FRANKLIN TRANSIT

Franklin Transit Authority
Regular Meeting Agenda ◆ Monday, March 18, 2024, 4:30 P.M.,
Development Services Conference Room – City of Franklin, Franklin TN

1. Call to Order
2. Roll Call/Confirm Quorum
3. Public Comments

This portion of the agenda is for members of the public to directly address the Authority on any items not on the agenda and within the jurisdiction of the Authority. Comments are limited to three minutes per speaker. The Authority will hear all communication but will not take any action on items that are not on the Agenda.

CONSENT CALENDAR

4. Minutes of February 22, 2024, Regular Meeting (ITEM #4)

OLD BUSINESS

5. Support of Electrification of Transit Fleet (BAI 3-18-24A)
6. Review of FY 2024-25 Franklin Transit Authority Draft Budget (BAI 3-18-24B)

   a. Response to Questions FY 2024-25 Budget

   c. FY 2024-25 Budget

7. Grants Update (ITEM #7)

NEW BUSINESS

8. Franklin Transit Authority RFP Update/Next Steps (ITEM #8)

OTHER BUSINESS

9. Adjourn: next regular scheduled meeting: TBA

FRANKLIN TRANSIT AUTHORITY
MINUTES OF BOARD MEETING
Thursday, February 22, 2024; 3:30 P.M.

The Franklin Transit Authority met on Thursday February 22,2024, at 3:30 P.M.at City Hall, Franklin, TN.

Members Present

John Schroer
Patrick Baggett
Chuck Barber
Doris McMillan
Eric McElroy
Kerry Perkinson

Debbie Henry, The TMA Group
Stanton Higgs, The TMA Group
Kelly Bair, The TMA Group
Todd Moore, TMA Attorney

Abby McCurry, City of Franklin
Vernon Gerth, City of Franklin
Adam Moser, City of Franklin

1. Call to Order

Chairman John Schroer welcomed everyone and introduced new Franklin Transit Authority member: Doris McMillan. Afterward, he called the meeting to order.

2. Roll Call/Confirm Quorum

Chairman Schroer confirmed a quorum was present.

3. Public Comment

None.

CONSENT CALENDAR

4. Minutes of September 21, 2023 (Regular Meeting); November 1, 2023 (Special Meeting); and, November 28, 2023 (Special Meeting) Minutes

There were no suggested revisions to the meeting minutes. Chairman Schroer called to approve the minutes. A motion to approve was made by Ms. Ashley Roberts and seconded by Mr. Chuck Barber. The motion passed unanimously.

Discussion was had by members of the Franklin Transit Authority of moving the calendar date/time of the Franklin Transit Authority's Regular Meetings. Chairman Schroer asking Ms. McCurry to research what options are available.

OLD BUSINESS

5. Year-to-Date Financial Statement and Summary

Dr. Kelly Bair shared the financial report through November 2023, pointing out that budget numbers are tracking well – noting, that YTD Actual number is less than YTD Budget numbers.

6. Transit Report and VanStar Report

Mr. Stanton Higgs had a short update with the transit ridership (July – November) noting a 14%

increase. Additionally, he shared updated information about the outreach efforts specific to the TDM Commute Benefit & Vanpool programs. He shared 2 commuter vanpool vehicles have been placed at Arnold Air Force Base. He also noted that TMA is managing the regional Guaranteed Ride Home Program for RTA commute options (Music City Star and Express Commute Bus on top of the VanStar GRH program.

7. Grant Report

With the absence of Ms. Sharmila Patel the grant report was given by Ms. Debbie Henry.

8. Contractor Monitor Report

With the absence of Ms. Christiana Dunn, Ms. Henry shared the pertinent updates.

9. Franklin Transit Authority RFP Update

Chairman Schroer asked for a March meeting to be scheduled relative to next steps with the RFP.

Chairman Schroer called for a motion to approve the reports that had been presented. A motion to approve was made by Mr. Kerry Perkinson and seconded by Ms. Ashley Roberts. The motion passed unanimously.

NEW BUSINESS

10. WSP Presentation: Franklin Transit Authority Zero Emissions Transition Plan – presented by Paul Nelson, WSP Transit Program Manager

Mr. Nelson made an excellent presentation. WSP assessed the viability of operating battery electric vehicles to provide transit in Franklin Transit's service area. The report recommended the launch of a pilot program for two years to help determine next steps for transit. Authority directed TMA staff to bring to next meeting a support document by Authority.

