



**CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY
& THE CHATTANOOGA PARKING AUTHORITY**

BOARD MEETING AGENDA

December 18, 2025, 10:00 AM ET

1. **Call to Order**
2. **Quorum Call**
3. **Moment of Silence & Pledge of Allegiance**
4. **Public Comment**
5. **Recognitions:** Jeanine McNulty
6. **Staff Updates**
 - A. CEO Report: Charles D. Frazier
7. **Consent Agenda**
 - A. Adoption of Minutes: Brandon Meredith [PAGE 2](#)
 - B. Statistical Report: Daniel Dufour [PAGE 16](#)
8. **Action Items:**
 - A. Procurement Report: Annie Powell [PAGE 19](#)
 - B. FY2025 Financial Audit: Melanie Jones [PAGE 22](#)
9. **New Business**
10. **Old Business**
11. **Adjournment**

TO: CARTA Board of Directors

FROM: Brandon Meredith
Director Communications & External Affairs

SUBJECT: November 20, 2025, Meeting Minutes

ACTION

Vote on the acceptance of the November 20, 2025, meeting minutes as presented, subject to any amendments approved by the board.

SUMMARY

The meeting minutes from the November 20, 2025, board of directors meeting were compiled and circulated to the board on December 12, 2025. Approval of this item will affirm the accuracy of the minutes and will become the official record of such meeting pursuant to Article V, Section 7 of CARTA's By-Laws.

MINUTES OF THE BOARD OF DIRECTORS MEETING OF
THE CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY
AND
THE CHATTANOOGA PARKING AUTHORITY
November 20, 2025

The regular meeting of the Board of Directors of the Chattanooga Area Regional Transportation Authority (“CARTA”) and the Chattanooga Parking Authority was held Thursday, November 20, 2025, 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 posted on the CARTA website on August 01, 2025. The following Board members were in attendance and constituted a quorum: Johan de Nysschen, Chairman; Charita Allen, Treasurer; Arcie Reeves, Secretary; Stephen Culp, Corey Evatt, Evann Freeman, Bill Nye, and Daniela Peterson. The following people were also in attendance: Charles Frazier, Chief Executive Officer; Melanie Jones, Chief Financial Officer; Scott Wilson, Chief of Staff; 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 opened the meeting with a moment of silent reflection followed by the Pledge of Allegiance. Mr. de Nysschen next opened the meeting for public comments or questions. A member of the public expressed that the driver for the Express Shuttle was excellent. He then requested an update on the multimodal study. Mr. de Nysschen and Mr. Frazier advised the study remains and integral part of CARTA’s long term strategic plan.

Mr. de Nysschen introduced Melanie Jones, CARTA's new Chief Financial Officer. He requested a motion to ratify the appointment of Ms. Jones advising that the formal ratification is subject to a six-month (6) probationary period. Ms. Allen made a motion seconded by Mr. Culp, followed by a vote to approve the ratification. The motion passed unanimously.

Mr. de Nysschen proposed an amendment to the Bylaws regarding governance of the board stating it had was developed with the support of legal counsel. The amendment aligns with CARTA's strategic goals of service quality, customer service, fiscal accountability, and community engagement and approval will amend the Articles of the Bylaws to include a new Section 12 that covers attendance and censure policy. The Executive Committee, acting on behalf of the Board, gains authority to censure any board member, including executive committee members, who fail to meet attendance requirements.

The censure will trigger if a board member misses three (3) regular meetings within a twelve-month (12-month) period. The procedure is to provide written notice to (i) the board member, (ii) the mayor of the governmental entity that appointed the member, and (iii) and to document the censure in the board meeting minutes. If the censured member misses two (2) additional meetings within six (6) months after censorship, the member will be deemed to have resigned unless they provide a satisfactory explanation. The chairperson, at reasonable discretion, will determine if the explanation is sufficient. Upon resignation, the position will become vacant on the first day of the next calendar month. The vacancy is full pursuant to Article 4, Section 1 of the Bylaws.

Mr. de Nysschen asked if there were any questions, comments, or discussions regarding the proposal. Mr. Reeves stated that she was supportive and requested board members give each other grace if a member has challenges with attendance if they notify Chairman de Nysschen and

CARTA leadership should issues arise. Ms. Reeves next requested clarification on the make up of the Executive Committee. Mr. de Nysschen stated that all board members are invited to join the committee and advised that the core members are the chairman, vice chairman, treasurer, and secretary. Ms. Ruiz advised that the executive committee make up was listed in the bylaws.

