



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

**BOARD MEETING AGENDA**

September 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:** Scott Wilson
6. **Presentation:** Transit Service & Performance Standards: Kimley Horn
  - A. Transit Service & Performance Standards Memo: Charles D. Frazier ([page 2](#))
7. **Staff Reports**
  - A. Statistical Report: Daniel Dufour ([page 33](#))
8. **Consent Agenda**
  - A. Adoption of Minutes ([page 37](#))
9. **Action Items:**
  - A. Procurement Report: Annie Powell ([page 47](#))
  - B. Monthly Financial Report – August 2025: Sander Abernathy ([page 50](#))
10. **New Business**
  - A. Incline Anniversary: Brandon Meredith & Matthew Higgins
11. **Old Business**
12. **Adjournment**
13. **Executive Session**

**TO:** CARTA Board of Directors

**FROM:** Charles D. Frazier  
Chief Executive Officer

**SUBJECT:** Transit Service & Performance Standards

---

## **RECOMMENDED ACTION**

This item is presented for information and discussion only. No Board action is requested at this time. A resolution for adoption will be brought forward in October 2025.

## **ALIGNMENT WITH STRATEGIC GOALS**

This item aligns with CARTA's strategic imperatives of Service Quality, Customer Service, Fiscal Accountability, Community Engagement, and Compliance.

## **SUMMARY OF NEED**

Approval of this future resolution will allow CARTA to move toward a smarter, more transparent, and more strategic approach for planning and evaluating our transit system. The Transit Service & Performance Standards framework establishes a consistent, fact-based method for answering three fundamental questions:

1. Where, when, and how should CARTA provide service?
  - Guided by Service Design Guidelines (e.g., route frequency, directness, and stop spacing).
2. How do we know if a route is performing well or poorly?
  - Measured by Service Standards (Key Performance Indicators) such as passengers per hour, subsidy per passenger, on-time performance, and customer complaints.
3. What should we do when service underperforms?
  - Addressed through the Action Framework, which uses a Green / Yellow / Red system with clear follow-up actions.

## **BACKGROUND AND HISTORY**

On December 19, 2024, the CARTA board of directors approved an on-call contract with Kimley Horn to provide transit planning and operational support. Subsequently, on June 12, 2025, the board adopted the FY2026 budget with funding appropriations to support ongoing transit planning/analysis needs. Kimely Horn has been selected as an extension of staff to assist CARTA with establishing the Transit Service & Performance Standards framework. Associated timelines are below.

## **Resolution Timeline**

- July /August 2025: Staff completed the Transit Service & Performance Standards framework and prepared the introductory technical presentation.
- September 2025: Introductory presentation of the framework to the Board for education and feedback (this agenda item).
- October 2025: Staff will return with a formal resolution for adoption, incorporating Board feedback.

### **Engagement Timeline**

- Stakeholder Engagement: CARTA will engage with riders through the Rider Advisory Committee and with operators through Bus Operator Listening Groups.
- No Immediate Changes: No changes to the transit network will occur until 2027 (January or May) at the earliest.

### **Next Steps**

Staff requests Board feedback and questions at the September meeting to ensure clarity and alignment before a resolution is brought forward in October.

### **PROCUREMENT OVERVIEW**

N/A

### **FISCAL IMPACT**

N/A

### **DBE PARTICIPATION**

N/A



# Transit Service Standards

CARTA Board of Directors  
September 18, 2025

CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY



# Your Consultant Team



**Kevin  
Tilbury**



**Dan  
Nelson**



**Mary Kate  
Morookian**



**Hannah  
Pack**

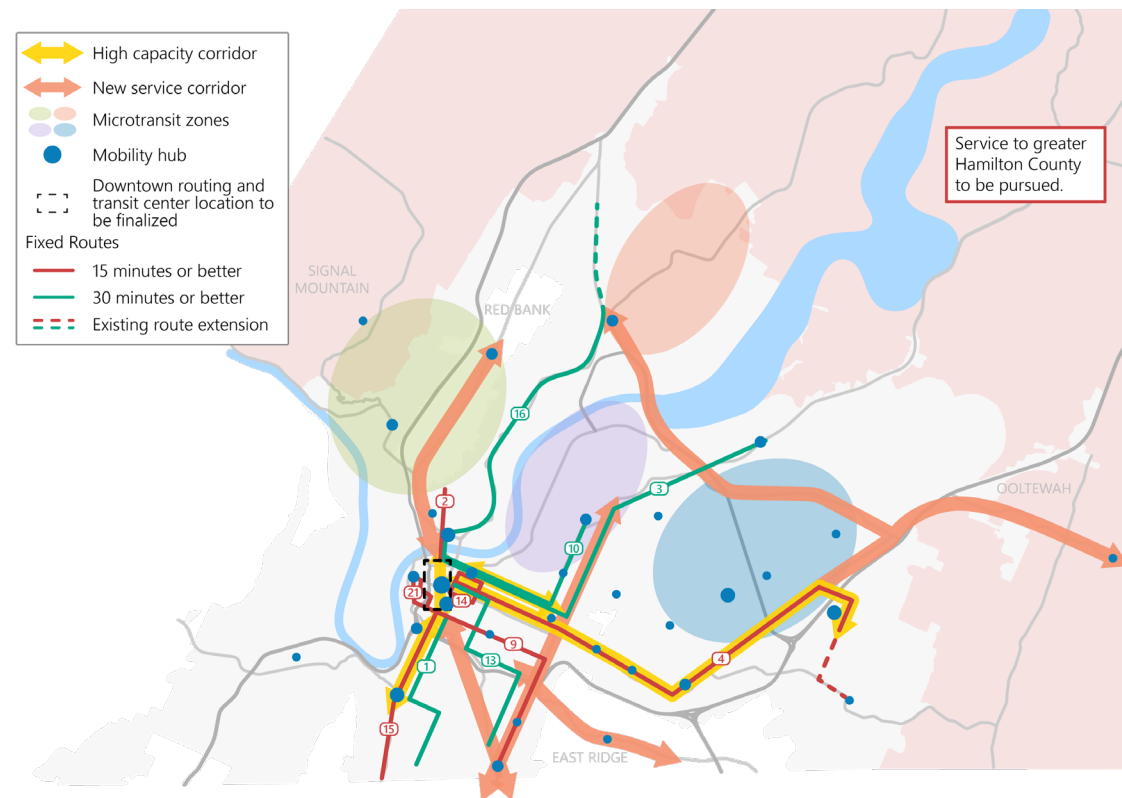
# Background and Purpose



# How did we get here?

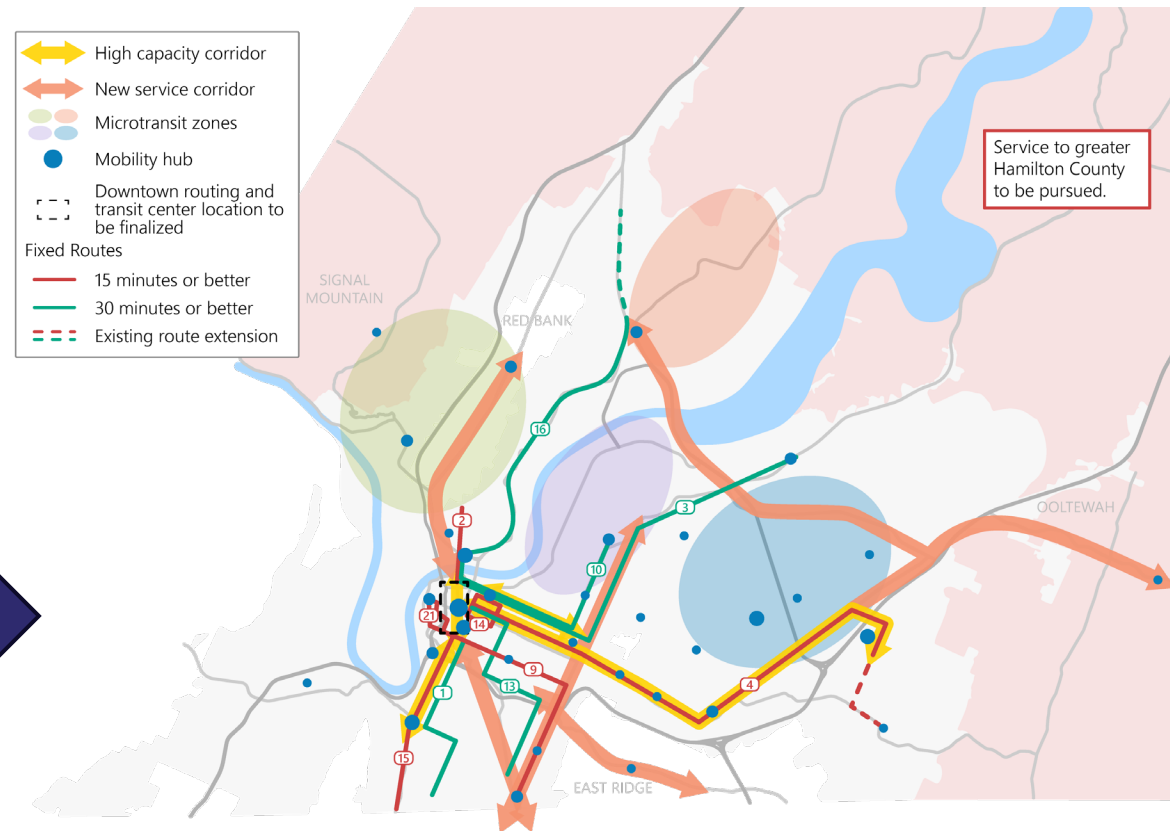
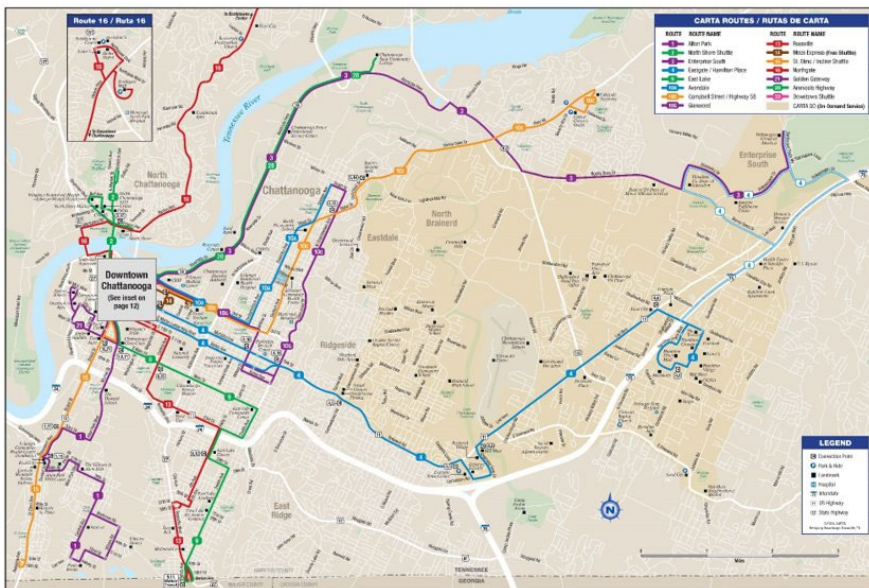
## Plan Chattanooga established a framework for CARTA's long-term transit vision:

