



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

BOARD MEETING AGENDA

August 21, 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. **Adoption of Minutes** [\(page 2\) - A](#)
7. **Staff Reports**
 - A. Communications & Marketing: Brandon Meredith
 - B. CEO Update: Charles D. Frazier
8. **Consent Agenda**
 - A. Statistical Report: Daniel Dufour [\(page 11 - I\)](#)
 - B. 07/22/25 Executive Committee Minutes: Scott Wilson [\(page 15\) - I](#)
 - C. Courtyard Parking Contract: Brent Matthews [\(page 18\) - A](#)
9. **Action Items:**
 - A. Customer Code of Conduct Policy: Mark Logan [\(page 20\) - A](#)
 - B. Procurement Report: Annie Powell [\(page 34\) - A](#)
 - C. Preliminary FY2025 Financial Report: Sander Abernathy [\(page 37\) - A](#)
10. **New Business**
11. **Old Business**
12. **Adjournment**

MINUTES OF THE BOARD OF DIRECTORS MEETING OF
THE CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY
AND
THE CHATTANOOGA PARKING AUTHORITY
June 12, 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, June 12, 2025, starting at 01:00 p.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 June 01, 2025. The following Board members were in attendance and constituted a quorum: Johan de Nysschen, Chairman; Evann Freeman, Vice Chairman; Stephen Culp, Corey Evatt, Bill Nye, Arcie D. Reeves, and Leandrea Sanderfur. The following persons were also in attendance: Charles Frazier, Chief Executive Officer; Scott Wilson, Chief of Staff; Corey Gagnon, Chief Operating Officer, 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. There were none.

CARTA Board Meeting Minutes 06.12.2025

Mr. de Nysschen called on Ms. McNulty to present the June 2025 Ambassador Award. Ms. McNulty recognized Jana Bucharova, Manager of Grants and Procurements. Ms. Bucharova was recognized for her assistance with keeping the accounting functions on track after the retirement of CARTA's former CFO.

Mr. de Nysschen stated that all members had been sent a copy of May 15, 2025, board meeting minutes and asked if there were any additions, corrections, or comments. There being none, a motion was made by Mr. Nye and seconded by Mr. Freeman, followed by a vote to approve the minutes. The motion was unanimously approved.

Mr. de Nysschen asked Mr. Frazier to present the CEO report. Mr. Frazier provided an Incline Railway restoration update that included the following: (i) cable, rail, and timber materials have been delivered, (ii) cable installation is currently underway and scheduled to be completed at the end of June, (iii) the July 14, 2025, reopening date remains on track and a media day has been planned in advance of the reopening, (iv) ticket sales are now open, (v) CARTA continues to vet options for a dry pipe fire suppression system.

Ms. Reeves inquired about brush removal plans for areas around the Incline track. Mr. Frazier confirmed that CARTA now has a year-long easement with the United States National Parks Service allowing staff to clear brush on a regular basis, and a capital budget request will be presented for a company to provide quarterly trimming services.

Mr. Frazier next provided an update on the First Hour Free Parking program stating that Shuttle Park South utilization increased over one thousand one hundred percent (1,100%) for the

first hour and Shuttle Park North utilization increased over three thousand seven hundred percent (3,700%) for the first hour. The North Shore Express Shuttle has provided service to over three thousand one hundred (3,100) riders since the March 2025 launch and ridership has increased eighty-four percent (84%).

Additionally, Mr. Frazier reported that twenty-one (21) new employees graduated as ambassadors on June 6, 2025, and CARTA provided a windshield tour to District Nine Representative, Ron Elliott.

Under “Consent Agenda” Mr. de Nysschen asked if there were any comments or questions regarding the statistical report provided in the board packet sent electronically on June 09, 2025. Mr. Evatt requested information on advertising efforts for the Brainerd Circulator to which Mr. Frazier advised advertising has primarily targeting CARTA GO riders to assist with increased ridership advising this is a temporary service through August 15, 2025, and plans are in place to replace with a permanent solution upon board approval. Mr. de Nysschen then asked if there were any additional comments or questions. There being none, a motion was made by Mr. Culp and seconded by Mr. Evatt followed by a vote to approve the statistical report as received, read, understood, and accepted. The motion was unanimously approved.

Next, Mr. de Nysschen asked if there were any questions or comments regarding the One Northshore Parking Contract and the Embassy Suites Parking Agreement provided in the board packet sent electronically on June 09, 2025. Ms. Reeves inquired if the Embassy Suites Agreement allowed for future rate increases to which Mr. Frazier advised the request is to allow the CEO to

negotiate price with a proposal of three percent (3%) increases per year. Mr. de Nysschen recommended the board review the agreements every three (3) years. Mr. de Nysschen then asked if there were any additional comments or questions regarding the One Northshore Parking Contract and Embassy Suites Parking Agreement. There being none, a motion was made by Mr. Freeman and seconded by Mr. Culp followed by a vote to approve both contracts. The motion was unanimously approved.

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 that included: (i) new procurements over fifty thousand dollars (\$50,000.00) to include a five-year agreement with Lee Company for HVAC maintenance services not to exceed one hundred sixty thousand (\$160,000.00) over a five (5) year period for units located at 1617 Wilcox Blvd., Shuttle Park North, Shuttle Park South, Ray Evans Transit Center, and both Incline Stations; (ii) use of the request for proposals process to include maintenance uniform rental and cleaning services; and (iii) sole source procurements for Incline Railway trackwork update in an amended amount not to exceed two hundred twenty-one thousand eight hundred sixty-seven dollars (\$221,867.00).

Mr. de Nysschen asked if there were any additional comments or questions regarding Ms. Powell's request. There being none, a motion was made by Mr. Culp and seconded by Mr. Freeman followed by a vote to approve. The motion was unanimously approved.

Mr. Frazier reviewed the One Chattanooga Public Transit Timeline, pointed out key milestones, and advised that the draft of the Future Transit Network Vision includes the following: (i) six (6) fixed routes providing 15-minute frequency, five (5) fixed routes providing 30-minute frequency and six (6) new transit corridors; (ii) thirty-three (33) mobility hubs; (iii) thirty-five (35) miles of high-capacity or bus rapid transit corridors; and (iv) three (3) additional microtransit zones combined with an expansion of the Care-A-Van service.

Next Mr. Frazier reviewed the need for the following key support positions included in the Fiscal Year 2026 Operating Budget: (i) a fixed route dispatcher; (ii) three (3) road supervisors; (iii) two (2) CARTA GO operators; (iv) a shuttle operator; (v) a vehicle maintenance technician/electric vehicle specialist; (vi) a call center dispatcher; (vii) a call center customer service agent; (viii) an information technology specialist/data officer; (ix) a customer service manager; and (x) a community outreach specialist. Mr. de Nysschen requested confirmation that the community outreach specialist would be a bilingual position, and Mr. Frazier confirmed.

Mr. Frazier asked Mr. Abernathy to present the Fiscal 2026 Operating Budget. Mr. Abernathy presented proposed fare changes and rate changes for Care-A-Van, CARTA GO, the Incline Railway, and the Chattanooga Parking Authority. Care-A-Van one-way fares include a twenty-five-cent (\$0.25) discount when using Token Transit for payment in addition to fare-free fixed route ridership. CARTA GO one-way fares include a twenty-five-cent (\$0.25) discount when using Token Transit for payment in addition to usage of the fixed route monthly pass still allowable.

CARTA Board Meeting Minutes 06.12.2025

The budget contemplates that Care-A-Van fares for Level 1 and 2 Programs increase from \$2.50 to \$3.00; fares for Care-A-Van Level 3 Program increase from \$2.50 to \$3.50; and a CARTA GO fare increased from \$1.50 to \$2.00. The budget also includes an Incline Railway round trip adult fare increase from \$20.00 to \$22.00. Finally, the hourly parking rate in Zone 1 will increase from \$1.50 to \$2.00, the hourly parking rate in Zone 2 from \$1.50 to \$1.75, and a decrease in the hourly parking rate in Zone 4 from \$1.50 to \$1.00. The hourly parking rate in Zone 3 will remain the same

The budgeted revenue and expenses for FY 2025 is \$29,886,901.00. The budgeted revenue and expenses for 2026 is projected to be \$34,806,316.00. Significant revenue changes are as follows: (i) FY2025 passenger revenue of \$6,412,603.00 compared to FY2026 passenger revenue of \$7,518,993.00; (ii) FY2025 parking revenue of \$6,273,798.00 compared to FY2026 parking revenue of \$7,338,352.00; (iii) FY2025 federal revenue of \$7,222,503.00 compared to FY2026 federal revenue of \$5,478,756.00; (iv) FY2025 state and local revenue of \$9,389,430.00 compared to FY2026 state and local revenue of \$11,220,296.00; (v) no FY2025 Incline insurance proceeds compared to FY2026 Incline insurance proceeds of \$2,466,442.00; and (vi) FY2025 other revenue of \$588,567.00 compared to FY2026 other revenue of \$783,477.00.