Mr. de Nysschen asked if there were any additional questions or comments. There being none, a motion was made by Mr. Culp and seconded by Mr. Evatt, followed by a vote to approve the proposed by law amendment. The motion was unanimously approved.

Mr. de Nysschen called on Ms. McNulty to present the November 2025 Ambassador Award. Ms. McNulty recognized Charles Thomason; Care-A-Van eligibility coordinator / travel trainer. Mr. Thomason was recognized for providing top notch customer service when assisting individuals with gaining access to and utilizing care-a-van services. Mr. Thomason initially worked for CARTA as a part-time driver in 2006. He returned as a part-time three (3) years later, moved into an office assistant position and was promoted to his current position in January 2025.

Mr. de Nysschen called on Mr. Frazier to provide the CEO report. Mr. Frazier reported that CARTA's outreach team participated in more then a dozen events since the last board meeting including the Too Cute to Spook event at Enterprise South Nature Park on October 11th and 12th, a travel training engagement with Chattanooga State students on Route 28, and Leadership Chattanooga, which is a leadership development and civic engagement program that was established by the Chattanooga Chamber of Commerce in 1984.

The current Leadership class chose CARTA as an assignment. CARTA's outreach team recently took the class on travel training engagement on Route 24. Students have been riding CARTA's system and documenting what currently works and what needed improvements. Mr. Frazier reported that as a result the class has prepared a letter of support to send it to elected

officials, federal officials, and state officials requesting additional funding for CARTA in the future. They have expressed the need for increased frequency, the need for bus stop infrastructure and the need for replacement of CARTA's current vehicles.

Next, Mr. Frazier reported on projects with two (2) community partners who want improved public transportation for their communities; One Westside Project and UTC. One Westside Project, in response to the City of Chattanooga receiving a fifty million dollar (\$50,000,000.00) HUD award, engaged CARTA requesting improved access and bus stops, the extension of existing routes, the creation of new routes, further development of paratransit Care-A-Van services, and the possibility of a mobility hub located in the community.

CARTA has also initiated a quarterly strategy meeting with UTC at the request of new chancellor, Dr. Lori Bruce, and Vice Chancellor Brent Goldberg focused on the MOCS Express service improvements needed for planned enrollment growth that require new housing and parking locations. Mr. Frazier reported that UTC has requested CARTA expedite the proposed transportation improvement plans scheduled for 2026 impacting their service area to take effect at the beginning of their semester. Mr. Evatt asked if the proposed service changes will affect Route 4 due to overlapping service with Route 14. Mr. Frazier advised it would include eliminating service duplications between the two (2) routes.

Mr. Frazier reported the first round of stakeholder engagement for the reimagining of the Downtown Shuttle was complete. The meetings were held at Shuttle Park South and focused on getting participation from the City of Chattanooga, the Hamilton County, elected officials, downtown businesses and attractions, CARTA shuttle operators, and representatives from all of CARTA's partners, including, but not limited to the Chamber of Commerce, RiverCity Company,

Chattanooga Design Studio, Chattanooga Tourism, and UTC. Future planned engagements include the development of an interactive map identifying locations in the downtown area.

The 130th Anniversary of the Incline event was held on November 16, 2025, and included bounce houses, food trucks, and memorabilia give-a-ways. City Council members and St. Elmo business owners spoke at the event. Board and community leaders attended. Dylan Rivera with Mayor Kelly's office presented a proclamation proclaiming the day as the 130th Incline Railway Anniversary.

The annual Incline safety training exercise with first responders was held on November 17th focusing on fire preparation. Incline team members learned how to create a fire break to protect the railway track and ran fire hoses from various sections of the track ensuring sufficient hose was on hand to protect the Incline Railway in case of a fire.

CARTA's Ambassador graduation included new bus operators, new caravan operators, new shuttle operators, a new maintenance employee, and a new Incline team member. Board members, Mr. Culp, Ms. Sanderfer, and Mr. Evatt attended the graduation ceremony. ATU representatives, Lakesha Strickland, Chris Crowe, and Cynthia Stevens were also in attendance. Marvene Noel, District Eight City Council Representative, was the keynote speaker.

Lastly, Mr. Frazier reported attending the City of Red Bank Commission meeting where he met with the mayor and provided Care-A-Van ridership statistics for Red Bank, which have grown by one hundred forty-five percent (145%). Red Bank has expressed interest in a pilot program to potentially include extending the shuttle route, fixed route services, or micro transit services further into the downtown core of Red Bank.

