N Brainerd / CARTAGO	1,434	524
Route 9-East Lake	1,594	-115
Route 10-Avondale/Campbell St/Glenwood	-188	-1,292
Route 13-Rossville	10	427
Route 14-MOCS Express	-124	773
Route 16-Northgate	-2,586	774
Route 21-Golden Gateway	77	964
Route 28-Chattanooga State	23	75

4493

3,836

**TO:** CARTA Board of Directors

**FROM:** Scott Wilson  
Chief of Staff

**SUBJECT:** November Chief of Staff Report

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**RECOMMENDED ACTION**

N/A – Information Only

**HIGHLIGHTS, ANALYSIS AND CONCLUSIONS**

The Chief of Staff's office has focused on strategic team-building, employee engagement, and improved communication across CARTA throughout 2024. This report details the establishment of the Management Leadership Team (MLT), HR initiatives, open enrollment for 2025 benefits, and enhanced driver feedback opportunities. These initiatives are foundational to CARTA's goals of operational efficiency, employee satisfaction, and enhanced service delivery.

**2024 Human Resources Year-to-Date Overview and Analysis**

CARTA's HR activities in 2024 have focused on addressing staffing needs and managing turnover in critical areas to maintain operational stability and service quality. Below is an overview of hiring and termination trends across various departments, highlighting the staffing challenges and stability within each team.

- **Total New Hires:** 50
- **Total Terminations/Retirements:** 37

**Department Analysis**

- **Administration:** Six new hires, including key leadership positions (e.g., CEO, Chief of Staff), all of whom remain employed, indicating stability in the administrative team.
- **Incline Operations:** Hired eight employees, with five still retained. Three conductors were terminated, reflecting a turnover challenge that impacts service consistency.
- **Maintenance:** Eight hires, with seven still employed and one in pre-hire status. However, there were seven terminations, highlighting a need for targeted retention strategies to support operational reliability.

- **Care-A-Van (CAV) Drivers:** Five new hires, four still employed. Turnover continues to be a challenge, with five terminations, which may affect service for our most dependent riders.
- **Fixed Route (FR) Drivers:** Eighteen new hires, but also fourteen terminations, resulting in high attrition that affects driver availability and potentially impacts service delivery.
- **Shuttle Operations:** Two new hires and one termination, showing minimal turnover and stable staffing in this area.

### **Summary Conclusions and Findings**

- **High Turnover in Key Areas:** Fixed-Route Drivers, Maintenance, and Incline Operations show notable turnover, which underscores the need for retention strategies, particularly in operational roles.
- **Retention in Administration:** Administrative roles remain stable, with all hires retained, indicating effective hiring and role alignment.
- **Actionable Insights for 2025:** CARTA is considering several initiatives to address turnover, including an employee satisfaction survey and structured performance review processes to improve retention and support career development. A partnership with Chattanooga State for leadership training, especially for mid-level management of fixed-route and CAV drivers is underway.

This update serves as an overview of the staffing trends and challenges facing CARTA as of 2024. No board action is required at this time.

### **Management Leadership Team (MLT) Establishment**

In 2024, the Management Leadership Team (MLT) was formally established to strengthen communication and collaboration across departments. Led by the Chief of Staff, the MLT includes Director-level executives responsible for a broad range of operational areas. The team meets weekly, serving as a conduit for corporate initiatives from the Executive Leadership Team (ELT) and enabling functional leaders to work closely in aligning strategies and addressing organizational challenges.

### **MLT Members**

- **Zik Adamovic** – Fixed Route & Shuttle
- **Ken Castleberry** – Innovation & IT
- **Vacant** – Safety & Training
- **Matthew Higgins** – Incline Railway
- **Brent Matthews** – Parking & Facilities
- **Brandon Meredith** – Communications & External Affairs
- **Mark Poirier** – Paratransit Services
- **Annie Powell** – Grants and Procurements
- **Philip Pugliese** – Transit Planning
- **Billy Summerrow** – Vehicle Maintenance

- **Vacant** – Human Resources

The MLT meetings provide a structured opportunity for team members to share updates, discuss challenges, and leverage one another's expertise to advance CARTA's objectives. The Chief of Staff shares information from the Executive Leadership Team to cascade priorities through the organization. This collaborative approach has strengthened interdepartmental communication, promoted resource-sharing, and driven corporate strategy alignment across the organization.

### **HR Open Enrollment Completion**

The Human Resources department has successfully completed the 2025 open enrollment period for the State of Tennessee health plan.

This effort involved distributing information in employee paychecks, posting materials across the workplace, and providing access to the enrollment portal in the drivers' lounge. These methods ensured that all employees had the opportunity to review, register, or adjust their benefits selections.