10. Consideration of FY 2024-25 Franklin Transit Budget

Chairman Schroer stated this item would be tabled until March meeting.

OTHER BUSINESS

11. Report of President/CEO

Ms. Henry stated she will be sending out the to Authority members the WSP Presentation plus Final Report, in addition to an updated Franklin Transit Authority Contact Sheet.

16. Chairman's Report

Chairman Schroer indicated that he had nothing further to add.

17. Adjourn

Mr. Kerry Perkinson made a motion to adjourn, and Mr. Chuck Barber seconded the motion, which passed unanimously.

The meeting adjourned at 5:00 p.m.

John Schroer, Chairman

FRANKLIN TRANSIT AUTHORITY

BOARD ACTION ITEM

Item Number: 3-18-24A Meeting Date: March 18, 2024

Item Title: Approval of Franklin Transit Authority Zero Emission Transition Study and its Recommendations

BACKGROUND

The Franklin Transit Authority Zero Emission Transition Plan determined the viability of using battery-electric vehicles (BEVs) to provide the transit service currently operated by The TMA Group. The planning organization, WSP, assessed the viability of operating BEVs to provide transit in Franklin Transit's service area by evaluating the critical factors required for a zero-emission transition, including modeling Franklin Transit's service, reviewing utility and facility considerations, and planning for the new skills necessary in a BEV workforce.

The report recommended that Franklin Transit operate a pilot program for two years to help determine next steps for transit. Expenses for such a program would include two cutaway BEVs, two level 2 chargers, workforce development for Franklin Transit and its maintenance contractor, installation of charging equipment, and a three-year charging equipment support agreement.

RECOMMENDATION

Staff recommends the Authority approve The TMA Group to move forward with pursuing state and federal funding opportunities operate a BEB pilot program for Franklin Transit Authority.

Approved ______________________________ ______________________

Board Officer *Date*

FRANKLIN TRANSIT AUTHORITY

BOARD ACTION ITEM

Item Number: 3-18-24B   Meeting Date: 03-18-24

Item Title: Consideration of FY 2024-25 Franklin Transit Budget

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BACKGROUND

Attached is the Proposed FY 2024-25 Transit Budget for your consideration.

STAFF RECOMMENDATION

Staff recommends that the Franklin Transit Authority approve the proposed FY 2024-25 Franklin Transit Budget.

Approved ________________________________   ________________________

Board Officer   *Date*

RESPONSE TO BUDGET QUESTIONS OF MARCH 12, 2024 EMAIL

Item 1

Question

Under revenues, please explain in each line item where the differences in more than 5% from the actual expense in 2023 and why there is a difference.

Answer

For clarification, our response to the question will be comparing the numbers of 2024 Estimated Actual year to the 2025 budget year data.

Description	2024 Budget	2024 Estimated Actual	2025 Budget
COF Transit Operating	694,473.51	676,662.47	837,775.80
Fares	68,000.00	56,000.00	68,000.00
Fares - MicroTransit Service	35,000.00	-	35,000.00
Special Events	45,000.00	25,000.00	30,000.00
Building & Equipment	9,700.00	9,700.00	9,700.00
Recov. For Liab & Dmg	-	811.55	1,000.00
State Grant Funds	290,350.00	294,794.00	304,148.00
CMAQ - for MicroTransit 75%	378,931.49	-	376,546.00
Federal Grant Funds	2,083,464.00	1,942,985.00	2,048,440.00

COF Transit Operating - CARES Act dollars will be gone. City share will increase.

Fares - Keeping budget the same as it was in 2024 in expectations service will continue to increase.

Fares Micro Transit - Keeping budget the same as it was in 2024 in expectation of getting Micro Transit started.

Special Events - Decreasing from what was budgeted in 2024 but expectation to be slightly higher in 2025 from 2024 estimated actual.

Recovery for Liability. & Dmg - Just an estimate of insurance proceeds for vehicle damage.

CMAQ - This is for Micro-Transit. Funds will be used to operate the program when it starts.