Under "Consent Agenda" Mr. de Nysschen stated that all members had been sent a copy of the October 16, 2025, board meeting minutes requested an edit to correct a typo on page eight

(8) of the board packet sent electronically on October 10, 2025, be corrected to read (1,110) for ridership numbers. Mr. de Nysschen then asked if there were any additional questions, corrections, or comments. There being none, a motion was made by Mr. Nye and seconded by Ms. Allen, followed by a vote to approve the minutes. The motion was unanimously approved.

Mr. de Nysschen next asked if there were any questions, corrections, or comments regarding the statistical report. Mr. Evatt stated that CARTA had broken another record, fixed route ridership was over one hundred thousand (100,000) monthly rides. Mr. de Nysschen asked if there were any additional questions, corrections, or comments. There being none, a motion was made by Mr. Culp and seconded by Mr. Evatt, followed by a vote to approve the statistical report. The motion was unanimously approved.

Under “Action Items” Mr. de Nysschen asked Ms. Powell to present the procurement report. Ms. Powell advised that staff recommended that the Board approve the monthly procurement report. Section A included two (2) new procurements of over fifty thousand dollars (\$50,000.00). The first was a five-year contract not to exceed two hundred thousand dollars (\$200,000) for recruiting services with W3 Global and An Elite Placement. The second was a five-year contract not to exceed one hundred twenty-five thousand dollars (\$125,000) for on-site and off-site DOT physical examinations with TN OCCMED Express and Concentra. Mr. de Nysschen requested clarification on the recruitment services compensation. Ms. Powell advised that firms receive compensation on a case-by-case basis and the percentage will be based on the position they recruited for. Mr. de Nysschen asked what criteria distinguished the firms. Ms. Powell advised that Elite Placement offers transit-specific services and they have provided services for us in the past. Ms. McNulty advised that W3 Global offers nationwide services. Mr. de Nysschen inquired if the firms would receive a five-year term regardless of performance. Ms. Powell advised that CARTA’s

contracts contain a termination clause. Mr. Reeves requested that the recruitment contracts include performance clauses.

Section B of the Procurement Report included the request for proposal process for Incline Railway concessions and ticket sales. Ms. Powell reported that See Rock City has made a business decision to cease concession and ticket sales at the end of the current contract term expiring in February 2026. Mr. Frazier advised that a cost-benefit analysis of bringing these services in-house is underway and the request had been made due to the timing of the contract ending and CARTA's desire to remain proactive with the transition. Ms. Reeves expressed her gratitude for the partnership with See Rock City.

Section C of the Procurement report included three (3) sole source procurements as follows: (i) installation of Incline car window in the amount of thirteen thousand eighty dollars (\$13,080) with Brookeville Services, (ii) new and repaired battery management system (BMS) boards for CARTA's electric shuttle vehicles in the amount of ten thousand seven hundred sixteen dollars ninety-six cents (\$10,716.96) with Christian Mejia, and (iii) network engineering, server management, and cyber security services in the estimated amount of fifty-eight thousand five hundred dollars (\$58,500.00) with Peritix Technology Advisers.

Mr. de Nysschen asked if there were any additional comments or questions regarding the procurement report. There being none, a motion was made by Mr. Nye and seconded by Ms. Reeves followed by a vote to approve. The motion was unanimously approved.

Mr. de Nysschen called on Mr. Carlson to present the Incline Master Development Plan. Mr. Carlson advised that staff recommended that the board approve phase 1 of the Incline Master Development Plan. Approval will initiate phase 1 of a two phase project in the development of a master plan for the historic Incline Railway. As one of the community's most significant economic

and tourism assets, CARTA desired to maximize the long-term value of the lower and upper stations and surrounding property. Mr. Carlson stated that the two phase development plan will enable CARTA to make a data-driven decision regarding the future of the Incline property, compare redevelopment alternatives and, if warranted, preparation of a world-class plan to elevate the Incline as a premier regional destination.

Phase 1 includes: (i) Market, audience, and tourism analysis, (ii) competitive benchmarking and story/theme exploration, (iii) economic impact and revenue modeling, (iv) parking and access review, (v) stakeholder engagement, and (vi) pro forma and risk evaluation comparing expanded visitor destination concept versus mixed-use development. The fiscal impact of Phase 1 will be one hundred ninety-five thousand five hundred dollars (\$195,500.00) which was approved in the FY2026 Capital Budget and funded with Federal Transit Administration (FTA) 5307 formula funds. The duration of phase 1 is estimated at eight (8) months.

Mr. Carlson introduced Diane Lochner with PGAV Destinations and Kevin Tilbury with Kimley Horn who provided details on the feasibility study. Mr. Tilbury presented certain statistical information: (i) two hundred thousand (200,000) people visited the Incline last year, (ii) the economic impact was forty-five million dollars (\$45,000,000.00) in local spending, (iii) seventy-five million dollars (\$75,000,000.00) in total economic impact, and (iv) four million dollars (\$4,000,000.00) of revenue was generated for CARTA.