- Multimodal connections
- Transportation hubs
- High demand corridors
- Frequent network
- New routes and services



# How did we get here?

**Moving from today's network to future vision requires incremental, but intentional, steps forward.**





# Transit Improvement Program

**This initiative is part of a broader program of projects to improve CARTA.**

- **Completed**

- Long Term Transit Vision Plan
- Title VI Fare Analysis
- Economic Impact Study

- **In progress**

- Short Term Transit Improvement Plan
- Service Standards and Design Guidelines
- Fare Study
- Downtown Transit Center Site Evaluation
- Incline Railway Site Planning

- **Upcoming**

- Schedule Optimization Study
- Bus Stop Design Guidelines

# Why have service standards?

# Why develop service standards?



Transparency & Accountability



Identify Service Needs and Gaps



Track Performance Trends



Improve Operational Efficiency



Equity & Access



Establish Service Narrative



Meet Federal Standards

# Why Does this Matter?

*Establishes a framework that...*

Holds CARTA accountable

Keeps services running efficiently

Maintains service quality

# What are industry best practices?

- Agencies with service standards are mature systems
  - Established processes and goals
  - Regular monitoring and reporting
  - Predictable service change periods
  - Service adjustments and improvements that are justifiable and work toward the longer-term vision for the system

CapMetro

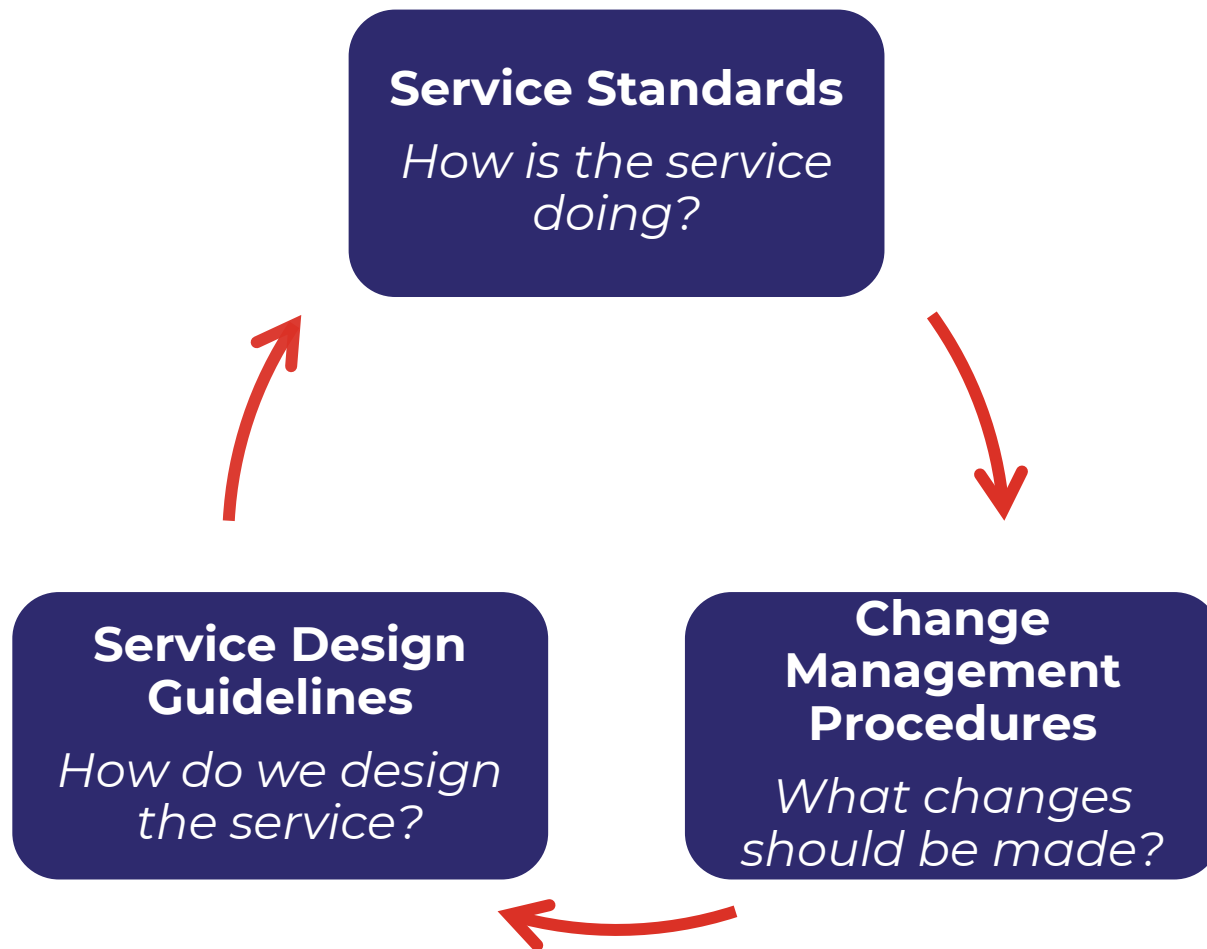




# What does this mean for CARTA?

# Evaluation Framework

**CARTA's service evaluation framework includes three key elements.**



# Design Guidelines vs. Service Standards

## Service Design Guidelines

*Principles for service operation*

- **Service Access**
  - Geographic coverage, distribution of stop amenities
- **Route Design**
  - Directness, connectivity, stop spacing
- **Service Schedule**
  - Frequency, span, schedule coordination, schedule efficiency

## Service Standards

*Measure system performance and identify specific issues*

- **Efficiency & Effectiveness**
  - Daily riders, riders per hour/mile/trip
  - Subsidy per passenger, farebox recovery
- **Service Quality**
  - Vehicle load, reliability, customer satisfaction



# All CARTA routes are not created equal



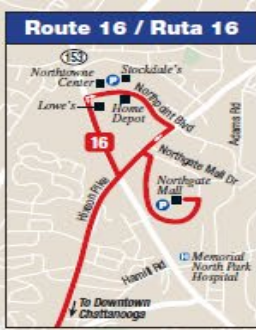
# Service Categories

Category	Purpose	Routes
<b>Core</b>	Move the most riders in <b>busy, higher-density</b> corridors	<b>1, 4, 9</b>
<b>Local</b>	Provide neighborhood <b>coverage</b> and community <b>access</b>	<b>10A/C/G, 13, 16, 21, 28</b>
<b>Commuter</b>	Serve <b>job centers</b> during <b>peak hours</b>	<b>3</b>
<b>Shuttle</b>	<b>Connect activity centers</b> , parking, and attractions	<b>2, 15, 33, 34</b>
<b>Special Services</b>	Partner-funded routes serving <b>niche markets</b> (e.g., UTC)	<b>14</b>
<b>On-Demand</b>	Flexible coverage in <b>low-density</b> areas	<b>CARTA Go</b>
<b>Care-a-Van</b>	ADA and non-ADA <b>paratransit service</b>	<b>n/a</b>



# CARTA System Map

CARTA ROUTES / RUTAS DE CARTA	
ROUTE	ROUTE NAME
1	Alton Park
2	North Shore Shuttle
3	Enterprise South
4	Eastgate / Hamilton Place
9	East Lake
10A	Avondale
10C	Campbell Street / Highway 58
10G	Glenwood
13	Rossville
14	Mocs Express (Free Shuttle)
15	St. Elmo / Incline Shuttle
16	Northgate
21	Golden Gateway
28	Amnicola Highway
33	Downtown Shuttle (Free Shuttle)
34	Northshore Express Shuttle (Free Shuttle)
CARTA GO (On-Demand Service)	