Significant expense changes are as follows: (i) FY2025 personnel costs of \$19,676,251.00 compared to FY2026 personnel costs of \$23,659,042.00; (ii) FY2025 professional services of \$4,550,546.00 compared to FY2026 professional services of \$4,322,493.00; (iii) FY2025 fuel, tires, and supplies in the amount of \$2,761,839.00 compared to FY2026 fuel, tires, and supplies in

the amount of \$3,365,884.00; and (iv) FY2025 other expenses of \$2,898,265.00 compared to FY2026 other expenses of \$2,898,265.00.

Ms. Reeves shared appreciation for the clarity of the FY2026 budget and requested future budgets begin to include operating fund reserves. Mr. de Nysschen shared appreciation for the professional approach utilized when developing the FY2026 budget, stated he has confidence in the projections and base assumptions and echoed Ms. Reeves' request for operational strategic reserves to be included in future budgets. Mr. Frazier advised he had received notice from Hamilton County that in addition to the funds already allocated for the CARTA GO expansion, they will be approving CARTA's request to subsidize Care-A-Van Program Level 3 for East Ridge and Red Bank. Hamilton County's budget will not be finalized until next week. CARTA will provide an amended budget when the County's budget has been approved.

Mr. de Nysschen asked if there were any additional comments or questions regarding the request to approve the FY2026 Operating Budget. There being none, a motion was made by Mr. Culp and seconded by Ms. Reeves followed by a vote to approve. The Operating Budget was unanimously approved.

Mr. de Nysschen called on Ms. Powell to present the Fiscal Year 2026 Capital Budget. Ms. Powell advised that staff recommend the Board approve the capital budget for fiscal year 2026. The capital budget includes funded capital projects for FY2026 of \$16,191,261.00 and unfunded capital projects in the amount of \$41,413,865.00. For FY2027 through FY2030, CARTA has budgeted \$29,810,367.00 in funded capital projects. FY2027 through FY2020, CARTA has

budgeted \$23,710,367.00 in unfunded capital projects. Ms. Powell advised that on March 21, 2025, CARTA submitted a request to the City of Chattanooga in the amount of \$2,856,936.00 for 10% of the unfunded FY2026 capital needs with a request for commitment of approximately \$1,800,000.00 for FY2027 contingent on CARTA being awarded a \$14 million grant for the replacement of electric shuttle buses.

Mr. de Nysschen asked if there were any comments or questions regarding the request to approve the FY2026 Capital Budget. There being none, a motion was made by Mr. Evatt and seconded by Ms. Reeves followed by a vote to approve. The Capital Budget was unanimously approved.

Mr. de Nysschen asked if there were any “New Business” items that needed to be discussed to which Mr. Evatt requested to expressed appreciation for CARTA partnering with the YMCA Summer Feeding Program. Mr. de Nysschen requested CARTA management explore initiatives and strategies to further expand revenue opportunities. Mr. de Nysschen next stated that he wanted to formally inform the board that CARTA has been approached by the City of Lookout Mountain expressing concerns about the financial implications of continuing to provide support services to Incline Railway and has requested that CARTA offset the costs. Mr. de Nysschen and Mr. Frazier have met with the Mayor of Lookout Mountain and its Commissioner to gain an understanding of their concerns. Mr. de Nysschen requested that CARTA management partner with the City of Lookout Mountain to collaboratively address the concerns.

CARTA Board Meeting Minutes 06.12.2025

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

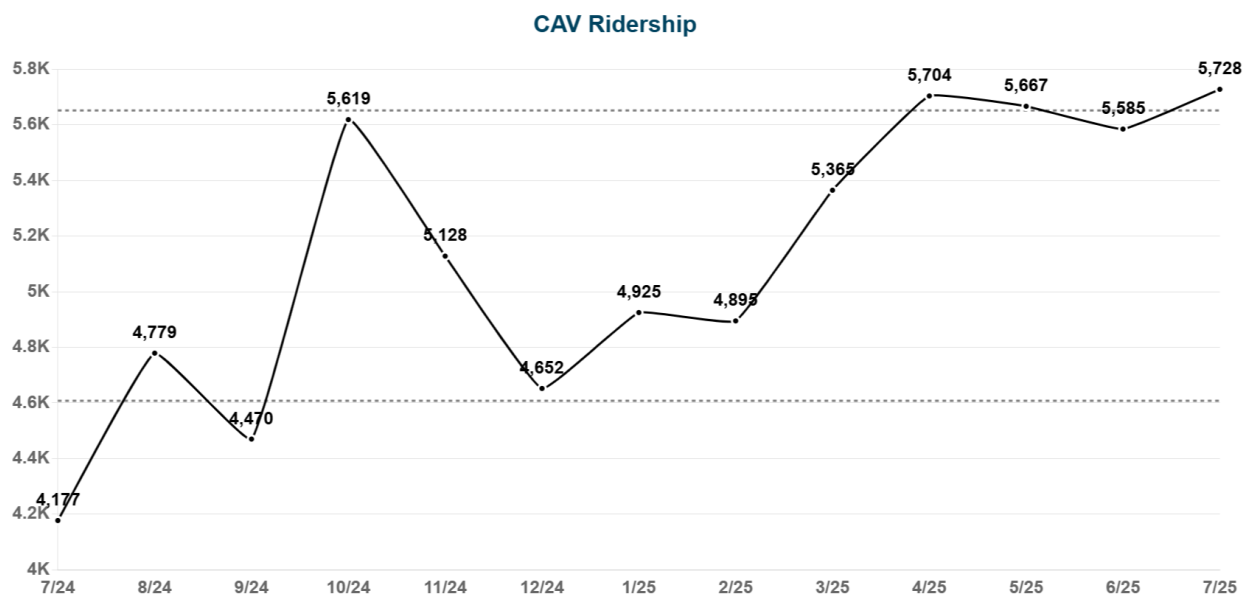
Staff recommend that the Board accept CARTA's statistical report for the month ending July 2025 as information to the Board.

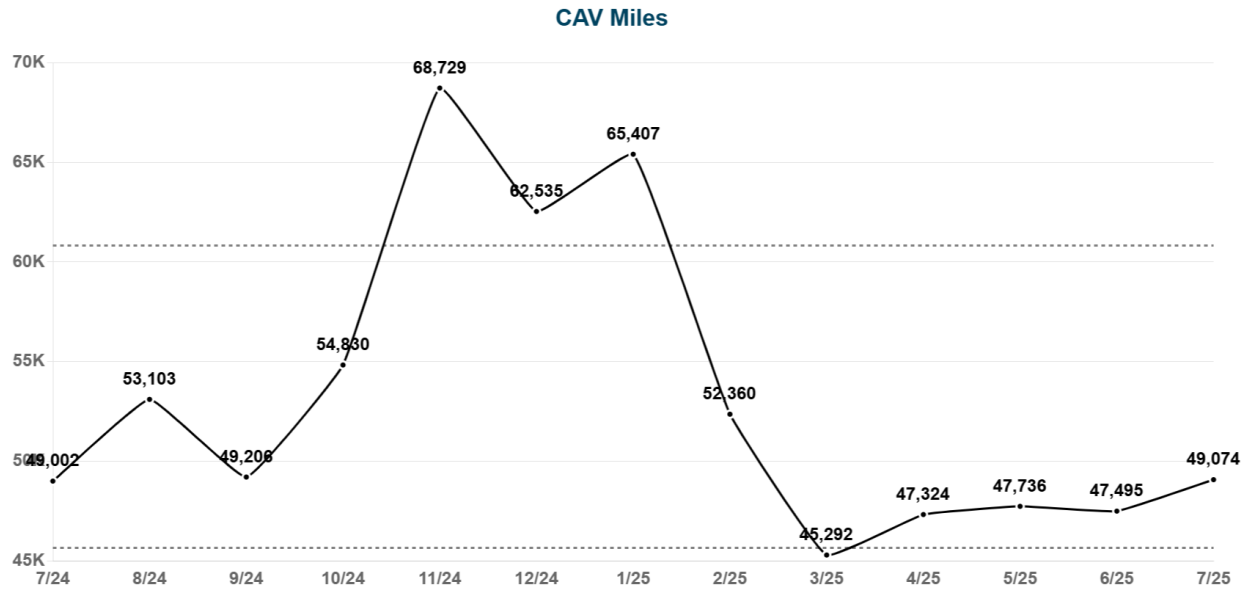
HIGHLIGHTS

Reviewing the data there are three main takeaways for July: (1) Care-A-Van continues to increase ridership while improving operational efficiency, (2) The Inline reopening greatly increased total CARTA ridership, and (3) Route 15 (St. Elmo / Incline) ridership continues its upward trend.