Ms. Lochner advised that PGVA had 60 years of experience in destination development worldwide with one hundred forty (140) employees. They are known for theme parks, zoos, aquariums, museums, historic sites, and cultural attractions. PGVA considered the Incline Railway a cultural entity with great historic value and storytelling opportunities. PGVA has worked with local attractions such as Ruby Falls, See Rock City, the Tennessee Valley Railroad Museum, and

Tennessee Aquarium. This experience and understanding of the Chattanooga market will provide expertise in feasibility study and project development.

Ms. Peterson inquired if the project included potential funding sources. Ms. Lochner advised that PGVA has an Urban Planning department with a keen understanding of funding sources and the project will include information on local, regional and grant funding opportunities. Mr. Tilbury advised that Kimberly Horne also has a grant funding team with expertise in writing grant funding applications. Mr. de Nysschen requested clarification on whether grant applications for funding was included in their fee for this phase. Mr. Tilbury advised it would be separate and part of the future planning phase.

Ms. Peterson requested clarification on environmental impact guidelines that will be used. Ms. Lochner advised that PGVA remains up to date on environmental codes and standards. Ms. Reeves inquired about the timeline on community input. Mr. de Nysschen requested current focus remain on developing a concept prior to engaging stakeholders. CARTA must anticipate modifications to the original concept after stakeholder input. Mr. Frazier advised that CARTA remains committed to a win-win outcome for all stakeholders and several stakeholders have voiced support for Incline Railway upgrades.

Mr. Culp inquired about the advantages or opportunities that CARTA will receive considering PGAV's work with local attractions. Ms. Lochner advised that PGAV has a deep understanding of the local market, the tourists who come to Chattanooga to visit local attractions, future growth potential of the market and revenue generating opportunities for the Incline. Mr. de Nysschen added that PGAV has an existing body of knowledge and understanding of the local tourist market, their behaviors and where people come from. This knowledge base would be greatly beneficial for the analysis.

Mr. de Nysschen asked if there were any additional questions or comments regarding Phase 1 of the Incline development plan feasibility study. There being none, a motion was made by Mr. Nye and seconded by Ms. Reeves followed by a vote to approve. The motion to proceed with Phase 1 was unanimously approved.

Mr. de Nysschen called on Mr. Meredith to present CARTA's calendar of events for December. Mr. Meredith stated that CARTA has completed four (4) shuttle roundtable discussions and November's Care-A-Van committee meeting will occur on November 13th. CARTA revealed the newly wrapped bus featuring the Incline Railway. Upcoming events for December include the Riders advisory committee meeting, the MainX24 parade that will include the newly wrapped Incline bus, the Kids Ride Free program at the Incline, the Share Your Christmas food drive, and CARTA's holiday lunch. CARTA will close December 25th in observance of Christmas.

Mr. de Nysschen asked if there were any items to revisit under "Old Business." There were none.

Mr. de Nysschen then asked if there were any items to discuss under "New Business." Ms. Peterson asked if bus operators have protocols in place in response to increased ICE activity in the community. Mr. Frazier advised that CARTA had a standard protocol for all types of public engagements in the public right of way and will provide extra notifications for situational awareness and also provide talking points about CARTA's role. Mr. de Nysschen stated that CARTA and its employees should remain neutral in political matters and will always comply with the law.

Ms. Reeves requested clarification on the News Channel 9 article regarding CARTA's ridership and performance. Mr. Frazier stated CARTA values relationships with media partners and has good relationships with them. Mr. Frazier further stated that it is important to provide a

balanced view that includes background. CARTA has a new board and a new management team that was selected by the board. Both are charged with fixing CARTA. The news story reported on ridership, operational costs, and deficiencies with CARTA's system.

Mr. Frazier stated that the board and management team have inherited a system that was chronically underfunded for an extended period. The board adopted a data-driven business strategy. Management received approval for the new Service Standards policy that includes key performance indicators. Statistical reporting changed to monthly performance evaluations and a quarterly report card. These changes will provide the data needed to address and correct concerns raised in the news story.

Mr. Nye requested an update on Union negotiations. Mr. Frazier reported that a government mediator is now available to meet with both parties and an open dialog with ATU president Strickland and ATU vice president is established. CARTA's intention is to find a solution to present for board. Both parties are working collaboratively together to find a path forward. Mr. Crowe, Vice President of the ATU stated that the ATU has requested a higher rate than the three percent (3%) that was offered. Employee insurance costs alone have increased by seven percent (7%). Increased insurance cost combined with inflation increases result in employee needs that are not covered by the three percent (3%) pay increase offer.