### **Driver Feedback Opportunity**

The Chief of Staff's office is temporarily located in the drivers' lounge until the upcoming move to the 12th Street office allows for office space in the Administration area.

This co-location has provided the opportunity for daily interaction with drivers, who regularly share feedback and insights into their workplace experiences. This setup has strengthened communication, fostering an environment of openness and a hands-on approach to addressing driver concerns. The feedback received has highlighted meaningful opportunities for workplace improvements and underscored the benefits of proximity and active listening.

**TO:** CARTA Board of Directors

**FROM:** Sonja Sparks  
Chief Financial Officer

**SUBJECT:** K-12 Student Fare Policy

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**RECOMMENDED ACTION**

Staff recommends that the Board approve Chattanooga Area Regional Transportation Authority (CARTA)'s K-12 Student Fare Policy.

**ALIGNMENT WITH STRATEGIC GOALS**

This action aligns with CARTA's strategic imperatives of fiscal accountability, efficiency and transparency under finance and develop and implement meaningful community partnerships under community engagement.

**SUMMARY OF NEED**

Approval of this item will allow CARTA to implement permanently our innovative Read & Ride program, a collaborative effort between CARTA and the Chattanooga Public Library (CPL) where students K-12 ride fare-free on CARTA's fixed route bus network. This policy will allow K-12 students to continue benefiting from free transportation, ensuring they can access a wide range of destinations, including libraries, parks, recreation centers, museums, and more. This continuation is an investment in the future of our community. By providing reliable transportation, CARTA is removing barriers to education and enrichment, enabling our youth to reach their fullest potential.

**BACKGROUND AND HISTORY**

Since its launch on June 1, 2024, the program has successfully completed over 8,740 trips by students across our city. This milestone is a testament to the positive impact of providing accessible transportation to our community's youth. This initiative embodies Mayor Tim Kelly's One Chattanooga Plan, demonstrating our shared commitment to a united, thriving community and was made possible by the partnership with CPL. The program will be reviewed annually for continuation based upon operational, financial and other considerations.

A Title VI fare analysis has been completed as part of CARTA's process for updating fares, including eliminating fares for a particular rider. A finding of no disproportionate burden or disparate impact has been made.

**PROCUREMENT OVERVIEW**

N/A

**FISCAL IMPACT**

N/A

**DBE PARTICIPATION**

N/A

**TO:** CARTA Board of Directors

**FROM:** Annie Powell  
Director of Grants and Procurement

**SUBJECT:** Procurement Report

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### **RECOMMENDED ACTION**

Staff recommends that the Board approve the monthly procurement report including new Contracts over \$50,000, the use of the Request for Proposal process, a report on new Sole Source procurements, and/or a report on new Emergency procurements as indicated.

A. Board Approval of Contracts over \$50,000

1. Painting of Bus Barn

- Requesting a one-time construction contract for painting of the bus barn
- Recommended Contractor: Trico Commercial Painting
- Details: This is a one-time purchase for the provision of labor, materials, equipment, and expertise necessary to complete exterior painting of CARTA's bus barn and breezeway area.
- Procurement Method: Request for Proposals
- Number of Bids/Proposals Returned: 2
- Term of Contract: until scope of work complete – less than one year

B. Board Approval of the use of the Request for Proposals process

N/A

C. Report on Sole Source procurements

N/A

D. Report on Emergency procurements

N/A

### **ALIGNMENT WITH STRATEGIC GOALS**

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

### **SUMMARY OF NEED**

Approval of this item will allow CARTA to enter into a 1-year Agreement with Trisco Commercial Painting for an amount not to exceed \$75,000.

### **BACKGROUND AND HISTORY**

On September 19, 2024, the CARTA Board of Directors formally adopted resolution 606, which established formal guidelines on the contracting authority of the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). Approval of this resolution set thresholds for contract execution authority at \$50,000 for the CEO and CFO. Any transactions above \$50,000 will require approval of the Board of Directors. This Procurement Report or an updated version thereof will be presented to the Board of Directors for approval of any contracts that meet this threshold.



Further, CARTA received recommendations from recent audits indicating that the Board of Directors should also approve the use of the Request for Proposal process instead of a sealed bid process and that CARTA staff should report on any sole source and emergency procurements that take place between each Board meeting. As reported in Agenda Item 3, these items have been added to the Procurement Report as a template and will be reported in future Board meetings.