HIGH CARE-A-VAN RIDERSHIP AND OPERATIONAL EFFICIENCY

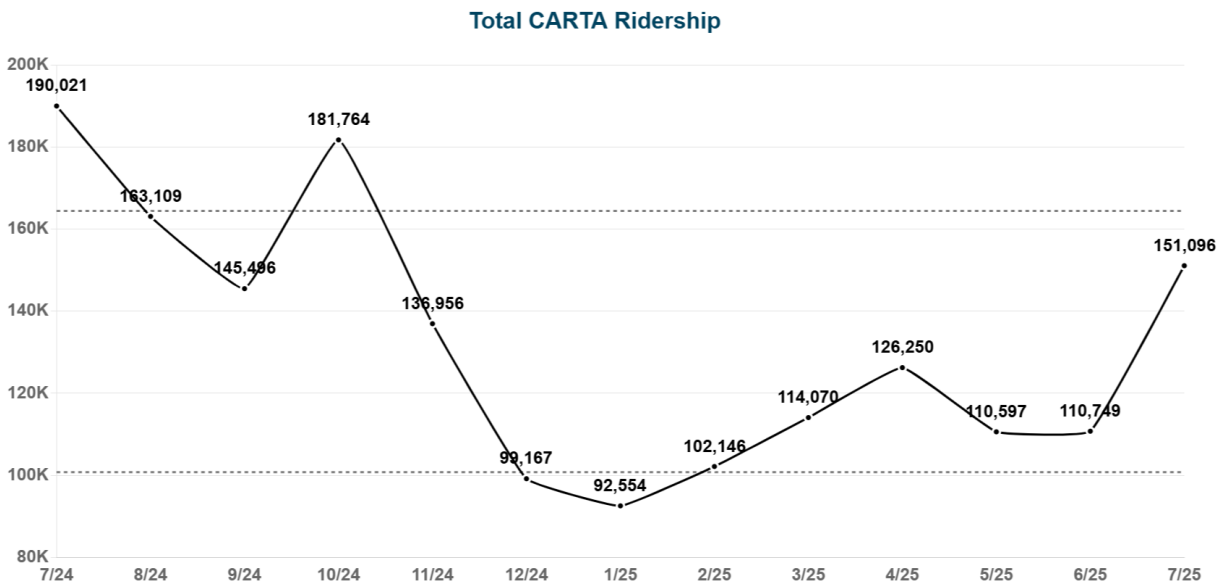
Care-A-Van continues to see demonstrable impact in ridership and operating miles based on strong leadership from the Director of Paratransit Services and an emphasis on improving operational efficiencies. Ridership increased by 143 from June and July and is up 37% from the same time last year. Although miles increased by 1,579 from June to July, it is within 0.1% of last year, showing that Paratransit increased ridership without substantially increasing miles.





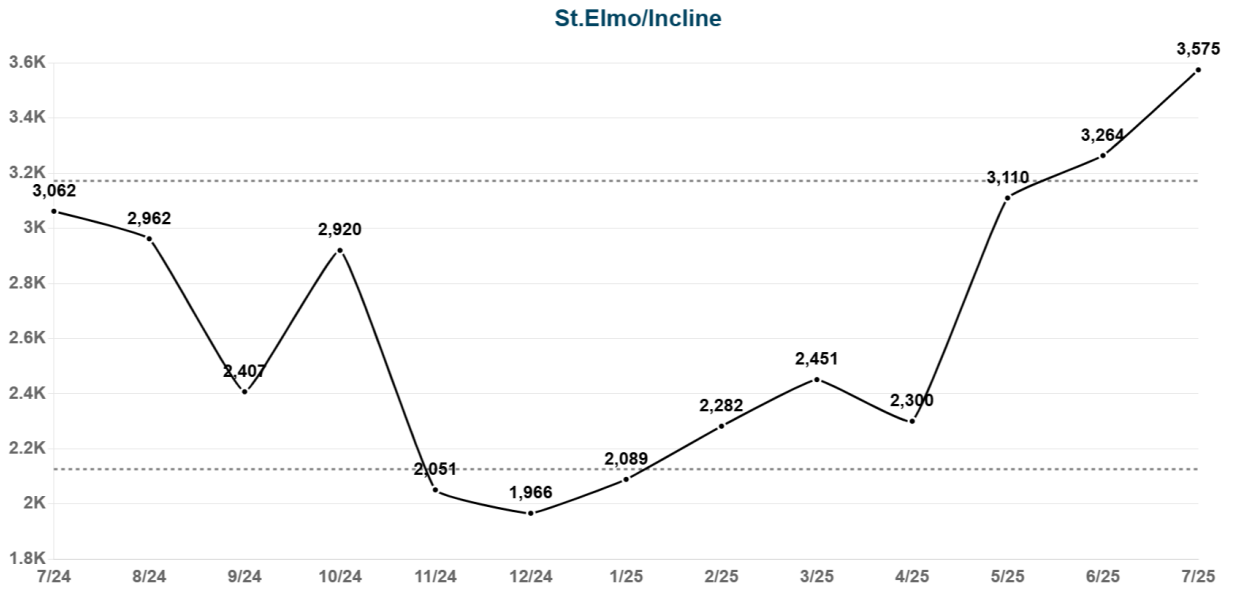
THE INCLINE REOPENING

The Incline reopened on July 14th. The Incline is a large contributor to CARTA's overall ridership. Even though The Incline was only open for half of the month, this resumption of service led to total CARTA ridership increasing from 110,749 to 151,096 between June and July of 2025. Specifically, the Incline contributed 31,538 to ridership in July, representing 78% of this ridership increase.



ROUTE 15 (ST. ELMO / INCLINE)

Ridership on Route 15 (St. Elmo / Incline) continued its upward trend, indicating that sustained improvements in availability and service hours has a demonstrable positive impact on ridership. CARTA added 513 in July ridership between 2024 and 2025.



Statistic	1 Standard Deviation below Mean			1 Standard Deviation above Mean			Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
	TRANSPORTATION			TRANSPORTATION															
Ridership	75070.00	87587.00	83082.00	86162.00	82641.00	92096.00	79775.00	70349.00	70317.00	76260.00	82365.00	87605.00	80886.00	80556.00	85174.00				
Weekday Average - with Mocs	3020.00	3469.00	3242.00	3293.00	3535.00	3479.00	3311.00	2833.00	2817.00	3272.00	3265.00	3490.00	3056.00	3232.00	3353.00				
Weekday Average - without Mocs	2910.00	3312.00	3242.00	3164.00	3186.00	3205.00	3087.00	2789.00	2645.00	3051.00	3100.00	3331.00	3056.00	3232.00	3353.00				
Saturday Average	1845.00	2232.00	2124.00	2154.00	1990.00	2220.00	2079.00	1818.00	1495.00	2012.00	2033.00	2201.00	2145.00	2121.00	2090.00				
Sunday Average	674.00	811.00	816.00	737.00	795.00	799.00	789.00	717.00	588.00	691.00	708.00	676.00	733.00	842.00	762.00				
Transit Miles	151272.00	164711.00	155741.00	163497.00	151310.00	167126.00	152662.00	148063.00	158664.00	147874.00	158427.00	159747.00	167157.00	157834.00	165811.00				
Transit Passengers/Mile	0.48	0.55	0.53	0.53	0.55	0.55	0.52	0.48	0.44	0.52	0.52	0.55	0.48	0.51	0.51				
Accidents	0.47	3.53	2.00	1.00	5.00	2.00	2.00	1.00	1.00	0.00	2.00	1.00	3.00	5.00	1.00				
Operating Cost/Rider	10.00	12.00	11.35	9.56	9.97	9.23	10.31	12.40	12.41	11.34	10.50	9.52	10.18	**	10.96				
SHUTTLE																			
Ridership	21664.00	30101.00	30157.00	28999.00	26164.00	29313.00	25438.00	21914.00	17312.00	20991.00	26340.00	32941.00	24044.00	24608.00	28656.00				
Weekday Average	759.00	1038.00	1014.00	971.00	906.00	956.00	917.00	775.00	607.00	797.00	912.00	1194.00	806.00	872.00	952.00				
Saturday Average	804.00	1137.00	1083.00	1080.00	953.00	1215.00	975.00	876.00	651.00	857.00	896.00	1198.00	832.00	851.00	1149.00				
Sunday Average	426.00	615.00	627.00	461.00	667.00	615.00	558.00	427.00	338.00	408.00	540.00	472.00	537.00	578.00	538.00				
Shuttle Miles	15410.00	17988.00	18309.00	18073.00	16750.00	17834.00	16163.00	17123.00	16668.00	16186.00	17622.00	17780.00	15680.00	14107.00	14787.00				
Shuttle Passengers/Mile	1.00	2.00	1.65	1.58	1.56	1.64	1.57	1.28	1.04	1.30	1.49	1.85	1.53	1.74	1.94				
Accidents	0.00	1.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	2.00	0.00				
Operating Cost/Rider	2.00	4.00	3.43	2.41	2.63	2.48	2.85	3.36	4.25	3.44	2.74	2.52	3.30	**	3.06				
INCLINE																			
Incline Ridership	-4844.00	45388.00	72605.00	43569.00	32221.00	54736.00	26615.00	2252.00	0.00	0.00	0.00	0.00	0.00	0.00	31538.00				
Net Revenue/Passenger	-4.00	10.00	1.98	4.77	6.45	4.66	12.89	-9.21	N/A	N/A	N/A	N/A	N/A	N/A	0.00				
Days Down	4.00	32.00	0.00	0.00	2.00	0.00	13.00	25.00	31.00	28.00	31.00	30.00	31.00	30.00	13.00				
CARE-A-VAN																			
CAV Ridership	4608.00	5652.00	4177.00	4779.00	4470.00	5619.00	5128.00	4652.00	4925.00	4895.00	5365.00	5704.00	5667.00	5585.00	5728.00				
CAV Miles	45651.00	60825.00	49002.00	53103.00	49206.00	54830.00	68729.00	62535.00	65407.00	52360.00	45292.00	47324.00	47736.00	47495.00	49074.00				
CAV Turndowns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
CAV Accidents	0.00	1.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	1.00	1.00	1.00				
CAV Operating Cost/Rider	43.00	54.00	59.84	47.67	50.96	42.24	46.28	55.09	52.04	50.38	45.96	42.07	42.00	**	48.07				
CAV Passengers/Hour	1.00	2.00	1.18	1.26	1.28	1.57	1.60	1.54	1.52	1.53	1.61	1.67	1.73	1.70	1.64				
TOTAL CARTA																			
Total CARTA Ridership	100772.00	164455.00	190021.00	163109.00	145496.00	181764.00	136956.00	99167.00	92554.00	102146.00	114070.00	126250.00	110597.00	110749.00	151096.00				