Mr. de Nysschen stated that the board believes contract negotiations could have gone better and were very protracted and intermittent. The dilemma that CARTA faces in the negotiation is funding and the constraints on what it can afford to fund. CARTA pays competitive wages when compared to similar transit agencies in the broader region and across the State. Mr. de Nysschen further stated that all parties want to find a constructive and sustainable outcome. The involvement

of a mediator should bring a fair conclusion for all parties. This will allow for the shared common vision that CARTA is delivering a service to the betterment of the community.

Mr. de Nysschen asked if there were any other business items that need to be addressed. There being none, a motion was made to adjourn.

TO: CARTA Board of Directors

FROM: Daniel J. Dufour
Chief Innovation Officer

SUBJECT: Statistical Report

RECOMMENDED ACTION

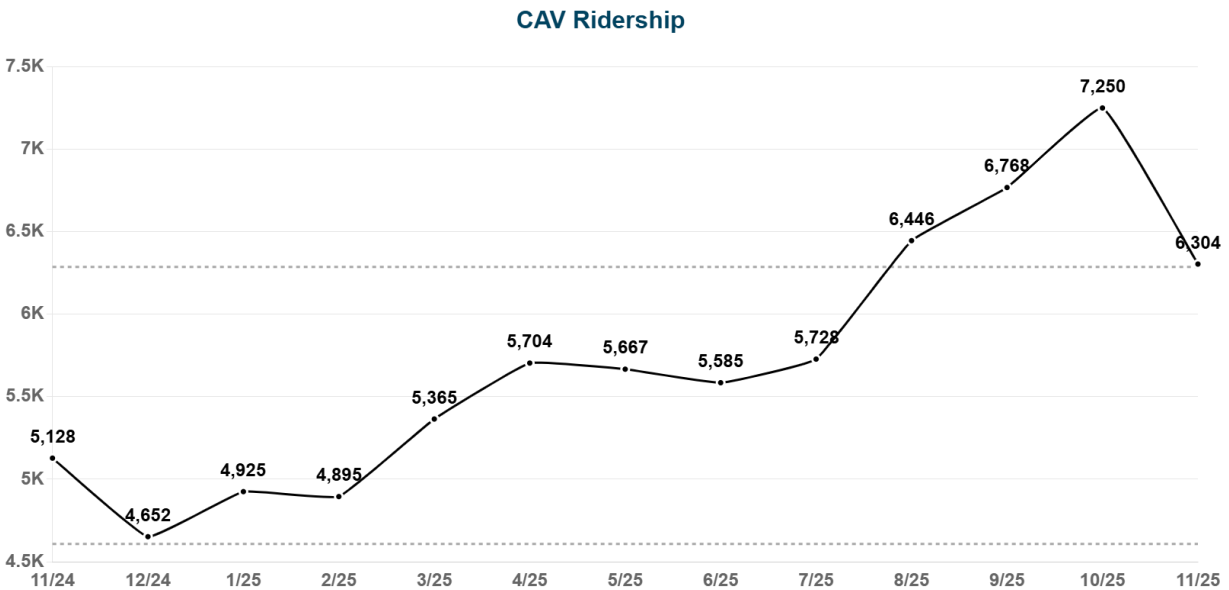
Staff recommend that the Board accept CARTA's statistical report for November 2025 as information to the Board.

HIGHLIGHTS

Reviewing the data, there are three main statistical takeaways when comparing November 2025 to the previous year: (1) Care-a-Van ridership continues to climb, (2) Incline ridership grows, and (3) overall steady growth in CARTA fixed-route ridership.