**Downtown Chattanooga**  
(See inset on page 12)

LEGEND	
	Connection Point
	Park & Ride
	Landmark
	Hospital
	Interstate
	US Highway
	State Highway

0 1 2 3 Miles



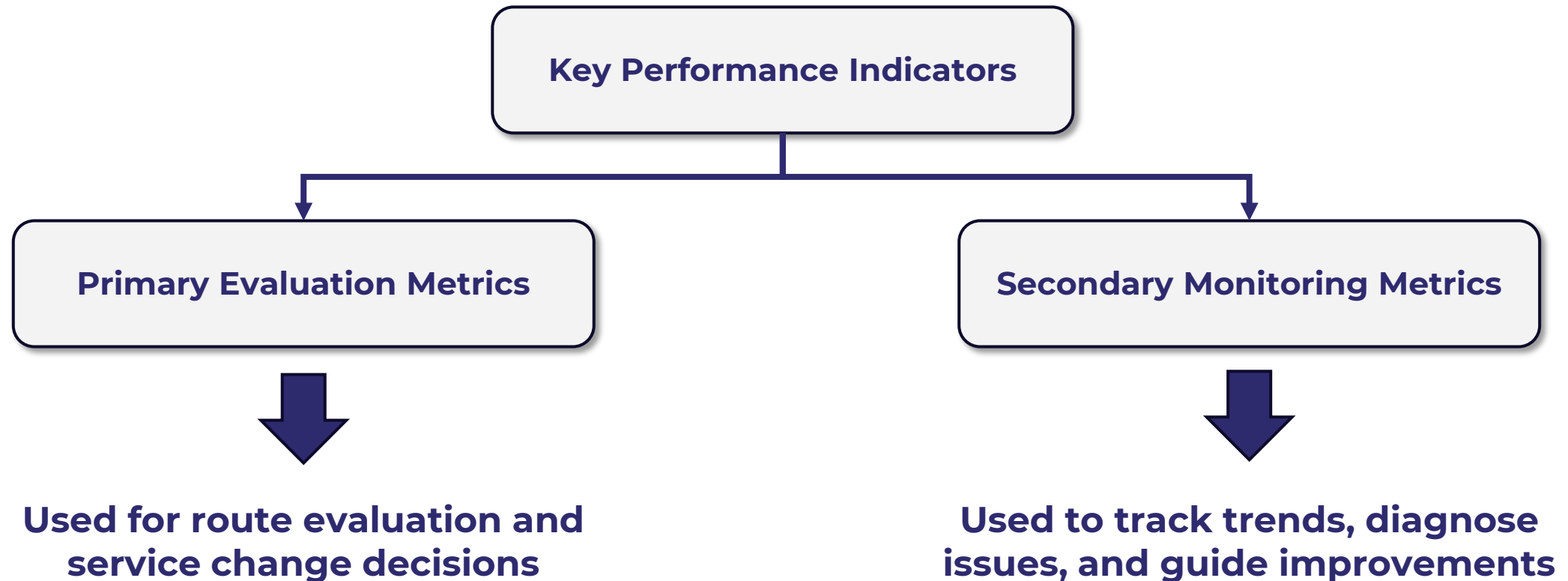
# Proposed Service Design Guidelines

Service Design Guidelines		
Service Quality	<b>*Frequency</b>	How often a bus arrives (time between trips).
	<b>Span</b>	Hours of service each day (start and end times).
	<b>*Vehicle Assignment</b>	The type/size of vehicle assigned to each route or service.
	<b>Route Directness</b>	How closely route follows a direct path with minimal deviations.
	<b>Bus Stop Spacing</b>	Average distance between bus stops.
	<b>Service Coordination</b>	How well different routes and modes connect with each other (timed transfers) at transfer points.
	<b>*Distribution of Stop Amenities</b>	Distribution of shelters, benches, lighting, and signage at stops/stations.
	<b>*Service Availability</b>	Geographic coverage of the transit system — how much of the population/jobs are within walking distance of transit.
<b>Efficiency</b>	<b>Deadhead Ratio</b>	How much time does a bus spend driving to starting location, out of service.

**How is this put into place?**

# Service Standards Framework

CARTA tracks key service indicators to understand how the system is performing.



# Primary Evaluation Metrics

**Two “core” metrics  
are used to diagnose  
route health.**

## **Cost-effectiveness**

### **Financial Subsidy per Passenger**

*Does the level of demand warrant the cost of the service?*

## **Productivity**

### **Passengers per Revenue Hour**

*Does the level of service across the day meet the level of demand?*



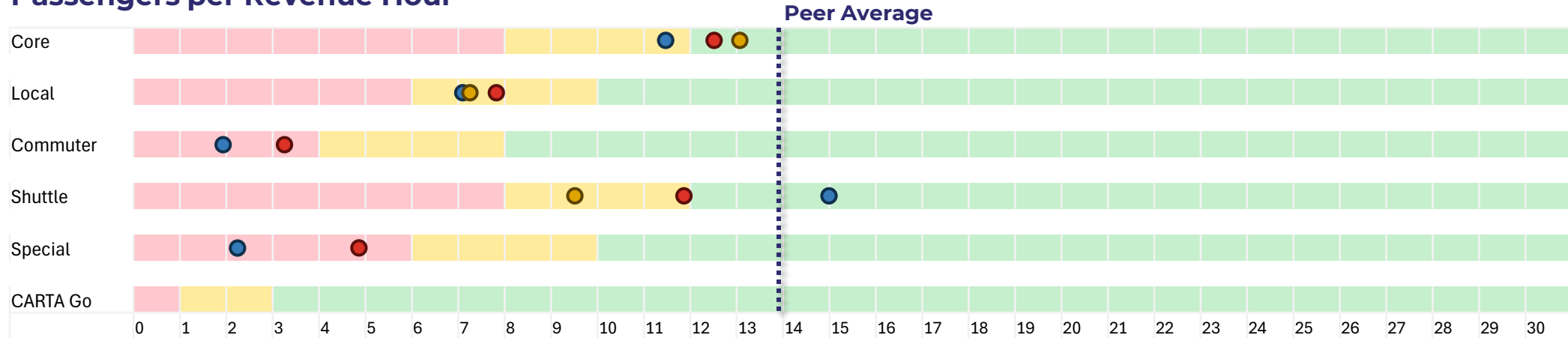
# Evaluation Ratings

**Performance targets are set by service category and used to calculate route performance rating.**

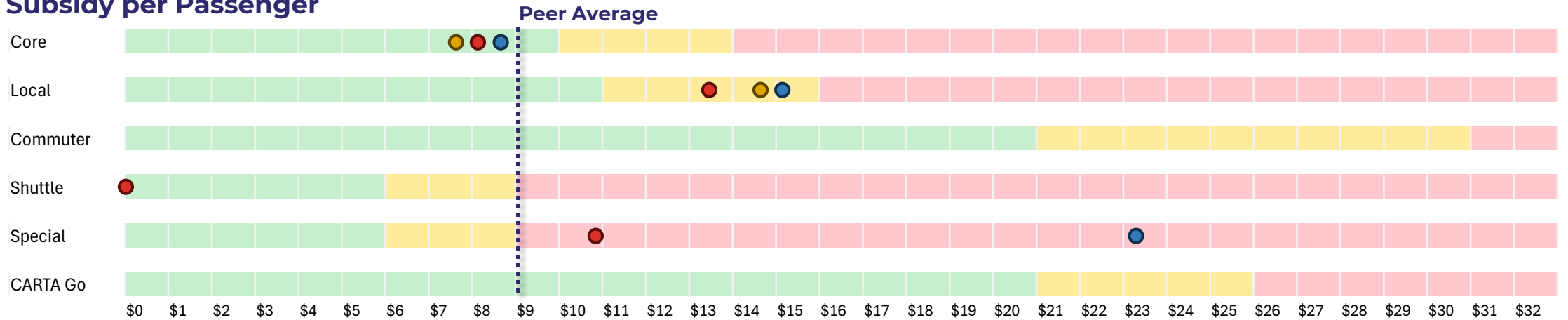
	Meets / Exceeds	Marginal	Under
Rating Criteria	Route meets or exceeds target for both metrics	Route below target for one metric	Route fails both metrics

# Performance Targets

## Passengers per Revenue Hour



## Subsidy per Passenger



CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY

### CARTA Category Average

● Weekday ● Saturday ● Sunday

Meets / Exceeds  
Marginal  
Under

# Evaluation Ratings & Actions

**Ratings signal the need for potential action to improve performance.**

	Meets / Exceeds	Marginal	Under
Rating Criteria	Route meets or exceeds target for both metrics	Route below target for one metric	Route fails both metrics
Potential Actions	Maintain or increase service	Monitor & identify mitigations	Consider reallocating resources or new delivery model

# Preliminary Evaluation Scorecard

Category	Line	Name	Weekday	Saturday	Sunday
Core	1	Alton Park			
	4	Eastgate / Hamilton Place			
	9	East Lake			
Local	10A	Avondale			
	10C	Campbell St / Hwy 58		No Service	No Service
	10G	Glenwood			
	13	Rossville		No Service	No Service
	16	Northgate			
	21	Golden Gateway			
	28	Amnicola Hwy		No Service	No Service
Commuter	3	Enterprise South			No Service
Shuttle	2	North Shore			No Service
	15	St. Elmo / Incline Shuttle			
	33	Downtown Shuttle			
	34	Northshore Shuttle			
Special	14	Mocs Express			No Service
CARTA Go	6A	CARTA GO			No Service

Overall, core routes perform well. Other categories indicate need for performance improvement.