* Notes to the Statistical Report:

TO: CARTA Board of Directors

FROM: Scott Wilson
Chief of Staff

SUBJECT: 07/22/2025 Executive Committee Special Called Meeting

RECOMMENDED ACTION

Staff recommends that the Board approve the minutes from the 08/07/2025 Executive Committee meeting.

Date: July 22, 2025
Meeting Type: Special Called Meeting
Subject: Vehicle Procurement Authorization

MEMBERS PRESENT

- **Johan De Nysschen**, Board Chair
- **Charita Allen**, Treasurer
- **Corey Evatt**, Director
- **LeAndrea Sanderfur**, Director

STAFF PRESENT

- **Annie Powell**, Director of Grants and Procurement
- **Scott Wilson**, Chief of Staff

CALL TO ORDER

Board Chair De Nysschen called the special meeting to order to consider time-sensitive vehicle procurement matters requiring Executive Committee action.

AGENDA ITEM: VEHICLE PROCUREMENT AUTHORIZATION

Presentation

Director of Grants and Procurement Annie Powell presented Board Memo dated July 22, 2025, regarding the procurement of two (2) Ford Transit vehicles for CARTA Go service.

Key Details Presented:

- **Total Cost:** \$224,643 (\$112,321.50 each)
- **Recommended Contractor:** Modell Commercial Vehicles

- **Vehicle Type:** Two (2) Mobility Trans Ford Transit 350 vehicles with curbside wheelchair lifts
- **Procurement Method:** Tennessee Statewide Contract 234
- **Delivery Date:** Estimated August 6, 2025
- **Service Deadline:** August 18, 2025 for service extension

Discussion

Chair De Nysschen inquired whether the Executive Committee had authority to approve this procurement in the absence of the full Board of Directors.

Attorney Ruiz provided legal guidance in advance on the Committee's authority, stating that under the circumstances and time-sensitive nature of the procurement (August 18 deadline for service extension), the Executive Committee could authorize the purchase. She outlined several options available under the CARTA bylaws:

- **Article IV, Section 3:** Special Board meeting with 5 days' notice (requiring 5 board members for quorum)
- **Executive Committee Special Meeting:** With quorum of 3 voting members
- **Article IV, Section 11:** Executive Committee with substitute board members if needed to achieve quorum

Attorney Ruiz confirmed that the Executive Committee, with at least three members present, had authority to vote on this time-sensitive matter.

Action Taken

Chair De Nysschen noted that he was voting in favor based on Attorney Ruiz's statement confirming the Committee's authority to act on this matter.

MOTION: To approve the procurement of two (2) Ford Transit vehicles from Model1 Commercial Vehicles in the amount of \$224,643 as detailed in the Board Memo dated July 22, 2025.

VOTE:

- **De Nysschen:** Aye
- **Allen:** Aye
- **Evatt:** Aye
- **Sanderfur:** Aye

RESULT: Motion carried unanimously (4-0)

Additional Direction

Chair De Nysschen requested that this procurement action be reported at the next regular Board of Directors meeting in August.

ADJOURNMENT

There being no further business, Chair De Nysschen adjourned the meeting.

Minutes prepared by: Scott Wilson, Chief of Staff

ALIGNMENT WITH STRATEGIC GOALS

N/A

SUMMARY OF NEED

N/A

BACKGROUND AND HISTORY

N/A

PROCUREMENT OVERVIEW

N/A

FISCAL IMPACT

N/A

DBE PARTICIPATION

N/A

TO: CARTA Board of Directors

FROM: Brent Matthews
Director of Parking and Facilities

SUBJECT: Approval of Contract Renewal with McKibbon Brothers for Courtyard Marriott

RECOMMENDED ACTION

Staff recommend that the Board authorize the Chief Executive Officer to negotiate and execute a five (5) year revenue contract with McKibbon Brothers beginning in 2031 with three (3) five (5) year renewal options.

ALIGNMENT WITH STRATEGIC GOALS

This action aligns with CARTA's strategic imperatives of establishing local funding streams and increasing parking utilization.

SUMMARY OF NEED

Approval of this item will allow CARTA/CPA to enter into a 5 (five) year revenue contract with McKibbon Brothers for monthly overnight parking in the Shuttle Park North Garage.

BACKGROUND AND HISTORY

On May 1, 2001, the Board of Directors authorized CARTA to enter an initial ten (10) year contract with four (4) five (5) year renewals when the Courtyard Marriott was built and opened. Courtyard Marriott hotel guests park in our garage when they stay overnight. Under the current agreement, 130 parking spaces are leased for use by hotel guests. Approximately 50% of these spaces are utilized nightly.

The current contract remains in effect until 2031. However, due to a newly signed agreement between the Courtyard hotel and Marriott, McKibbon must demonstrate long-term parking availability.

Monthly revenue averaged **\$3,300** in 2001 and is currently at **\$9,146.35** based on current contract terms, with monthly revenue forecasted to be \$9,420.74 beginning in 2028.

The new lease terms are as follows:

- **\$115.00 per space per month for a total of \$14,500 per month.** (current rate is **\$70.36** per space per month) This will be a **61%** increase over their current rate.
- **2% annual increase** to account for inflation and market adjustments

FISCAL IMPACT

The annual forecasted revenue for the contract is as follows:

- FY2031 - \$179,400
- FY2032 - \$183,090
- FY2033 - \$186,751
- FY2034 - \$190,486
- FY2035 - \$194,296

TO: CARTA Board of Directors

FROM: Mark Logan
Chief Safety Officer

SUBJECT: Passenger Code of Conduct

RECOMMENDED ACTION

Staff recommends that the Board approve the Passenger Code of Conduct policy.

ALIGNMENT WITH STRATEGIC GOALS

This initiative aligns with CARTA's strategic imperatives of reducing safety incidents, protecting employees and improving the customer experience.

SUMMARY OF NEED

Approval of this item will formally establish a code of conduct for passengers as it relates to paying fares, boarding and riding vehicles. It further defines unacceptable behavior and forbidden actions. Finally, the policy explains potential actions CARTA may take for violations and establishes a formal appeal process.

An example of some expressly prohibited conduct is as follows:

- Bus shelters are provided for the comfort and safety of passengers awaiting transit. Persons may occupy the shelter within 30 minutes before or after the next scheduled bus arrival. Use of shelters for sleeping, prolonged stays beyond transit-related waiting, or storage of personal items that block seating or passage is prohibited. Exceptions are allowed during service delays or emergencies.
- Smoking or the use of any electronic smokeless device or the use of any chewing tobacco products are not allowed in any CARTA Property except in certain designated areas.
- The consumption of alcoholic beverages or having an open container is prohibited on CARTA Property. Non-alcoholic beverages in covered spill-proof containers are permitted.
- The consumption of food by Patrons whilst on CARTA vehicles is prohibited unless medically necessary.
- Patrons may not possess any weapon, flammable liquid, explosive material, or other dangerous substance on CARTA Property.
- No soliciting or private business sales of any type may take place at any CARTA Property, including, but not limited to, the display or set up of any food, clothing, or other sales without the express written consent of CARTA.
- Bicycles and other personal property are not to be locked or stored on CARTA Property overnight.
- Patrons shall not interfere in any way with the operation of any CARTA vehicle or CARTA Property or interfere with an operator's ability to drive safely.
- Animals are not allowed in any CARTA vehicle or CARTA Property unless they are in an approved animal transfer cage (except for service animals).
- Disorderly conduct will not be tolerated. This includes, but is not limited to: use of profane or offensive language including any threats or verbal or physical intimidation; bullying; touching or making inappropriate comments of a sexual nature; loud music, loud or disruptive noise that

interferes with the comfort, safety, or announcements; racial slurs or displaying racist or gang-related behaviors; activities that may provoke violence; pushing others or “breaking the line” to gain access to a CARTA vehicle; or treating passengers or the vehicle operator without courtesy. Individuals must wear shirt and shoes; clothing must fully cover undergarments at all times while on CARTA Property.