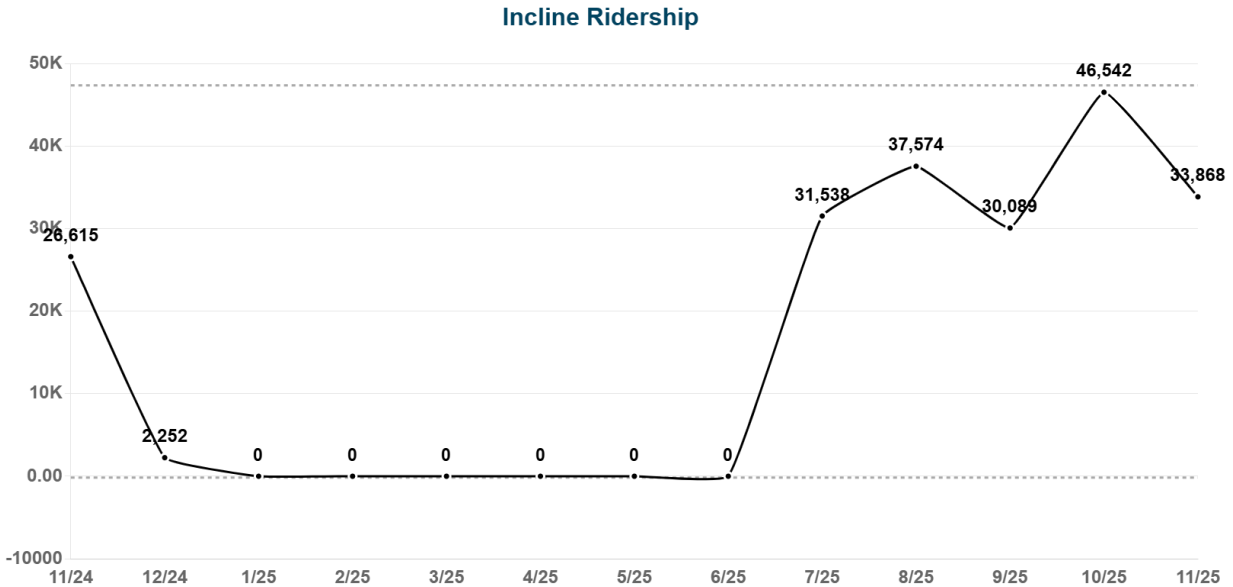
YEAR-OVER-YEAR CARE-A-VAN RIDERSHIP GROWS

Care-A-Van (CAV) achieved the highest November ridership in CAV history. CAV ridership grew from 5,128 in November 2024 to 6,304 in November 2025.



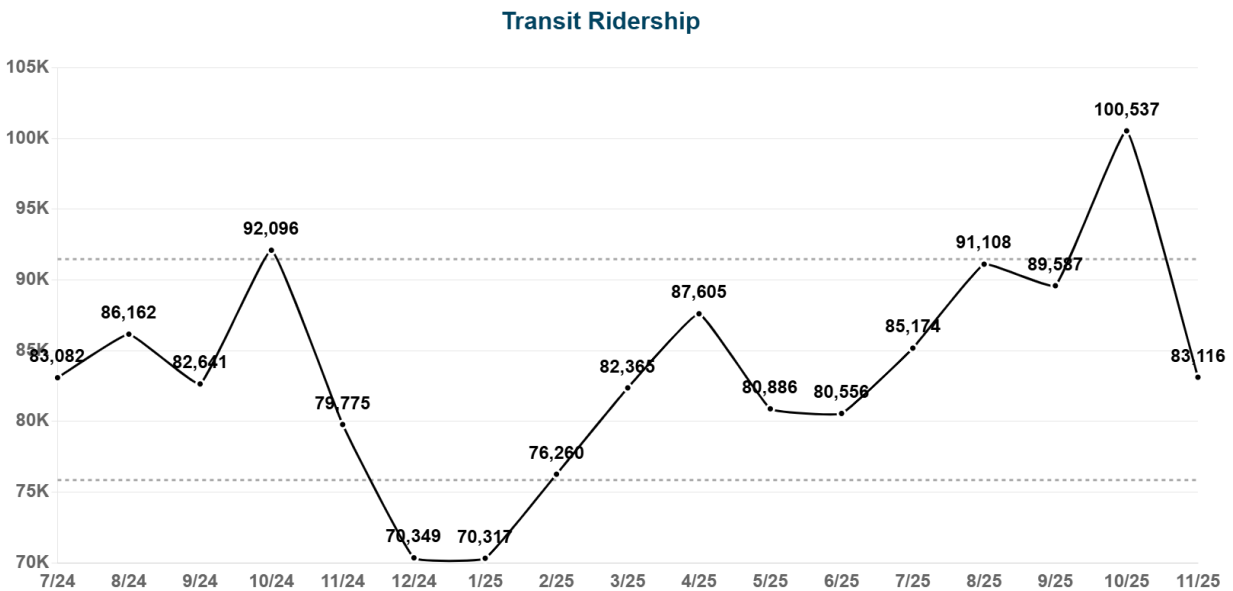
INCLINE RIDERSHIP

Monthly Incline ridership is up compared to the same time last year. The Incline achieved 33,868 in ridership in November 2025 up from 26,615 in November 2024.