Meets /  
Exceeds

Marginal

Under

# Secondary Evaluation Metrics

## **Primary evaluation metrics**

act as a signal to Staff that additional analysis is needed



## **Secondary Evaluation Metrics**

provide a framework to identify specific issues and potential solutions



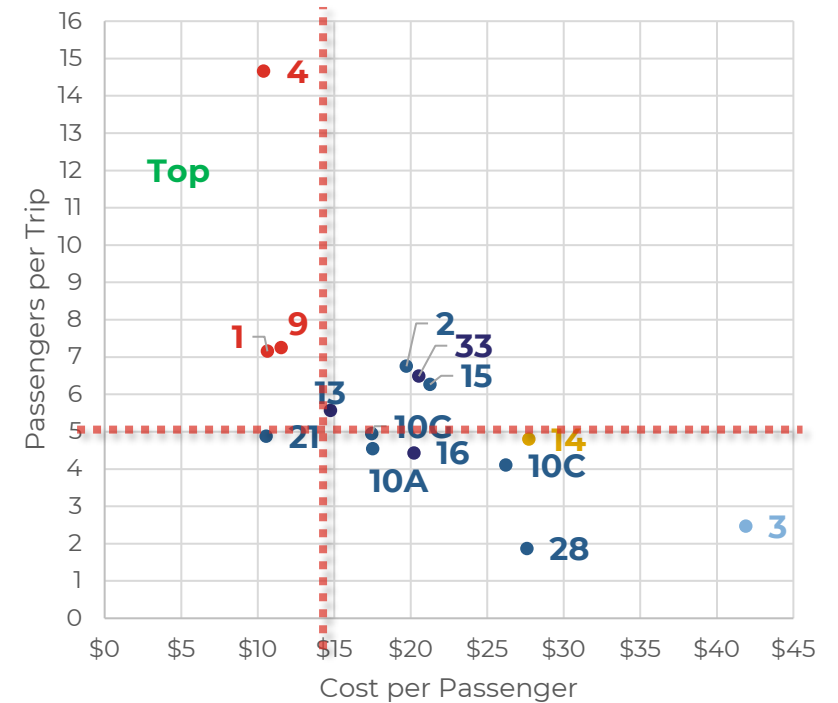
# Secondary Evaluation Metrics

Secondary Metrics		
<b>Productivity &amp; Efficiency</b>	<b>Daily Passengers</b>	Service demand
	<b>Passengers per Trip</b>	Underutilized or overcrowded trips
	<b>Farebox Recovery Ratio</b>	Service costs offset by fares
<b>Service Quality</b>	<b>*Vehicle Load Factor</b>	Passenger comfort on board
	<b>*On-Time Performance</b>	Service Reliability
	<b>Missed Trips</b>	Service delivery gaps (due to staffing shortages, breakdowns, etc.).
	<b>Fleet Reliability (MDBF)</b>	Vehicle and service dependability due to breakdowns
	<b>Accidents / Safety Incidents</b>	System safety
	<b>Customer Complaints</b>	Rider satisfaction and identifies recurring service issues

# Regular Reporting

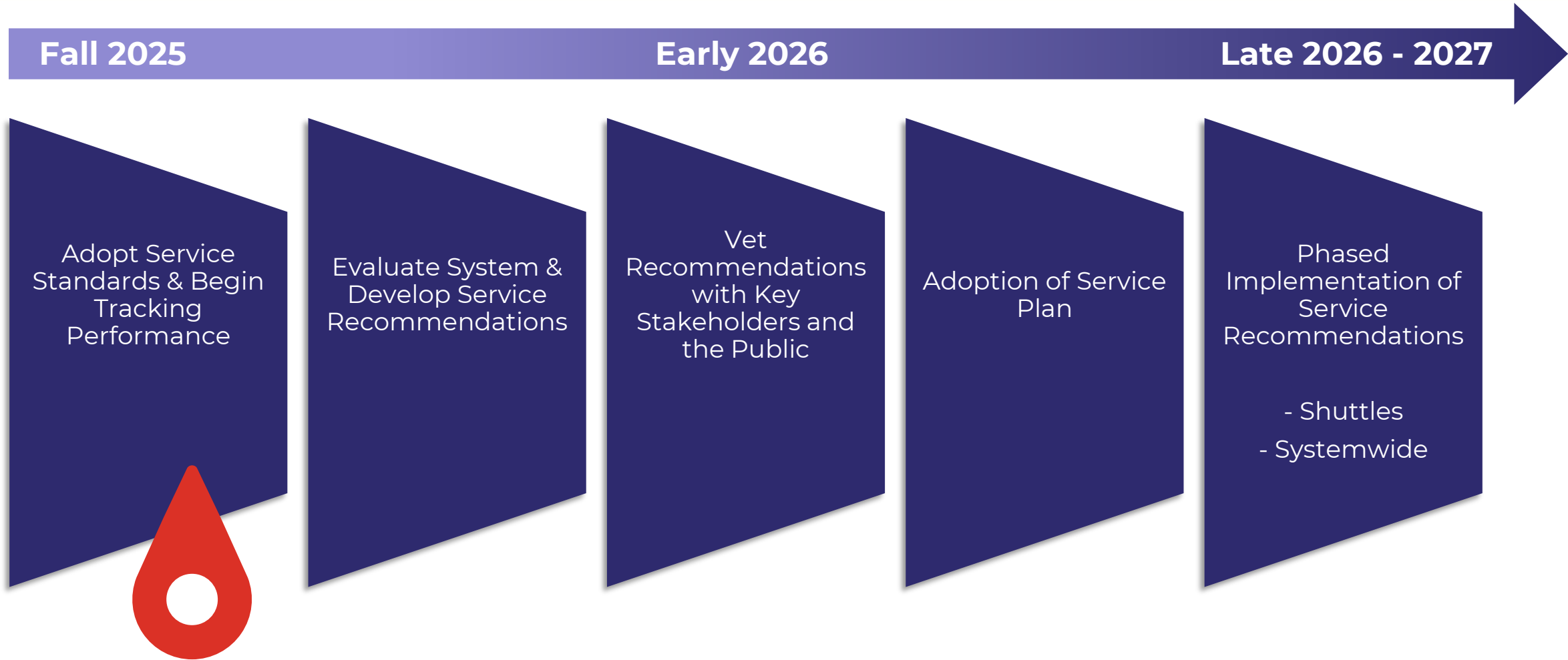
## CARTA needs a plan and the right tools to put this into practice

- 1. Data warehouse that collects and creates reports on primary and secondary metrics**
  - Easy-to-access, accurate data will streamline reporting
- 2. Compile monthly route performance reports for key metrics**
  - Reporting monthly will help identify and track issues as they arise
- 3. Analyze data quarterly and develop service recommendations**
  - Changes won't always be big. Small adjustments regularly reduce passenger shock and operator confusion



**What's next?**

# Timeline of Next Steps



**TO:** CARTA Board of Directors

**FROM:** Daniel J. Dufour  
Chief Innovation Officer

**SUBJECT:** Statistical Report

---

### RECOMMENDED ACTION

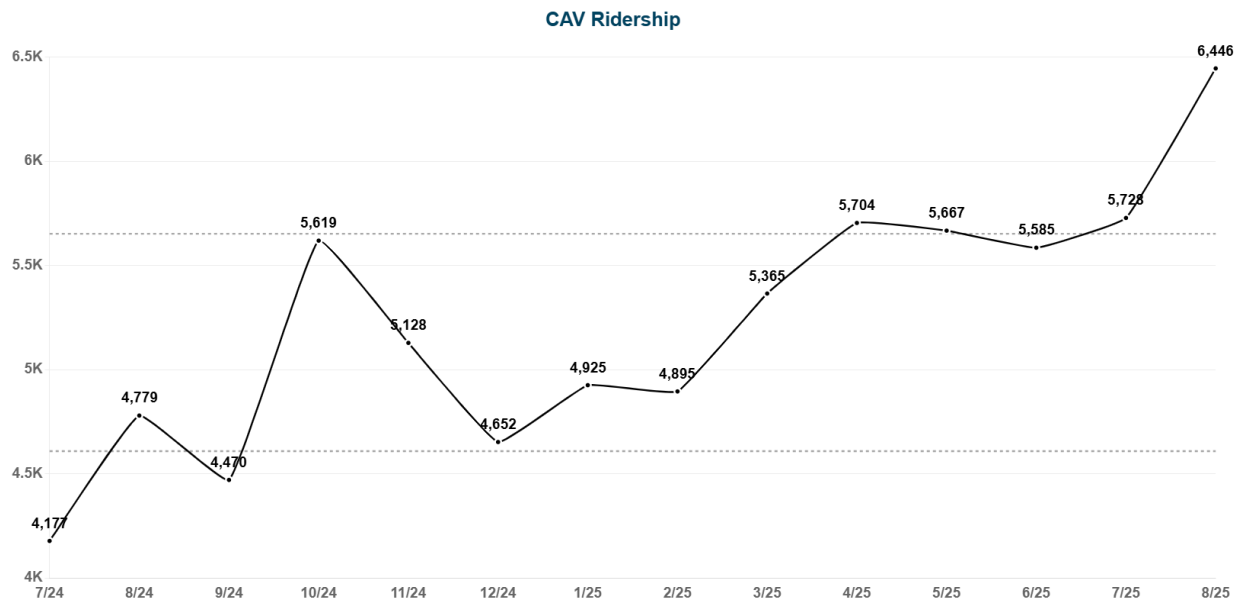
Staff recommend that the Board accept CARTA's statistical report for the month ending August 2025 as information to the Board.