- Sleeping, camping, or storing personal property on benches, floors or grounds of any CARTA Property is prohibited.

BACKGROUND AND HISTORY

CARTA strives to provide safe, reliable, efficient and effective transit services. In order to clearly communicate the expectations of passengers, this policy formally outlines fare requirements, safe boarding and riding procedures, and defines unacceptable behavior. Once adopted, the policy will allow CARTA to temporarily remove violators from CARTA property and/or temporarily suspend riding privileges.

PROCUREMENT OVERVIEW

N/A

FISCAL IMPACT

\$2,500 for printed tri-folds for all busses and interior graphic signs for each bus

DBE PARTICIPATION

N/A

CUSTOMER CODE OF CONDUCT SUMMARY

Fare Requirements

- Pay proper fare or use valid pass when boarding
- Show identification for discounted fares when requested
- Cooperate with CARTA employees and law enforcement

Safe Boarding & Riding

- Use handrails when moving to your seat
- Remove children from strollers before boarding and fold strollers
- Remain seated until the bus comes to a complete stop
- Keep belongings inside the vehicle at all times
- Don't distract the driver or interfere with vehicle operation

Strictly Forbidden

- Smoking, vaping, or tobacco use (except in designated areas)
- Consuming alcohol or food on vehicles
- Weapons, explosives, or dangerous substances
- Panhandling or unauthorized business sales
- Loitering without valid transportation purpose

Unacceptable Behavior

- Profane language, threats, or intimidation
- Disorderly conduct, loud music, or disruptive behavior
- Inappropriate touching or sexual comments
- Sleeping or camping on CARTA property
- Bringing animals (except service animals in approved carriers)

Violations May Result In:

- Removal from CARTA property
- Suspension of riding privileges
- Forfeiture of paid fares
- Law enforcement involvement
- Permanent exclusion for severe or repeated violations



APPEALS PROCESS

- Submit written appeal within 10 business days
- Send to Chief Operating Officer at:
1617 Wilcox Blvd., Chattanooga, TN 37406
- Include specific reasons for appeal
- CARTA's decision is final

Contact Information

Report Issues: 423-629-1473
1617 Wilcox Blvd., Chattanooga, TN 37406

When reporting, please provide: bus route,
time, bus number, and operator badge number

Remember: By using CARTA services, you
agree to follow this Code of Conduct. Help us
maintain a safe, respectful environment for all
passengers.



CUSTOMER CODE OF CONDUCT



EFFECTIVE August 21, 2025
www.gocarta.org • 423.629.1473

Chattanooga Area Regional Transportation Authority



CUSTOMER CODE OF CONDUCT

The CARTA Customer Code of Conduct was approved by the CARTA Board on August 21, 2025.

Last Updated: August 21, 2025

The Chattanooga Area Regional Transportation Authority ("CARTA" or "We") is committed to the safety of its patrons and its employees.

In response to the January 16, 2025, published results from FTA General Directive 24-1: regarding assault on transit workers and the identified risk; CARTA has redoubled its effort to mitigate harm by introducing the following policy.

Every passenger on a CARTA vehicle or engaging in CARTA services (each, a "Patron" or "you") is held to this code of conduct (this "Code"), whether on a transit vehicle, at a transit stop, at any bus stop, or any other property or facility under the control of CARTA (collectively, "CARTA Property").

All Patrons must abide by the terms of this Code. By riding on a CARTA vehicle, engaging in CARTA services, or otherwise being on CARTA Property, Patrons agree to be bound by the terms of this Code. Patrons who do not behave in accordance with the terms of this Code whilst on CARTA Property may be suspended or banished from using CARTA services or CARTA Property.

RESPONSIBILITIES OF ALL PATRONS

Any Patron violating federal, state, or local law on any CARTA Property may be prosecuted, suspended from CARTA Property, and/or suspended from using any CARTA services. All Patrons are required to cooperate with any CARTA employee, official, security officer, and with law enforcement.

Fares: Every Patron in a CARTA vehicle is required to pay the proper fare or use a valid pass. For discounted fares/ passes, Patrons may be required to show identification.

No Panhandling: It is expressly prohibited for any person to engage in an act of panhandling when either the panhandler or the person being solicited is located in, on, or at any CARTA Property. Any violation of the foregoing may result in suspension from CARTA Property and CARTA services.

Boarding and Exiting Procedures: Upon boarding the CARTA vehicle, please use handrails when walking to and from your seat and be seated as soon as possible. Please remove children from strollers before boarding, and make sure that the stroller is folded and out of the aisle. Once you have requested a stop, remain seated until the CARTA vehicle comes to a complete stop. After exiting, please refrain from crossing the street in front of the CARTA vehicle.

Safe Riding Practices:

- Familiarize yourself with emergency safety and evacuation procedures and always know the location of the nearest fire extinguisher.
- Do not distract from the vehicle operator's ability to drive safely, and do not interfere in any way with the operation of any CARTA vehicle.
- Do not stand in front of the "standee line" before the CARTA vehicle stops.
- Do not climb or hang on bars or handrails.
- Keep all body parts, objects, and belongings inside the vehicle while the CARTA vehicle is in motion.

- Keep track of your personal belongings. Discarding or leaving packages on CARTA vehicles or on CARTA Property is prohibited. Unattended items may be confiscated and destroyed.

Notice: It is not the role of the CARTA vehicle operator or any CARTA staff to respond to medical or confrontational situations. CARTA vehicle operators may call a supervisor or emergency responder for appropriate attention to the issue. The role of the CARTA vehicle operator is to safely operate the bus. Please take the time to report anything unusual or unsafe to the vehicle operator.

Customer Communication: Any customer comments can be made by calling CARTA at 423-629-1411 or by writing CARTA at 1617 Wilcox Blvd., Chattanooga, TN 37406. When calling in a complaint, it is helpful to know the bus route, time of day, bus number and vehicle operator's badge number.

PROHIBITED CONDUCT

The following are unacceptable behaviors and conduct that will not be tolerated on CARTA Property. The examples are not all-inclusive. Vehicle operators and CARTA staff may use their discretion to determine if any Patron is engaging in unacceptable behavior. Anyone engaging in criminal activity or other unacceptable behavior may be removed from CARTA Property and subject to suspension as provided by this Code.

- Loitering on any CARTA Property is prohibited. All persons on CARTA Property shall have a ticket in their possession or means of payment and board the next available bus on their route.
- Smoking or the use of any electronic smokeless device or the use of any chewing tobacco products are not allowed in any CARTA Property except in certain designated areas.
- The consumption of alcoholic beverages or having an open container is prohibited on CARTA Property. Non-alcoholic beverages in covered spill-proof containers are permitted.
- The consumption of food by Patrons whilst on CARTA vehicles is prohibited unless medically necessary.
- Patrons may not possess any weapon, flammable liquid, explosive material, or other dangerous substance on CARTA Property.
- No soliciting or private business sales of any type may take place at any CARTA Property, including, but not limited to, the display or set up of any food, clothing, or other sales without the express written consent of CARTA.
- Bicycles and other personal property are not to be locked or stored on CARTA Property overnight.
- Patrons shall not interfere in any way with the operation of any CARTA vehicle or CARTA Property or interfere with an operator's ability to drive safely.
- Animals are not allowed in any CARTA vehicle or CARTA Property unless they are in an approved animal transfer cage (except for service animals).
- Disorderly conduct will not be tolerated. This includes, but is not limited to: use of profane or offensive language including any threats or verbal or physical intimidation; bullying; touching or making inappropriate comments of a sexual nature; loud music, chanting or singing; racial slurs or displaying racist or gang-related behaviors; activities that may provoke violence; pushing others or "breaking the line" to gain access to a CARTA vehicle; or treating passengers or the vehicle operator without courtesy. Individuals must wear shirt and shoes; sagging pants which expose underwear is prohibited.
- Sleeping, camping, or storing personal property on benches, floors or grounds of any CARTA Property is prohibited.

**PATRONS OBSERVING SUSPICIOUS OR PROHIBITED ACTIVITY
CALL 423-629-1473.**

PHOTO AND VIDEO POLICY

The public may use hand-held cameras for personal use in public areas of transit facilities, so long as such use does not interfere with the operation of CARTA vehicles or safety of CARTA Property. All Patrons are prohibited from accessing restricted areas, using tripods or other obtrusive equipment, laying cords or cables in walkways, using a flash bulb that is blinding to patrons or CARTA employees, and creating congestion during an emergency evacuation. Camera use must be in accordance with all other aspects of this Code and CARTA policies.