OVERALL YEAR-OVER-YEAR TRANSIT RIDERSHIP GROWTH

Across several metrics, transit ridership continues its steady growth year-over-year. Transit ridership grew 4% compared to the same time last year. When compared to November 2024, both weekday and weekend ridership is up. Specifically, weekday ridership grew from 3,311 to 3,565. Saturday ridership grew from 2,079 in 2024 to 2,271 in 2025. Sunday ridership grew from 789 to 805.



TO: CARTA Board of Directors

FROM: Annie Powell
Director of Grants and Procurement

SUBJECT: Procurement Report

RECOMMENDED ACTION

Staff recommend that the Board approve the following requests related to procurement. Approval of procurements under Section A authorizes the Chief Executive Officer to enter contracts with recommended consultants.

A. Board Approval of New Procurements over \$50,000

1. On-Site and Off-Site Drug and Alcohol Collection Services
 - Requesting agreements for On-Site and Off-Site Drug and Alcohol Collection Services for a five-year period
 - Recommended Providers: LL Mobile Services for on-site drug and alcohol collection services and Concentra for off-site drug and alcohol collection services
 - Details: staff are requesting an agreement with LL Mobile Services and Concentra for a not to exceed amount of \$200,000 over a five-year period for pre-employment screenings, random screenings for safety-sensitive employees, and post-accident drug and alcohol screenings.
 - Procurement Method: Request for Proposals
 - Number of Bids/Proposals Returned: 2
 - Term of Contract: five (5) years
2. Brush Removal Services at the Incline Railway
 - Requesting an agreement for Brush Removal Services at the Incline Railway for a five-year period
 - Recommended Provider: Big Woody's Tree Service for initial brush removal services and quarterly brush removal services thereafter
 - Details: staff are requesting an agreement with Big Woody's Tree Service for a not to exceed amount of \$135,000. Yearly brush removal pricing is \$125,032 for a five-year period, and CARTA requested hourly rates for any brush removal services that may be needed outside of the quarterly brush removal.
 - Procurement Method: Invitation for Bids
 - Number of Bids Returned: 4
 - Term of Contract: five (5) years
3. Hydraulic Elevator Modernization at Shuttle Park South
 - Requesting an agreement for the completion of a Hydraulic Elevator Modernization at Shuttle Park South
 - Recommended Provider: Oracle Elevator Holdco dba Elevated
 - Details: staff are requesting an agreement with Oracle Elevator Holdco dba Elevated for a not to exceed amount of \$349,513
 - Procurement Method: Invitation for Bids
 - Number of Bids Returned: 3
 - Term of Contract: until completed (less than 9 months)
4. Incline Marketing Services

- Requesting a one-year agreement for Incline Marketing Services
- On January 16, 2025, the Board of Directors approved a one-year agreement with four one-year options for Incline Marketing services with Partnership Marketing Group. Staff is requesting the execution of one of the four-year options available.
- Details: Incline marketing services include the administration of an annual marketing plan for the Incline Railway; provision of creative design services, strategy, digital media, and publicity for promoting attendance to the Incline Railway; provision of regular reporting on Incline marketing activities; responsibility for updates/maintenance of the Incline Railway website and management of social media calendar; and provision of oversight and management of Incline Railway Southern Highlands Attractions and Lookout Mountain Attractions membership and marketing efforts
- Term of contract: one-year with three one-year options remaining

B. Board Approval of the Use of the Request for Proposals Process

Staff requests approval for the following procurement to utilize the Request for Proposals process.

1. On-Call Information Technology (IT) Services

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 agreements for the above items A1-A4.

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 previous meetings, these items have been added to the Procurement Report as a template and will be reported in future Board meetings.

PROCUREMENT OVERVIEW

A1. On-Site and Off-Site Drug and Alcohol Collection services

- On September 5, 2025, CARTA released a formal Request for Proposals (RFP) for on-site and off-site drug and alcohol collection services for a five-year period. 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 four (4) interested proposers.
- CARTA utilized the following weighted evaluation criteria as part of this Request for Proposals process:
 - Experience: 30 points
 - Firm Reputation: 30 points