### HIGHLIGHTS

Reviewing the data there are three main takeaways for August: (1) Care-A-Van continues increasing ridership by improving operational efficiency, (2) weekend fixed-route ridership is the highest in 4 years, and (3) steady growth in overall CARTA fixed-route ridership continues.

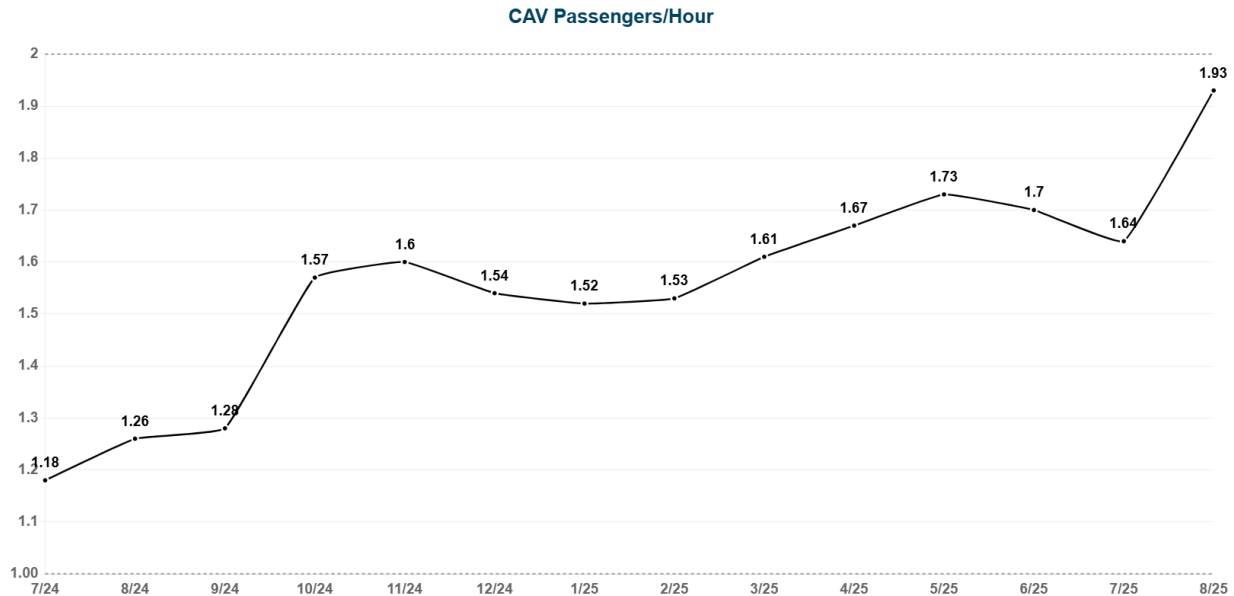
### HIGH CARE-A-VAN RIDERSHIP AND OPERATIONAL EFFICIENCY

Care-A-Van (CAV) achieved the highest ridership in CAV history for the second month in a row. CAV ridership grew from 5,728 in July to 6,446 in August.



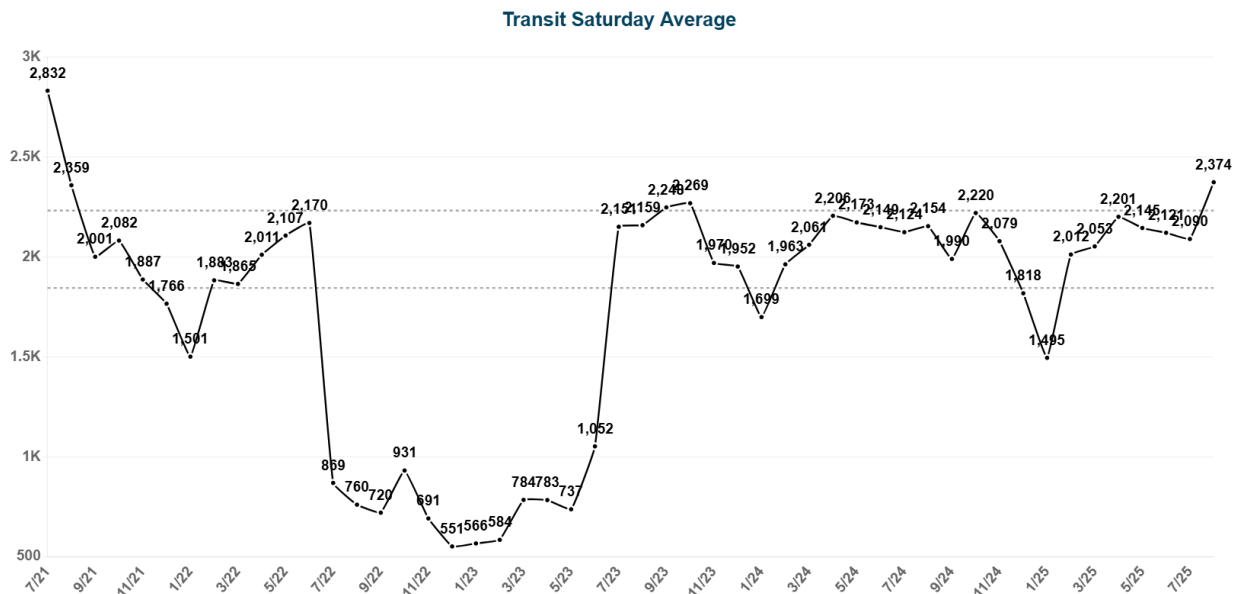
Care-A-Van was able to make this remarkable achievement by emphasizing operational efficiency, which is shown in this chart below of the number of passengers per hour.



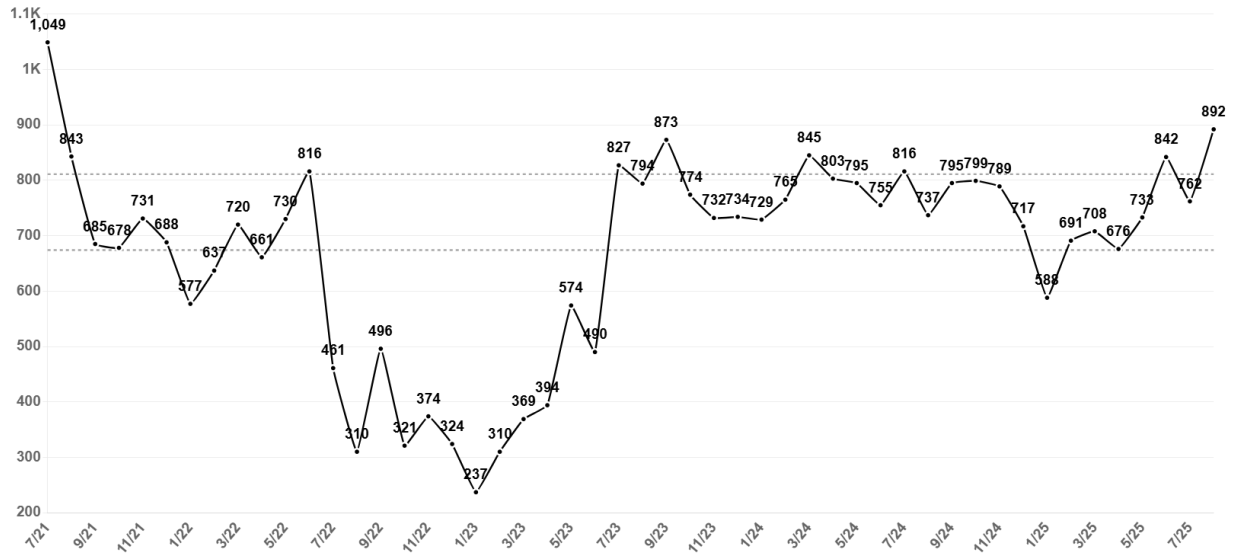


### WEEKEND TRANSIT RIDERSHIP HIGHEST IN 4 YEARS

More and more people are using CARTA for weekend transit. From July to August, CARTA added 284 to its average Saturday Fixed-Route ridership and 130 to its average Sunday Fixed-Route Ridership, which are a 13.5% and 17% increase respectively. The average ridership on both Saturday and Sunday fixed-route transit achieved the highest ridership since July of 2021, demonstrating that CARTA fixed route weekend ridership continues growing and recovering from the pandemic.