## **PROCUREMENT OVERVIEW**

### **A1. Painting of Bus Barn**

- On August 16, 2024, CARTA released a formal Request for Proposals (RFP) for painting of CARTA's Bus Barn and Breezeway Area. CARTA advertised this procurement in the Chattanooga Times-Free Press, included a notice and link to the RFP on CARTA's website, and sent the RFP to three interested proposers.
- CARTA utilized the following weighted evaluation criteria as part of this Request for Proposals process:
  - Cost Proposal: 40 points
  - Qualifications and references of firm and staff proposed for project (including subcontractors, if any): 15 points
  - Project Plan: 15 points
  - Completion date and timeline: 30 points

## **FISCAL IMPACT**

The fiscal impact of this action is listed below:

### **A1. Painting of Bus Barn:**

- \$65,740.75 including optional bid for repainting the CARTA logo is selected.
- CARTA will utilize IMPROVE Act funds from the Tennessee Department of Transportation (TDOT) for this project. TDOT provides 75% of the costs, and CARTA provides 25% through its local capital budget.

## **DBE PARTICIPATION**

A1. Painting of Bus Barn: A DBE goal was not applied to this contract as there were no subcontracting opportunities and no DBE's submitted proposals for this work.

**TO:** CARTA Board of Directors

**FROM:** Jeff Smith  
Chief Operating Officer

**SUBJECT:** Approval of Labor Contract No. 48

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**RECOMMENDED ACTION**

Staff recommends that the Board approve the Memorandum of Agreement between CARTA and the Amalgamated Transit Union Local 1212 (ATU).

**ALIGNMENT WITH STRATEGIC GOALS**

This action aligns with CARTA's strategic imperatives of working in agreement with the ATU, fostering employee satisfaction and supporting operational stability. This helps align labor costs with budgets and enhances the company's reputation, all of which contributes to growth, compliance, and a strong brand image.

**SUMMARY OF NEED**

Approval of this item will allow CARTA to formally adopt the following tentative agreements between CARTA and the ATU:

- Section 2. Union Recognition - Union representatives shall have 30 minutes to meet with new employees during the training process.
- Section 7. and Section 18. - Change title from "Executive Director" to "Chief Executive Officer".
- Section 12. Supervisors and Union Seniority - Change from 120 days to 60 days for newly promoted management staff to return to their previous union job classification.
- Section 14. Bulletins Posted - All vacant positions covered by the collective bargaining agreement shall be posted in each department.
- Section 15. Accident Prevention - CARTA will provide the union with an opportunity prior to the Accident Review Committee meeting to review the operator's accident documentation.
- Section 24. Uniforms and Tools - Effective July 1, 2025, drivers will wear button-down shirts. Incline and Shuttle employees shall be permitted to wear semi-sport shirts until air conditioning is installed on the vehicles.
- Section 26. General Working Rules - Cleanup of language not used.
- Section 26. General Work Rules - Operators signing up for Special work must sign a voluntary sign-up sheet, and all work will be assigned in seniority order.
- Section 30. Change heading from "Garage" to "Maintenance" and delete "as of May 10, 1962".

- Section 30. Maintenance - change duration of job postings from 7 days to 3 days (excluding weekends).
- Section 31. Incline Working Conditions - Add language: Overtime is voluntary. If floaters are unavailable, overtime is offered by seniority, and if needed, assigned by reverse seniority.
- Section 38. - Twelve-month duration of Contract Agreement.
- Section 39. Sick Leave - Allow employees to donate sick leave to other employees.
- Section 43. Care-A-Van - Create two run picks a year (January and May).
- Section 43. Care-A-Van
  - Care-A-Van operators are authorized to transport CARTA Go passengers within designated CARTA Go zones provided that doing so does not compromise the on-time performance of scheduled Care-A-Van trips.
  - Transportation Network Companies (e.g., Uber, Lyft, etc.) are authorized for use outside of the ADA/Paratransit service area. Quarterly meetings between management and the union will be established to review the use of TNCs.
- Exhibit A.
  - 3% increase retroactive to July 1, 2024.
  - 1% increase effective upon ratification date of the Contract Agreement.
  - Change the Care-A-Van full-time top operator rate from 92% to 100% effective upon ratification date of the Contract Agreement.

## **BACKGROUND AND HISTORY**

On September 16, 2021, the CARTA Board of Directors formally approved the Authority's Labor Agreement (Contract No. 47) with the ATU. This agreement came into effect on July 1, 2021, and expired on June 30, 2024. After multiple rounds of negotiations with the union, which began on June 26, 2024, CARTA and the ATU have recently reached a successful agreement with 99% voting in favor.

## **PROCUREMENT OVERVIEW**

N/A

## **FISCAL IMPACT**

The fiscal impact of the wage increases for union employees is approximately \$520,000 annually and the change in the Care-A-Van full time operator rate is approximately \$74,000.

## **DBE PARTICIPATION**

N/A