The news media is afforded the same rights and restrictions as members of the general public. However, CARTA strongly recommends that members of the news media present valid press credentials when they film on CARTA Property and strongly encourages the news media to contact CARTA Communications in advance to facilitate and ensure appropriate access.

Commercial photography is allowed only with express written permission of CARTA.

DISCIPLINE PROCEDURE

Any violation of this Code may result in riding privileges and the use of any CARTA Property being suspended. When suspended, the offending Patron is prohibited from riding any CARTA vehicle or be on the premises of any CARTA Property for a period of time designed by CARTA in CARTA's sole discretion. Any time a Patron is suspended or removed from CARTA Property, any bus fare or fee (including any pre-paid fare or fee) is forfeited. If the offending Patron attempts to ride another CARTA transit vehicle or enters any CARTA Property during the suspension period, it will be considered trespassing, and CARTA security or law enforcement may be called to address the situation. CARTA reserves the right to permanently exclude offending Patrons from any CARTA Property due to the nature and severity of any violation or because of repeated violations, as determined in CARTA's sole discretion.

If a minor is removed from CARTA Property for a violation of this Code, a law enforcement representative may be called for law enforcement intervention. If a minor or student is riding a CARTA vehicle, CARTA reserves the right to assign a seat near the front of the bus, to contact parents, school principal, or other official, if necessary.

If a Patron violates this Code, transit or security personnel will complete an incident report with a written request for suspension and forward all documentation to the appropriate CARTA Chief Safety Officer or designee ("Chief Safety Officer"). If the Chief Safety Officer approves the suspension, the Chief Safety Officer will determine the appropriate response in their sole discretion and, where warranted, sign a letter of suspension.

Appeal: Any suspended individual, or that person's representative, may appeal the suspension. Appeals must be in writing and submitted to the Chief Safety Officer at 1617 Wilcox Blvd., Chattanooga, TN 37406, Attn: Chief Safety Officer, within ten (10) business days after the suspension. A letter requesting an appeal must state with specificity the reasons for the appeal. As a general matter, CARTA will not accept late appeals; however, CARTA may, at its sole discretion, elect to hear a late appeal when the lateness has resulted from extenuating circumstances. The suspension stays in effect pending any appeal.

CARTA will review the letter of appeal and the corresponding file on the suspended individual to make a determination as to whether the suspension will be upheld, terminated, or modified. CARTA will communicate its decision within a reasonable time of receipt of the letter requesting the appeal. The decision of CARTA is final.

Customer Code of Conduct

Supplemental:

Level 1 Offense

- Do not distract from the vehicle operator's ability to drive safely, and do not interfere in any way with the operation of any CARTA vehicle.
- Do not stand in front of the "standee line" before the CARTA vehicle stops.
- Do not climb or hang on bars or handrails.
- Keep all body parts, objects, and belongings inside the vehicle while the CARTA vehicle is in motion.

Penalty for Level 1 Offenses **(within a one-year period)**

1st Offense – Verbal reprimand

2nd Offense – Written reprimand

3rd Offense - Suspend one (1) day

4th Offense - Suspend three (3) days

5th Offense - Suspend 10 (10) days

6th Offense – One (1) Year Band

Level 2 Offenses

- Loitering on any CARTA Property is prohibited. All persons on CARTA Property shall have a ticket in their possession or means of payment and board the next available bus on their route.
- The consumption of food by Patrons whilst on CARTA vehicles is prohibited unless medically necessary.
- Bicycles and other personal property are not to be locked or stored on CARTA Property.
- Individuals must wear shirt and shoes; sagging pants which expose underwear is prohibited.

Penalty for Level 2 Offenses **(within a one-year period)**

1st Offense - Suspend one (1) day

2nd Offense - Suspend three (3) days

3rd Offense - Suspend 10 (10) days

4th Offense – One (1) Year Band

Level 3 Offenses

- Smoking or the use of any electronic smokeless device or the use of any chewing tobacco products are not allowed in any CARTA Property except in certain designated areas.
- The consumption of alcoholic beverages or having an open container is prohibited on CARTA Property. Non-alcoholic beverages in covered spill-proof containers are permitted.
- No private business sales of any type may take place at any CARTA Property, including, but not limited to, the display or set up of any food, clothing, or other sales without the express written consent of CARTA.
- No playing loud music, chanting or singing out loud.

Penalty for Level 3 Offenses

(within a two-year period)

1st Offense - Suspend three (3) days

2nd Offense - Suspend ten (10) days

3rd Offense – One (1) Year Band

Level 4 Offenses

- Patrons shall not interfere in any way with the operation of any CARTA vehicle or CARTA Property or interfere with an operator's ability to drive safely.
- Animals are not allowed in any CARTA vehicle or CARTA Property unless they are in an approved animal transfer cage (except for service animals).
- No pushing others or "breaking the line" to gain access to a CARTA vehicle; or treating passengers or the vehicle operator without courtesy.

Penalty for Level 4 Offenses

(within a one-year period)

1st Offence - Minimum ten (10) days Suspension – Subject to One (1) Year Band

Level 5 Offenses

- Patrons may not possess any weapon, flammable liquid, explosive material, or other dangerous substances on CARTA Property.

- Disorderly conduct will not be tolerated. This includes, but is not limited to: use of profane or offensive language including any threats or verbal or physical intimidation; bullying; touching or making inappropriate comments of a sexual nature; racial slurs or displaying racist or gang-related behaviors; activities that may provoke violence.

Penalty for Level 5 Offenses

1st Offense - One (1) Year Band

The examples are not all-inclusive. Vehicle operators and CARTA staff may use their discretion to determine if any Patron is engaging in unacceptable behavior. Anyone engaging in criminal activity or other unacceptable behavior may be removed from CARTA Property and subject to suspension as provided by this Code.

Patrons who have been banned may, after an agreed period of time determined by the CARTA Chief Executive Officer, have their riding privileges restored based on a written, conditional agreement.

Any time a Patron is suspended or removed from CARTA Property, any bus fare or fee (including any pre-paid fare or fee) is forfeited. If the offending Patron attempts to ride another CARTA transit vehicle or enters any CARTA Property during the suspension period, it will be considered trespassing, and CARTA security or law enforcement may be called to address the situation. CARTA reserves the right to permanently exclude offending Patrons from any CARTA Property due to the nature and severity of any violation or because of repeated violations, as determined in CARTA's sole discretion.

Appeals Process:

If a Patron violates this Code, transit or security personnel will complete an incident report with a written request for suspension and forward all documentation to the appropriate CARTA Chief Safety Officer or designee ("**Chief Safety Officer**"). If the Chief Safety Officer approves the suspension, the Chief Safety Officer will determine the appropriate response in their sole discretion and, where warranted, sign a letter of suspension.

Appeal: Any suspended individual, or that person's representative, may appeal the suspension. Appeals must be in writing and submitted to the Chief Safety Officer at 1617 Wilcox Blvd., Chattanooga, TN 37406, Attn: Chief Safety Officer, within ten (10) business days after the suspension. A letter requesting an appeal must state with specificity the reasons for the appeal. As a general matter, CARTA will not accept late appeals; however, CARTA may, at its sole discretion, elect to hear a late appeal when the lateness has resulted from extenuating circumstances. The suspension stays in effect pending any appeal.

CARTA will review the letter of appeal and the corresponding file on the suspended individual to make a determination as to whether the suspension will be upheld, terminated, or modified. CARTA will communicate its decision within a reasonable time of receipt of the letter requesting the appeal. The decision of CARTA is final.

Stages of Appeal:

Step 1: The suspended individual, or that person's representative shall submit a written statement, describing in detail the nature of the appeal to the CARTA Chief Safety Officer or designee ("**Chief Safety Officer**"). The written appeal will, in detail, state the specific incident and the relief sought. Said appeal may not change in content from one step to the next. Appeals will not be considered if submitted more than ten (10) business days after the action leading to the suspension, or after the action became known to both parties. The person designated by the Chief Safety Officer shall schedule a meeting with the suspended individual, or that person's representative within ten (10) business days from the date the appeal is submitted. The person designated by the Chief Safety Officer shall render a written decision within ten (10) business days following the date of the above-mentioned meeting. The decision of the person designated by the Chief Safety Officer shall be considered CARTA's final decision in all cases except a one (1) year band.

Step 2: In the event of a one (1) year band and only in the event of a one (1) year band, the suspended individual, or that person's representative may appeal the Step 1 decision, in writing, to the Chief Operating Officer, or their designee, within ten (10) business days from the date of receipt of the Step 1 response. The conference and written response from the Chief Operating Officer shall be accomplished within ten (10) working days from the date of the Step 2 submission. The decision of the Chief Operating Officer shall be considered the final decision in a one (1) year band case.