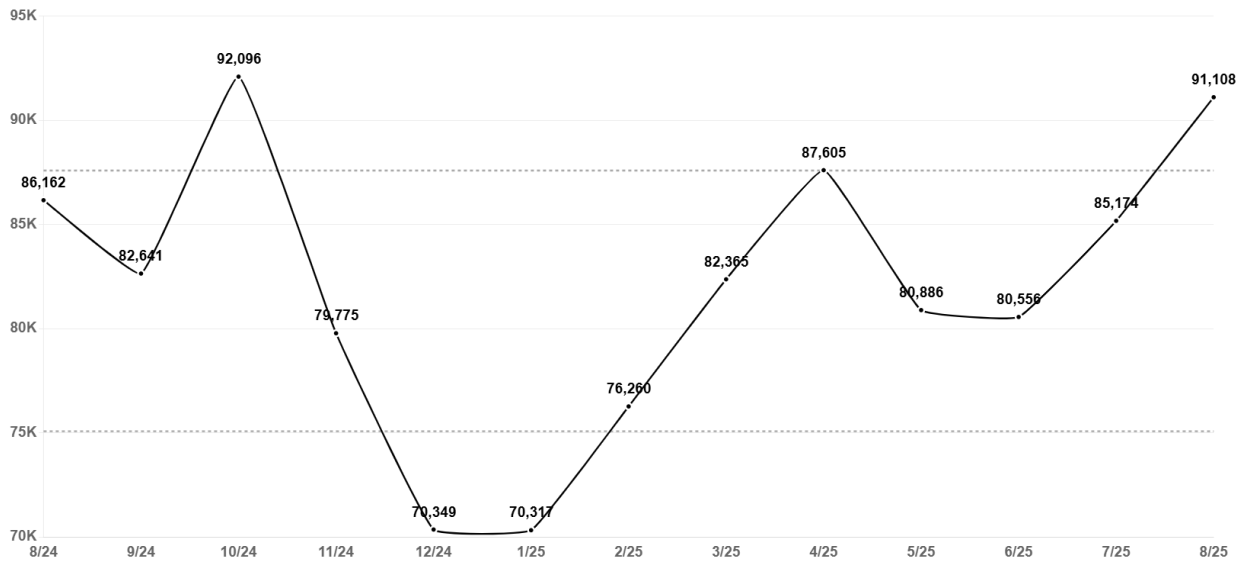
Transit Sunday Average



## STEADY OVERALL TRANSIT RIDERSHIP GROWTH

Overall, ridership of the fixed route saw a 5.7% increase year-over-year from August 2024 to August 2025. Specifically, ridership increased from 86,162 to 91,108.

Transit Ridership



	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
	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	Aug-25
2	TRANSIT																
3	Transit 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	91108.00
4	Transit 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	3561.00
5	Transit 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	3517.00
6	Transit Saturday Average	1845.00	2232.00	2124.00	2154.00	1990.00	2220.00	2079.00	1818.00	1495.00	2012.00	2053.00	2201.00	2145.00	2121.00	2090.00	2374.00
7	Transit 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	892.00
8	Transit Miles	151272.00	164711.00	155741.00	163497.00	151310.00	167126.00	152652.00	148063.00	158654.00	147874.00	158427.00	159747.00	167157.00	157834.00	165811.00	165835.00
9	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	0.55
10	Transit 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	4.00
11	Transit 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	11.54
12																	
13	SHUTTLE																
14	Shuttle Ridership	21664.00	30101.00	30157.00	28599.00	26164.00	29313.00	25438.00	21914.00	17312.00	20991.00	26340.00	32941.00	24044.00	24608.00	28656.00	25,651
15	Shuttle 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	820
16	Shuttle 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	1,093
17	Shuttle 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	594
18	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	17,674
19	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	1.45
20	Shuttle 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	0
21	Shuttle 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	3.64
22																	
23	INCLINE																
24	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	37,574
25	Incline 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	5.85
26	Incline 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	0
27																	
28	CARE-A-VAN																
29	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	6,446
30	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	51,541
31	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	0
32	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	0
33	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	48.59
34	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	1.93
35																	
36																	
37	TOTAL CARTA																
38	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	160779.00
39																	
40																	
41	* Notes to the Statistical Report:																
42																	
43	North Shore Shuttle	2277.00	3101.00	3537.00	3304.00	2998.00	2649.00	2635.00	2385.00	2116.00	2532.00	2703.00	2714.00	2428.00	2137.00	2820.00	2307.00
44	MOCs Express	373.00	5277.00	0.00	2854.00	6991.00	6302.00	4495.00	917.00	3794.00	4424.00	3462.00	3486.00	0.00	0.00	0.00	934.00
45	Bicycles Carried	1254.00	1622.00	1740.00	1636.00	1519.00	1740.00	1407.00	1275.00	1121.00	1418.00	1269.00	1321.00	1354.00	1472.00	1421.00	1500.00
46	Wheelchairs Carried	924.00	1288.00	1078.00	1241.00	1089.00	1229.00	1087.00	887.00	862.00	898.00	973.00	1168.00	1146.00	1184.00	1536.00	1442.00
47	St.Elmo/Incline	2126.00	3172.00	3062.00	2962.00	2407.00	2920.00	2051.00	1966.00	2089.00	2282.00	2451.00	2300.00	3110.00	3264.00	3575.00	2687.00

**MINUTES OF THE BOARD OF DIRECTORS MEETING OF**  
**THE CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY**  
**AND**  
**THE CHATTANOOGA PARKING AUTHORITY**  
**August 21, 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, August 21, 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: Evann Freeman, Vice Chairman; Stephen Culp, Corey Evatt, Bill Nye, Daniela Peterson, and Leandrea Sanderfur. The following people were also in attendance: Charles Frazier, Chief Executive Officer; Scott Wilson, Chief of Staff; Allen McCallie, Legal Counsel, Miller & Martin; Dena Franklin, Payroll & A/R Administrator; and various media and guests. Mr. Freeman called the meeting to order and declared a quorum present.

Mr. Freeman opened the meeting with a moment of silent reflection followed by the Pledge of Allegiance. Mr. Freeman next opened the meeting for public comments or questions. There were none.

CARTA Board Meeting Minutes 08.21.2025

Mr. Freeman called on Ms. McNulty to present the August 2025 Ambassador Award. Ms. McNulty recognized David Tortorich, fixed route driver. Mr. Tortorich was recognized for going above and beyond during a recent community event where CARTA displayed its Dolly Parton Bus. His pigeon hat, inspired by the book Don't Let the Pigeon Drive the Bus, created an engaging and fun experience for the families who attended the book reading event. His cheerful outlook and warm interactions with the guests demonstrated CARTA's commitment to community connection.

Mr. Freeman stated that all members had been sent a copy of the June 12, 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. Culp, followed by a vote to approve the minutes. The motion was unanimously approved.

Mr. Freeman called on Brandon Meredith to provide a Communications and Marketing Department staff report. Mr. Meredith stated that CARTA's social media engagement has increased over the previous ninety (90) days by the following amounts: (i) Facebook gained one thousand four hundred twelve (1,412) followers and received eighty-eight thousand (88,000) views; (ii) Instagram gained nine hundred sixty-eight (968) followers and received twenty-eight thousand seven hundred twelve (28,712) views, and (iii) LinkedIn gained one thousand one hundred thirty-four (1,134) followers and received sixty percent (60%) impressions. CARTA's video showing how they assisted EMS during the recent flood was a record post with forty-three



thousand (43,000) Facebook views, three thousand seven hundred five (3,705) Instagram views, and two thousand seven hundred (2,700) LinkedIn views.

CARTA displayed the Dolly Bus at four (4) Community Outreach events: Make Music Day, Story Time on the Bus with CPL, Jefferson Park Touch a Truck, and a Back to School Bash. Planned upcoming events include the Bacon Festival and Too Cute to Spook. Beginning September 2025, in partnership with County Mayor Wamp, CARTA will provide transportation to and from the Hamilton County Recovery Court for HCRC participants at no cost via CARTA GO in addition to rides on all Fixed Routes.

CARTA's Communications and Marketing Department developed a bilingual transit guide released on August 17<sup>th</sup> and Customer Code of Conduct informational materials. CARTA brought transit advertising services in house effective as of July 1, 2025. Additionally, a St. Elmo – Route 15 promotion flyer has been developed and distributed. Finally, the marketing launch for the City Sticker Rewards pilot program was successfully completed and included social media posts and updated signage. In conjunction to the City Sticker pilot program, CPAs Parking Finder resource has been updated.

Mr. Meredith reported on the launching of a new Mocs Express route that operates on Saturdays from 6:00 pm to 12:00 am providing UTC students with transportation to local hot spots that include restaurants and grocery stores. His team worked closely with UTC to develop a blog article, updated service map for the UTC website and to boost overall awareness of the new service.

CARTA Board Meeting Minutes 08.21.2025

Future plans for the Communications and Marketing department are focused on improving internal communications by adding modern technology to distribute content to all employees, utilizing new employee email accounts, and creating a quarterly newsletter containing department updates.