- Price proposal: 40 points
 - CARTA has determined that it is in its best interest to have agreements with both firms so there is flexibility for both on-site and off-site drug and alcohol collection services.
- A2. Brush Removal Services at the Incline Railway
- On November 26, 2025, CARTA released an Invitation for Bids (IFB) for Brush Removal Services at the Incline Railway for a five-year period. CARTA advertised this procurement in the Chattanooga Times-Free Press, included a notice and link to the IFB on CARTA's website, and sent the IFB to six (6) interested bidders
 - Big Woody's Tree Service was the lowest responsive and responsible bidder for this work during a bid opening held on December 10, 2025
- A3. Hydraulic Elevator Modernization at Shuttle Park South
- On October 22, 2025, CARTA released an Invitation for Bids for Hydraulic Elevator Modernization at Shuttle Park South. CARTA advertised this procurement in the Chattanooga Times-Free Press, included a notice and link to the IFB on CARTA's website, and sent the IFB to four (4) interested bidders
 - Oracle Elevator Holdco dba Elevated was the lowest responsive and responsible bidder for this work during a bid opening held on December 10, 2025
- A4. Incline Marketing Services
- On October 7, 2024, CARTA released a formal Request for Proposals (RFP) for Incline Marketing Services. On January 16, 2025, the Board of Directors approved a one-year agreement with four one-year options with Partnership Marketing Group.

FISCAL IMPACT

The fiscal impact of this action is listed below:

- A1. On-Site and Off-Site Drug and Alcohol Collection Services
- Upon approval, CARTA will enter into an agreement with LL Mobile Services and Concentra for a not to exceed amount of \$200,00 over a five-year period. CARTA will issue blanket purchase orders for a not-to-exceed amount on a yearly basis and will be charged per screening. It is estimated that CARTA completes approximately 22 drug and alcohol screenings per month.
- A2. Brush Removal Services at the Incline Railway
- Upon approval, CARTA will enter into an agreement with Big Woody's Tree Service for a not to exceed amount of \$135,000 over a five -year period. CARTA will issue purchase orders on a yearly basis based upon pricing provided (between \$20,000 and \$22,032 for initial and yearly brush removal services). Hourly rates ranging from \$80 per hour to \$93 per hour depending on the year services are incurred are available for any brush removal services that may be needed at the Incline Railway outside of the quarterly brush removal.
- A3. Hydraulic Elevator Modernization at Shuttle Park South
- Upon approval, CARTA will enter into an agreement with Oracle Elevator Holdco dba Elevated for a not to exceed amount of \$349,513
- A4. Incline Marketing Services
- Upon approval, CARTA will enter into a one-year agreement for Incline Marketing Services with Partnership Marketing Group for a yearly retainer of \$24,000. An overall marketing budget for the Incline will be determined for issuance of a purchase order and include such items as digital ads, social media services, billboards, entertainment video and ads, printing, art & design, website maintenance, etc. The average Incline Marketing budget has historically been approximately \$180,000 and includes the yearly retainer fee of Partnership Marketing Group. Partnership Marketing Group is responsible for keeping expenditures within the authorized budget for the year.

DBE PARTICIPATION

TO: CARTA Board of Directors

FROM: Melanie Jones
Chief Financial Officer

SUBJECT: FY2025 Financial Audit

RECOMMENDED ACTION

Staff recommends that the Board approve CARTA's financial audit report for the year ending June 30, 2025.

ALIGNMENT WITH STRATEGIC GOALS

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

SUMMARY OF NEED

Approval of this item will allow CARTA to submit and publish the audit to meet the requirements of federal, state, and local municipalities. Sound business and management practices deem it necessary to ensure public resources.

There were no findings of misuse of funds or systemic financial risk; rather, the audit identified administrative deficiencies stemming from the abrupt resignation of the former CFO and the interim CFO's learning curve during a major system transition, all of which have been corrected as CARTA implements strengthened, durable financial controls going forward.

BACKGROUND AND HISTORY

As a Quasi-Governmental Entity, CARTA is required to engage in an annual audit in accordance with generally accepted auditing standards 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 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 our audit. The Yellow Book has a long and evolving history that reflects the increasing complexity and importance of government auditing. It remains a vital resource for auditors, ensuring that government entities are held accountable for their use of public funds and that their operations are conducted efficiently and effectively. The Yellow Book, formally known as the "Generally Accepted Government Auditing Standards" (GAGAS), is a comprehensive set of guidelines that provides a framework for conducting audits of government entities, programs, activities, and entities that receive government funds. It is issued by the Government Accountability Office (GAO) of the United States and serves as a cornerstone for auditors who conduct government audits.

PROCUREMENT OVERVIEW

On March 1, 2021, CARTA released a formal Request for Proposal (RFP) for auditing services. The invitation to bid formally closed on April 13, 2021, with 3 proposals submitted. The five-year contract was procured through the Request for Proposal process as defined in CARTA's purchasing policy. The contract expires in 2025, when it will be put out to bid.

FISCAL IMPACT

On June 12, 2025, the CARTA Board of Directors approved the fiscal year 2026 budget which included \$33,000 for auditing services in fiscal year 2026.

DBE PARTICIPATION

N/A