- The time requirements stated above may be extended by written agreement signed by the authorized representatives involved in Steps 1 and 2. Response to the extension request must be received within ten (10) business days.
- Failure by either party to comply with the time requirements shall cause forfeiture of the failing party's position.
- Business days, as used in this section, shall exclude Saturdays, Sundays, and Holidays.

Authorized Process Administrators:

Supervisors:

- The initial notification of violations will be primarily issued by the Road Supervisor responding to the scene or any dispatcher/ Safety & Training Supervisor in their absence.

CARTA Management:

- The Chief Safety Officer and Chief Operating Officer (for stage 2 appeals) or their designee.

The Chattanooga Police Department has authority in all matters relating to disruptive customers.

Draft Implementation Guideline

Level 1 Offense

- Do not distract from the vehicle operator's ability to drive safely, and do not interfere in any way with the operation of any CARTA vehicle.
- Do not stand in front of the "standee line" before the CARTA vehicle stops.
- Do not climb or hang on bars or handrails.
- Keep all body parts, objects, and belongings inside the vehicle while the CARTA vehicle is in motion.

Penalty for Level 1 Offenses (within a one-year period)

1st Offense – Verbal reprimand

2nd Offense – Written reprimand

3rd Offense - Suspend one (1) day

4th Offense - Suspend three (3) days

5th Offense - Suspend 10 (10) days

6th Offense – One (1) Year Ban

Level 2 Offenses

- Bus shelters are provided for the comfort and safety of passengers awaiting transit. Persons may occupy the shelter within 30 minutes before or after the next scheduled bus arrival. Use of shelters for sleeping, prolonged stays beyond transit-related waiting, or storage of personal items that block seating or passage is prohibited. Exceptions are allowed during service delays or emergencies.
- The consumption of food by Patrons whilst on CARTA vehicles is prohibited unless medically necessary.
- Bicycles and other personal property are not to be locked or stored on CARTA Property overnight.

- Individuals must wear shirt and shoes; clothing must fully cover undergarments at all times while on CARTA property.

Penalty for Level 2 Offenses

(within a one-year period)

1st Offense - Suspend one (1) day

2nd Offense - Suspend three (3) days

3rd Offense - Suspend 10 (10) days

4th Offense – One (1) Year Ban

Level 3 Offenses

- Smoking or the use of any electronic smokeless device or the use of any chewing tobacco products are not allowed in any CARTA Property except in certain designated areas.
- The consumption of alcoholic beverages or having an open container is prohibited on CARTA Property. Non-alcoholic beverages in covered spill-proof containers are permitted.
- No private business sales of any type may take place at any CARTA Property, including, but not limited to, the display or set up of any food, clothing, or other sales without the express written consent of CARTA.
- Loud or disruptive noise that interferes with the comfort, safety, or announcements for other passengers is not permitted.

Penalty for Level 3 Offenses

(within a two-year period)

1st Offense - Suspend three (3) days

2nd Offense - Suspend ten (10) days

3rd Offense – One (1) Year Ban

Level 4 Offenses

- Patrons shall not interfere in any way with the operation of any CARTA vehicle or CARTA Property or interfere with an operator's ability to drive safely.
- Animals are not allowed in any CARTA vehicle or CARTA Property unless they are in an approved animal transfer cage (except for service animals).
- No pushing others or "breaking the line" to gain access to a CARTA vehicle; or treating passengers or the vehicle operator without courtesy.

Penalty for Level 4 Offenses

(within a one-year period)

1st Offense - Minimum ten (10) days Suspension – Subject to One (1) Year Ban

Level 5 Offenses

- Patrons may not possess any weapon, flammable liquid, explosive material, or other dangerous substances on CARTA Property.
- Disorderly conduct will not be tolerated. This includes, but is not limited to: use of profane or offensive language including any threats or verbal or physical intimidation; bullying; touching or making inappropriate comments of a sexual nature; racial slurs or displaying racist or gang-related behaviors; activities that may provoke violence.

Penalty for Level 5 Offenses

1st Offense - One (1) Year Ban

The examples are not all-inclusive. Vehicle operators and CARTA staff may use their discretion to determine if any Patron is engaging in unacceptable behavior. Anyone engaging in criminal activity or other unacceptable behavior may be removed from CARTA Property and subject to suspension as provided by this Code.

Patrons who have been banned may, after an agreed period of time determined by the CARTA Chief Executive Officer, have their riding privileges restored based on a written, conditional agreement.

Any time a Patron is suspended or removed from CARTA Property, any bus fare or fee (including any pre-paid fare or fee) is forfeited. If the offending Patron attempts to ride another CARTA transit vehicle or enters any CARTA Property during the suspension period, it will be considered trespassing, and CARTA security or law enforcement may be called to address the situation. CARTA reserves the right to permanently exclude offending Patrons from any CARTA Property due to the nature and severity of any violation or because of repeated violations, as determined in CARTA's sole discretion.

Appeals Process:

If a Patron violates this Code, transit or security personnel will complete an incident report with a written request for suspension and forward all documentation to the appropriate CARTA Chief Safety Officer or designee ("**Chief Safety Officer**"). If the Chief Safety Officer approves the suspension, the Chief Safety Officer will determine the appropriate response in their sole discretion and, where warranted, sign a letter of suspension.

Appeal: Any suspended individual, or that person's representative, may appeal the suspension. Appeals must be in writing and submitted to the Chief Safety Officer at 1617 Wilcox Blvd., Chattanooga, TN 37406, Attn: Chief Safety Officer, within ten (10) business days after the

suspension. A letter requesting an appeal must state with specificity the reasons for the appeal. As a general matter, CARTA will not accept late appeals; however, CARTA may, at its sole discretion, elect to hear a late appeal when the lateness has resulted from extenuating circumstances. The suspension stays in effect pending any appeal.

CARTA will review the letter of appeal and the corresponding file on the suspended individual to make a determination as to whether the suspension will be upheld, terminated, or modified. CARTA will communicate its decision within a reasonable time of receipt of the letter requesting the appeal. The decision of CARTA is final.

Stages of Appeal:

Step 1: The suspended individual, or that person's representative shall submit a written statement, describing in detail the nature of the appeal to the CARTA Chief Safety Officer or designee ("**Chief Safety Officer**"). The written appeal will, in detail, state the specific incident and the relief sought. Said appeal may not change in content from one step to the next. Appeals will not be considered if submitted more than ten (10) business days after the action leading to the suspension, or after the action became known to both parties. The person designated by the Chief Safety Officer shall schedule a meeting with the suspended individual, or that person's representative within ten (10) business days from the date the appeal is submitted. The person designated by the Chief Safety Officer shall render a written decision within ten (10) business days following the date of the above-mentioned meeting. The decision of the person designated by the Chief Safety Officer shall be considered CARTA's final decision in all cases except a one (1) year band.

Step 2: In the event of a one (1) year band and only in the event of a one (1) year band, the suspended individual, or that person's representative may appeal the Step 1 decision, in writing, to the Chief Operating Officer, or their designee, within ten (10) business days from the date of receipt of the Step 1 response. The conference and written response from the Chief Operating Officer shall be accomplished within ten (10) working days from the date of the Step 2 submission. The decision of the Chief Operating Officer shall be considered the final decision in a one (1) year band case.

- The time requirements stated above may be extended by written agreement signed by the authorized representatives involved in Steps 1 and 2. Response to the extension request must be received within ten (10) business days.
- Failure by either party to comply with the time requirements shall cause forfeiture of the failing party's position.
- Business days, as used in this section, shall exclude Saturdays, Sundays, and Holidays.

Authorized Process Administrators:

Supervisors:

- The initial notification of violations will be primarily issued by the Road Supervisor responding to the scene or any dispatcher/ Safety & Training Supervisor in their absence.

CARTA Management:

- The Chief Safety Officer and Chief Operating Officer (for stage 2 appeals) or their designee.

The Chattanooga Police Department has authority in all matters relating to disruptive customers.

TO: CARTA Board of Directors
CARTA Executive Committee

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 authorizes the Chief Executive Officer to enter contracts with recommended firms.

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. The current scope of work for this procurement requires that evaluation criteria other than price be considered when awarding a contract for this service.

1. Temporary Services
2. Brush Removal at the Incline Railway
3. Purchase Bus Shelters

C. Report on Sole Source Procurements

1. Applicant Tracking System (ATS)

- Purchase of applicant tracking system for use by CARTA's Human Resources department in the amount of \$37,593.20 for a 3-year period.
- Recommended Contractor: NetDynamic
- NetDynamic's ATS360 product is the only ATS that has a native ability to integrate with Oracle Netsuite for Government, the Enterprise Resource Planning product that CARTA is currently implementing for finance, payroll, and human resources.

2. Replacement Batteries for Electric Shuttles 720 and 721: \$93,520

- This will be for the replacement of high-performance lead acid batteries that have reached their useful life. Currently, buses 720 and 721 are not available for operation because their batteries are failing. It is anticipated that the life expectancy of the replacement batteries will be 3-4 years.