Mr. Nye inquired about marketing plans for the Incline Railway's 130<sup>th</sup> anniversary in November. Mr. Meredith advised that a meeting has been set to discuss the anniversary and develop a marketing plan for the event. Mr. Frazier advised that staff would provide a draft of the celebration plans to the board at the September Board meeting. Ms. Sanderfur reported that the Dolly Bus was present at the ADA event that recently took place. Mr. Culp requested a copy of the Dolly Bus video presented earlier in the meeting be shared with Dolly Parton to which Mr. Meredith advised all Dolly Bus posts will include @Dolly. Mr. Evatt requested development of a flyer like the St. Elmo flyer be developed and distributed for all routes.

Mr. Freeman called on Mr. Frazier to present the CEO report. Mr. Frazier reported that the Read and Ride program had reached a milestone providing thirty thousand (30,000) rides since its inception. He further reported that in partnership with HCDE and Chattanooga 2.0, fixed route coverage maps specific to each school have been developed and distributed.

Next, Mr. Frazier provided an Incline Railway update that included the following: (i) the Incline Railway was reopened to the public on July 14<sup>th</sup>, and a Media Day reopening event was held on July 9<sup>th</sup>, (ii) the fire damage insurance claim has reimbursed approximately nine hundred

thousand (\$900,000) in property damage and a lost revenue analysis is underway, (iii) Director Matthew Higgins is retiring, (iv) design of an off vehicle air conditioning system is underway, and (v) CARTA continues to vet options for a rail and dry pipe fire suppression system. Mr. Nye requested a timeline for the air conditioning system to be operational. Mr. Frazier advised that it is anticipated for next summer and dependent on engineering, design, and cost factors.

Mr. Frazier next provided an update on the development of the Rider Advisory Committee that brings together a diverse group of public transit users that represent all areas of the CARTA system. Director Evatt represents the Board and Ms. Peebles represents CARTA management on the committee with the goal of 25 to 30 participants. Topics discussed during the inaugural meeting included the following: (i) a public engagement policy, (ii) a rider feedback loop, (iii) a bus stop and fare structure analysis, and (iv) input from the public on the development of a bus stop infrastructure proposal.

Additionally, Mr. Frazier reported that CARTA is participating in The Bus Driver movie, and that the CARTA leadership team attended a strategy retreat at Bridge Innovate. The retreat focused on a 3-Year improvement roadmap for transit, parking, shuttle, and the Incline, with the goal of developing FY2026 Strategic Imperatives. Mr. Frazier further reported that a 5-Year cashflow analysis is currently in process and will be presented for Board approval in addition to the 3-Year improvement plan developed during the retreat. Ms. Peterson requested that CARTA include data on how public transit improves and impacts community life. Mr. Frazier advised that

CARTA Board Meeting Minutes 08.21.2025

KPIs measuring these items will be developed with assistance and input from Ms. Peterson. KPIs with recommendations will be presented to the Board and the public.

Under “Consent Agenda” Mr. Frazier requested Mr. Dufour, Chief Innovation Officer, present the statistical report. Mr. Dufour reported that Care-A-Van has made remarkable improvements in ridership and operational efficiency over the past year. Ridership has grown thirty percent (30%). Ridership in July equaled five thousand seven hundred twenty-eight (5,728) trips, which was the highest since its inception. Care-A-Van reached the milestone while driving only forty-nine thousand seventy-four (49,074) miles. Incline ridership was one hundred fifty-one thousand ninety-six (151,096) despite being open only 18 days during July. Shuttle Route 15, St Elmo / Incline, had ridership of three thousand five hundred seventy-five (3,575).

Under “Consent Agenda,” Mr. Freeman asked if there were any comments or questions regarding the statistical report, July 22, 2025, Executive Committee Minutes, or the Courtyard Parking contract provided in the board packet sent electronically on August 15, 2025. There being none, a motion was made by Mr. Evatt and seconded by Mr. Culp followed by a vote to approve the consent agenda items as received, read, understood, and accepted. The motion was unanimously approved.

Mr. Freeman called on Mr. Logan to present the Code of Conduct Policy. Mr. Logan advised that staff recommended the Board approve the Passenger Code of Conduct Policy which aligns with CARTA’s strategic imperatives of reducing safety incidents, protecting employees,

CARTA Board Meeting Minutes 08.21.2025

and improving the customer experience. The policy explains potential actions CARTA may take for violations and establishes a formal appeal process. Mr. Logan further advised that approval of the policy will formally establish a code of conduct for passengers as it relates to paying fares, boarding and riding vehicles, and defines unacceptable behavior and forbidden actions. CARTA's Chief Safety Officer, Operations Supervisors, and management will be tasked with the administration of the program. Bus operators will not be involved in enforcement.

Mr. Evatt asked for clarification on what currently happens when a driver is assaulted without a policy in place. Mr. Logan advised the current procedure is to follow the advice of CARTA's attorneys. Mr. Nye asked how drivers would be notified of suspended riders, to which Mr. Logan advised that a database and notification methods would be developed prior to driver training. Mr. Nye asked if CARTA currently posts photos of riders who have been barred from riding in driver locations. Mr. Logan responded in the affirmative. Ms. Peterson requested communication of the policy be welcoming and positive to which Mr. Logan advised management remains committed to inclusiveness.

Mr. Freeman asked if there were any comments or questions regarding the Customer Code of Conduct Policy. There being none, a motion was made by Mr. Nye and seconded by Mr. Culp followed by a vote to approve. The motion was unanimously approved.

Mr. Freeman asked Ms. Powell to present the procurement report. Ms. Powell advised that staff recommended that the Board approve the monthly procurement report that included sole

CARTA Board Meeting Minutes 08.21.2025



source procurements of the following: (i) purchase of an applicant tracking system for use by CARTAs Human Resources department in the amount of thirty seven five hundred ninety-three thousand dollars and twenty cents (\$37,593.20) for a 3-year period with NetDynamic, (ii) replacement batteries for electric shuttles 720 and 721 at a total cost of nine-three thousand five hundred twenty dollars (\$93,520), (iii) hardware and software maintenance renewal for one (1) year at a cost of one hundred sixty three one hundred eighty one dollars (\$163,181), (iv) database services renewal for one (1) year at a cost of fifty thousand nine hundred twenty six dollars and twenty-nine cents (\$50,926.29), (v) Cleverworks Software deployment at a cost of twenty two thousand seven hundred thirty-four dollars (\$22,734), and (vi) CADMobile deployment at a cost of eighty-eight thousand six hundred forty dollars (\$88,640). Use of the request for proposals (RFP) process to include temporary services, brush removal at the Incline Railway, and the purchase of bus shelters. Emergency Procurements included Network Engineering, Server Management, and Cybersecurity Services.

Mr. Nye requested clarification as to the current use of lead acid batteries, which Mr. Huff confirmed. Mr. Evatt requested additional information on the RFP request for Bus Shelters to which Mr. Frazier advised the request follows the City of Chattanooga procurement process.

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

CARTA Board Meeting Minutes 08.21.2025

Mr. Freeman requested Mr. Abernathy present the preliminary FY2025 Financial Report. Mr. Abernathy advised that staff recommended that the Board approve the preliminary June 2025 financial report. Mr. Abernathy reported that total revenue for the year was \$29.0 million, which was eight hundred seventy-three thousand dollars (\$873,000) less than budget. The shortfall was due to the Incline Railway being out of service resulting in a loss of 2.7 million in revenue, offset by greater than expected ARPA grant revenue. Expenses for the year were three hundred four thousand dollars (\$304,000) favorable compared to a budget of \$29.9 million. Net operating results for the year were five hundred sixty-eight thousand dollars (\$568,000) unfavorable due to revenue shortfalls attributable to the Incline Railway fire offset by favorable variances in ARPA grants and expense.

Transit revenue was one hundred eighty-three thousand dollars (\$183,000) below budget for the year due to shortfalls in fixed route fare collections and state operating assistance. Transit expenses were \$1.2 million favorable due to an eight hundred thousand dollars (\$800,000) favorable variance in personnel costs and a three hundred fifty thousand dollars (\$350,000) favorable variance in fuel costs.

Shuttle revenue was \$1.05 million greater than budgeted due to favorable variance at the Shuttle parking garages totaling two hundred eleven thousand dollars (\$211,000) and eight hundred thirty-two thousand dollars (\$832,000) of ARPA grant revenue. Shuttle expenses were in line with the yearly budget.

CARTA Board Meeting Minutes 08.21.2025

Incline revenue was under budget due to closure. Incline expenses were six hundred twenty thousand (\$620,000) over budget due to repair costs, which were partially offset by favorable variances in personnel costs.

Parking revenue for the year was three percent (3%) greater than the budget due to volume variances. Parking expenses were ten percent (10%) greater than budget due to variances in personnel costs and meter operations.

Mr. Freeman asked if there were any comments or questions regarding the request to approve the preliminary FY2025 Financial Report. There being none, a motion was made by Mr. Culp and seconded by Mr. Evatt followed by a vote to approve. The preliminary FY2025 Financial was unanimously approved.

Mr. Freeman 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:** 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. Customer Satisfaction Survey**

- Requesting an agreement for the completion of a customer satisfaction survey
- Recommended Provider: Warner Transportation Consulting
- Details: staff are requesting an agreement with Warner Transportation Consulting for \$39,031 for data collection and preparation of a customer satisfaction survey to support CARTA leadership in decision making and planning. Information will be requested from fixed route, paratransit (Care-A-Van), electric shuttle, and CARTA Go customers.
- Procurement Method: Request for Proposals
- Number of Bids/Proposals Returned: 5
- Term of Contract: a one-time agreement that will end upon completion of the customer satisfaction survey

##### **2. 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 these procurements requires that evaluation criteria other than price be considered when awarding a contract for this service.