3. Clever Devices

- a. Hardware and software maintenance renewal for one (1) year: \$163,181 – this is for hardware maintenance for all on board Intelligent Transportation Systems (ITS) equipment and software maintenance for eight (8) software products that assist in real-time management of the fixed route and shuttle bus fleet
- b. Database services renewal for one (1) year: \$50,926.29 – this is for professional services to deploy and administer database updates for schedule changes up to 3 times per year; this is for transmitting scheduled work to the buses so that bus drivers can login to the ITS system and transmit location and other information to operations, maintenance, and other real time information systems
- c. Cleverworks software deployment: \$22,734 – this is for professional services to implement this software on CARTA servers for use by planning staff to observe and adjust any schedule anomalies between scheduling software and the schedule information deployed to the buses

- d. CADMobile deployment: \$88,640 – this is for professional services to implement five (5) licenses for use by CARTA supervisors; this will allow supervisors to have access to CAD functionality while off site

D. Report on Emergency Procurements

1. Network Engineering, Server Management, and Cybersecurity Services
 - CARTA requires 3-month support for network engineering, server management, and cybersecurity services while hiring for Director of Innovation and Technology
 - Recommended firm: Peritix Technology Advisors
 - Estimated contract for \$45,000 for 360 hours over three months. This is an average of 30 hours per week at an hourly rate of \$125 an hour.
2. Independent Contractor Agreement with Matthew Higgins
 - Director of the Incline Railway will be retiring but is available on a temporary basis to assist in the transition and to manage administrative tasks such as project management
 - 30-hour maximum workweek unless approved by the CEO at \$55 per hour

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 send out a Request for Proposals for B1-3 and receive approval and acknowledgement of C1-3 and D1-2.

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

C1. Applicant Tracking System (ATS)

- CARTA is currently in the process of updating its accounting, payroll, and human resources software to Oracle Netsuite for Government. The ATS360 system proposed by NetDynamic has native ability to integrate with Netsuite, which ensures a consistent deployment and quick turnaround time (2-4 weeks). Other standalone ATS systems may integrate with Netsuite but haven't been deployed to date, adding risk that features wouldn't carryover well and additional costs for development. The ATS360 system will allow candidates for employment to apply through CARTA's website (similar to today) but will offer automated responses to candidates. In addition, CARTA can create standardized pre-screening questions, set up templates for responses once they have begun the interviewing process, track steps of the process: HR review, interview with hiring manager, verbal offer, background and drug screening results status. Once completed, it will integrate into CARTA's HR/Payroll system in Netsuite, creating a seamless integration of data,

which will streamline processes and eliminate manual entry of new hire information. Candidates will be able to review, e-sign their onboarding documents, eliminating time and paper.

C2. Replacement Batteries for Electric Shuttles 720 and 721

- CARTA has an extensive history of purchasing high performance lead acid batteries and at one time utilized two vendors: EMS and Hawker Powersource, for the purchase of these batteries. As CARTA operated the batteries in service, it was determined that the EMS DEKA batteries lasted as many as 1,200 power cycles where the Hawker Powersource batteries would often only last 600 power cycles, sometimes with initial cell problems beginning at 50 power cycles. The purchase of these batteries will allow these vehicles to be utilized in service for the next 3-4 years as CARTA is preparing to replace its electric shuttle fleet.

C3. Clever Devices

- Clever Devices currently provides CARTA with its Intelligent Transportation System (ITS) hardware and software. The items for hardware and software maintenance and database services renewal are similar in price to previous years and will be required for continued support of the system. The Cleverworks product will assist in the integration between the scheduling software and the on-board real-time information system. The CADMobile product will give greater information and flexibility to CARTA's supervisors
- CARTA requires purchase of these items through a sole source procurement as Clever Devices and its associated systems are CARTA's current ITS system. To deploy a new system would most likely be more expensive than the renewal fees for the year. CARTA will be investigating alternatives through its Innovation and Technology department.

FISCAL IMPACT

The fiscal impact of this action is listed below:

C1. Applicant Tracking System

- \$37,593.20 over a 3 year period
- Eligible for FTA Section 5339 funds

C2. Replacement Batteries for Electric Shuttles 720 and 721

- \$93,520 for the purchase of batteries for both vehicles
- Eligible for FTA Section 5307 funds

C3. Clever Devices

- Hardware/Software Maintenance Renewal: \$163,181
- Database Services: \$50,926.29
- CleverWorks: \$22,734
- CADMobile: \$88,640
- These projects will be paid for through a combination of operating and FTA Section 5339 funds

DBE PARTICIPATION

A DBE goal was not applied to these contracts as there were no certified DBE firms for these services.

TO: CARTA Board of Directors

FROM: Sander Abernathy
Interim Chief Financial Officer

SUBJECT: Preliminary Year-end Operating Results for 2025

RECOMMENDED ACTION

Staff recommends that the Board approve the preliminary operating results for the month and year ended June 30, 2025.

ALIGNMENT WITH STRATEGIC GOALS

This action aligns with CARTA's strategic imperatives of fiscal accountability and operational excellence.

SUMMARY OF NEED

We are providing a summary of the preliminary operating results for the month and year ended June 30, 2025, to the Board. We request that the Board approve these preliminary operating results subject to finalization that will occur upon completion of the annual financial statement audit by CARTA's external auditors.

DISCUSSION OF OPERATING RESULTS FOR THE YEAR ENDED JUNE 30, 2025

Total Organization Results

Total revenue for the year was \$29.0 million which was \$873,000 less than budget. The shortfall was due to a \$2.7 million revenue loss arising from the closure of the Incline offset by greater than expected ARPA grant revenue.

Expenses for the year were \$304,000 favorable compared to a budget of \$29.9 million.

Net operating results for the year were \$568,000 unfavorable due to revenue shortfalls attributable to the Incline fire offset by favorable variances in ARPA grants and expense variances.

Transit

Transit revenue for the year was \$183,000 less than budget, primarily due to shortfalls in fixed route fares and State operating assistance.

Transit expenses are \$1.2 million favorable to the budget due to an \$800,000 favorable variance in personnel costs and a \$350,000 favorable variance in fuel costs.

Shuttle

Shuttle revenue is \$1.05 million greater than budgeted due to favorable variance at the Shuttle parking garages totaling \$211,000 and \$832,000 of ARPA grant revenue.

Shuttle expenses are in line with the budget for the year.

Incline

Incline revenue is under budget because of the closure.

Incline expenses are \$620,000 over budget due to repair costs, which are partially offset by favorable variances in personnel costs.

Shuttle

Shuttle revenue is \$1.5 million over budget for the year due to \$1.8 million in ARPA grant revenue. Shuttle expenses for the year are approximately 1.3% over budget due to personnel costs.

Parking

Parking revenue for the year was 3% greater than the budget due to volume variances. Parking expenses are 10% greater than budget due to variances in personnel costs and meter operations.

CARTA Preliminary Operating Results For the Month and Year Ending June 30, 2025						
	MONTH OF JUNE 2025			FISCAL YEAR ENDED JUNE 2025		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
TRANSIT						
Revenues	\$1,002,855	\$3,229,503	(\$2,226,648)	\$16,729,281	\$16,913,192	(\$183,912)
Expenses	1,320,818	1,528,125	(207,307)	17,054,690	18,287,490	(1,232,800)
NET	(317,963)	1,701,378	(2,019,341)	(325,410)	(1,374,298)	1,048,888
SHUTTLE						
Revenues	171,329	146,504	24,825	2,803,728	1,758,051	1,045,676
Expenses	186,735	213,254	(26,519)	2,539,895	2,551,117	(11,222)
NET	(15,406)	(66,749)	51,344	263,833	(793,066)	1,056,898
INCLINE						
Revenues	29,017	459,496	(430,479)	2,304,551	5,737,593	(3,433,042)
Expenses	186,134	233,450	(47,316)	3,415,429	2,794,902	620,528
NET	(157,117)	226,046	(383,163)	(1,110,878)	2,942,692	(4,053,570)
CARE-A-VAN						
Revenues	80,155	86,260	(6,105)	2,581,353	1,035,118	1,546,235
Expenses	281,065	300,101	(19,035)	3,636,899	3,590,377	46,522
NET	(200,910)	(213,841)	12,931	(1,055,546)	(2,555,258)	1,499,713
PARKING						
Revenues	369,710	370,245	(536)	4,594,882	4,442,946	151,936
Expenses	215,372	218,399	(3,027)	2,935,307	2,663,016	272,292
NET	154,338	151,847	2,491	1,659,575	1,779,930	(120,355)
CARTA - Total						
Revenues	\$1,653,066	\$4,292,009	(\$2,638,944)	\$29,013,795	\$29,886,901	(\$873,106)
Expenses	2,190,124	2,493,329	(303,205)	29,582,221	29,886,901	(304,680)
NET	\$ (537,058)	\$ 1,798,681	\$ (2,335,739)	\$ (568,426)	\$ -	\$ (568,426)

DBE Participation

N/A