1. Wayside cooling system for the Incline Railway
2. Banking services
3. Driver Safety Technology

##### **3. Report on Sole Source Procurements**

##### **1. Fleet Management Software as a Service Maintenance Renewal**

- Software as a Service (SaaS) maintenance renewal for a one-year period for \$16,639.70
- Vendor: Ron Turley Associates (RTA)
- RTA currently provides CARTA with fleet management software as a service. and the price is similar to previous years. This software is utilized for work order, preventive maintenance, purchasing, and inventory management and tracking. CARTA requires the purchase of this software renewal for another year for continuity of operations. CARTA is investigating other alternatives that are compatible with Oracle Netsuite for Government as integration of the purchasing and inventory components are essential for streamlining financial and purchasing transactions. Purchase and integration of replacement fleet management software has been included in the FY 26 capital budget.

## 2. Netsuite Finance Implementation Services

- CARTA engaged with LBMC for Enterprise Resource Planning software implementation/project management services to assist in the transition from CARTA's current accounting system to Netsuite. A small purchase procurement was utilized that didn't require the Board of Directors' approval since it was under \$50,000. Due to the complexity of this project, CARTA is approaching the \$50,000 threshold and requires additional time for the completion of this work. CARTA requires a sole source as it would be cost prohibitive to change implementation team members as they have the institutional and project knowledge that is essential to finalize the production environment. For completion of services outside of the \$50,000 limit of the initial purchase order, CARTA will issue a secondary agreement not to exceed \$23,696 through October 31, 2025.

## 3. Netsuite HR & Payroll Implementation Services

- Similarly to the above procurement action, CARTA also engaged with Insight Global for Enterprise Resource Planning software implementation/project management services to assist in the transition from CARTA's current HR/payroll system to Netsuite. A small purchase procurement was utilized for this work. Due to the complexity of this project, CARTA is also approaching the \$50,000 threshold and requires additional time and requires the use of a sole source procurement to complete implementation of Netsuite. For completion of services outside of the \$50,000 limit of the initial purchase order, CARTA will issue a secondary agreement not to exceed \$29,440 through October 31, 2025.

### 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 item A1 and send out a Request for Proposals for B1-B2.

## **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. Customer Satisfaction Survey

- On May 16, 2025, CARTA released a formal Request for Proposals (RFP) for Measurement and Collection of Customer Satisfaction Survey. 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 ten (10) interested proposers.
- CARTA utilized the following weighted evaluation criteria as part of this Request for Proposals process:
  - Experience and Expertise of the Firm: 60 points



- Price proposal: 40 points

**FISCAL IMPACT**

The fiscal impact of this action is listed below:

**A1. Customer Satisfaction Survey**

- Upon approval, CARTA will enter into an agreement with Warner Transportation Consulting for a not to exceed amount of \$39,031 for completion of the survey.
- CARTA will utilize Section 5307 planning funds for this procurement

**DBE PARTICIPATION**

A1. Customer Satisfaction Survey: A DBE goal of 5% was applied to this agreement. Warner Transportation Consultants met this goal through the use of a subcontractor for telephone survey support services. At a cost of \$2,183, this represents 5.6% utilization.

TO: CARTA Board of Directors

FROM: Sander Abernathy  
Interim Chief Financial Officer

SUBJECT: Discussion of Operating Results for July and August 2025 and Year-to-Date  
Through August 31, 2025

-----

-

**RECOMMENDED ACTION**

Staff recommends that the Board accept the operating results for July 2025, August 2025, and the two months ended August 31, 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 the operating results for the first two months of fiscal year 2026. The purpose of this review is to inform the Board of performance against budget and to highlight the key drivers of variances. These results will guide management's focus on both revenue enhancement and cost containment initiatives.

**DISCUSSION OF OPERATING RESULTS**

**Transit**

Transit revenues were below budget in both July and August, resulting in a year-to-date shortfall of \$558,000. This variance is attributable to delays in the receipt of federal and state grant funding, which has not yet been realized within the reporting period. While this represents a timing issue rather than a structural loss, it underscores the need to monitor cash flow closely. Expenses were favorable to budget by \$190,000 year-to-date, driven by lower personnel costs. Overall, Transit posted an unfavorable net variance of \$368,000 through August.

**Shuttle**

Shuttle operations were largely in line with budget, with revenues showing only a modest shortfall of \$9,000 year-to-date. Expenses were favorable by \$18,000, reflecting disciplined cost

management. The year-to-date net result was \$9,000 favorable, indicating that Shuttle continues to perform steadily.

### **Incline**

Incline revenues were materially below budget, with a year-to-date shortfall of \$175,000. This variance reflects the closure of the Incline during the first half of July and ongoing ridership levels approximately 17% below the prior year. Expenses were unfavorable by \$78,000 due to higher-than-anticipated operating costs, primarily related to repair costs, which will be recouped under the insurance policy. As a result, the Incline reported a year-to-date net unfavorable variance of \$252,000.

We submitted our claim under the business interruption insurance (BI) policy for the Incline closure. The insurer has agreed to a preliminary payment of approximately \$1.7 million for BI and an additional payment of \$300,000 for repair costs. With those payments, the total amount received from the insurer will be \$2.9 million. We have submitted claims for an additional \$1.0 million for BI and will be working with the insurer to agree on the additional amounts due.

### **Care-A-Van**

Care-A-Van revenues were slightly under budget year-to-date by \$11,000. Expenses were largely on budget, with only a modest unfavorable variance of \$2,000. Overall, Care-A-Van recorded a net unfavorable result of \$13,000 through August.

### **Parking**

Parking operations performed strongly relative to budget. Revenues exceeded projections by \$53,000, driven by volumes running approximately 7% above expectations. Expenses were 20% below budget, favorable by \$93,000, primarily due to lower parking meter operating costs. The combined effect was a year-to-date favorable net variance of \$146,000.

### **Total CARTA**

Across the organization, total revenues fell short of budget by \$700,000 through August. The principal drivers were delayed grant receipts and revenue shortfalls at the Incline. Expenses were favorable by \$223,000, due to lower wages and employment costs and parking meter costs. The combined impact was a net unfavorable variance of \$478,000 for the year-to-date period.

### **Procurement Overview**

N/A

### **Fiscal Impact**

N/A

### **DBE Participation**

N/A

	Jul-25			Aug-25			August 2025 Year-to-Date		
	ACTUAL	PROJECT	VARIANCE	ACTUAL	PROJECT	VARIANCE	ACTUAL	PROJECT	VARIANCE
TRANSIT									
Revenues	\$1,217,313	\$1,493,513	(\$276,200)	\$1,192,929	\$1,475,033	(\$282,104)	\$2,410,242	\$2,968,546	(\$558,304)
Expenses	1,424,893	1,491,334	(66,441)	1,469,341	1,592,935	(123,594)	2,894,234	3,084,269	(\$190,035)
NET	(207,580)	2,179	(209,759)	(276,412)	(117,902)	(158,510)	(483,992)	(115,723)	(368,269)
SHUTTLE									
Revenues	\$188,050	\$186,241	\$1,809	\$163,734	\$174,747	(\$11,013)	\$351,783	\$360,988	(\$9,205)
Expenses	230,480	231,678	(1,198)	221,766	239,100	(17,334)	452,246	470,778	(18,532)
NET	(42,430)	(45,437)	3,007	(58,032)	(64,353)	6,321	(100,463)	(109,790)	9,327
INCLINE									
Revenues	\$298,866	\$473,622	(\$174,756)	\$390,503	\$469,548	(\$89,045)	\$679,368	\$854,125	(\$174,757)
Expenses	448,684	287,079	161,605	185,927	270,033	(84,106)	634,612	557,112	77,500
NET	(149,818)	186,543	(336,361)	194,576	199,515	(4,939)	44,756	297,013	(252,257)
CARE-A-VAN									
Revenues	\$105,358	\$104,199	\$1,159	\$92,617	\$104,984	(\$12,367)	\$197,975	\$209,183	(\$11,208)
Expenses	298,843	289,561	9,282	323,856	331,522	(7,666)	622,699	621,083	1,616
NET	(193,485)	(185,362)	(8,123)	(231,239)	(226,538)	(4,701)	(424,724)	(411,900)	(12,824)
PARKING									
Revenues	\$451,443	\$416,514	\$34,929	\$436,378	\$418,110	\$18,268	\$887,820	\$834,624	\$53,196
Expenses	216,367	252,903	(36,536)	220,292	276,944	(56,652)	436,660	529,847	(93,187)
NET	235,076	163,611	71,465	216,086	141,166	74,920	451,160	304,777	146,383
CARTA - Total									
Revenues	\$2,261,029	\$2,674,089	(\$413,060)	\$2,266,159	\$2,642,422	(\$376,263)	\$4,527,189	\$5,227,466	(\$700,277)
Expenses	2,619,268	2,552,555	66,713	2,421,183	2,710,534	(289,351)	5,040,450	5,263,089	(222,639)
NET	\$ (358,238)	\$ 121,534	\$ (479,772)	\$ (155,023)	\$ (68,112)	\$ (86,911)	\$ (513,261)	\$ (35,623)	\$ (477,638)