Federal Grant Funds - CARES Act dollars will be gone. New funding sources (ARP, 5310) we can use but only cover a portion of expenses that CARES used to cover at 100%. Operating grants we currently have are Operating assistance that requires a 50% match from the City. Preventative Maintenance requires a 20% match from the City, and most of our other grants cover 90% requiring a 10% match from the City. Expenses that cannot be covered by grants require 100% funding from the City.

Item 2

Question

Why is there a difference of 26% from actual budget in salaries from actual 2023 to budget 2024.

Answer

For clarification, our response to the question will be comparing the numbers of 2024 Estimated Actual year to the 2025 budget year data. "Estimated actual" within this budget document, is based on completed gross payrolls at the time of budget preparation with the addition of a trending estimate of the remaining payrolls not yet completed in the 2024 budget year.

- The most significant difference in the 2024 estimated budget and the 2025 actual budget for salaries is the microtransit driver wages, as we are confident that the service will be launched during the new fiscal year. This accounts for close to sixty percent, (240,000) of the increase. Microtransit driver wages are not included in the 2024 Estimated Actual.
- The budget includes an annual increase of 3 to 4 % for transit staff at TMA Group discretion.
- Additional drivers' wages have been added to the demand response (TODD) service in the second portion of this budget year. These additional drivers have provided more customer capacity for the demand response service, as we work to provide more service and cover a larger area within the city. . A portion of these wages will remain in demand response (TODD) service for 2025 salaries budget, and some will move over to the micro transit wages.

Item 3

Question

How many more employees in the three categories shown in the chart you provided are there and why.

Answer

We are not sure we understand the question, but we will answer the best we can.

The three categories of Transit employees that TMA provides to the Franklin Transit contract are.

- Drivers 37
- Transit Operations 4
- Administration for Transit 4

These numbers reflect the equivalent number of full-time staff hours charged to the Franklin Transit contract in each category. There are no other employees within the categories that add to the staff equation.

Item 4

Question

Why is there a 60% percent increase in Benefits and please break down the different benefits and expense for each.

Answer

- At the time of the budget preparation, TMA Group was informed to anticipate a 21% increase in medical cover for 2025 budget with current insurance provider. This increase accounts for 34% of the increase over estimated actual data.
- The inclusion of the microtransit drivers' medical benefits accounted for 57% of the increase over the estimated actual data. Microtransit benefits were not included in 2024 estimated actual data.
- Increase of TODD drivers to meet the need of the coverage and capacity make up for the remaining 22%.

Note that TMA Group assigns full benefits cost for all eligible full-time driver staff for budgeting purposes. Not all full-time drivers choose to take benefits as part of TMA Groups strategy, along with the recruitment of part time employees to lessen the cost of the service. TMA continues to work with our broker to lessen the cost on these insurances.
Benefits offered include single coverage for medical, dental, vision and life insurance.

Item 5

Question

Why is there a 25% increase in fuel over actual 2023 when fuel prices are less now and are continuing to trend down.

Answer

The increase in fuel expense is primarily due to the inclusion of the micro transit service (90%). The remaining 10% relates to increase capacity and coverage for the TODD service. TMA research on fuel shows that the market should be flat as it compares to 2024, but historically we have budgeted a 5% to 10% cushion for unanticipated spikes based on possible world events.

Item 6

Question

Where are we putting transit stations in 2024.

Answer

Continuing the Carothers corridor effort during the 2024 and 2025 budget.

Description	2024 Budget	2024 Estimated Actual	2025 Budget
COF Transit Operating	694,473.51	676,662.47	837,775.80
Fares	68,000.00	56,000.00	68,000.00
Fares - MicroTransit Service	35,000.00	-	35,000.00
Special Events	45,000.00	25,000.00	30,000.00
Building & EquipRent	9,700.00	9,700.00	9,700.00
Recov. For Liab & Dmg	-	811.55	1,000.00
State Grant Funds	290,350.00	294,794.00	304,148.00
CMAQ - for MicroTransit 75%	378,931.49	-	376,546.00
Federal Grant Funds	2,083,464.00	1,942,985.00	2,048,440.00
Total Revenues	3,604,919.00	3,005,953.02	3,710,609.80
Salaries	1,801,197.14	1,539,905.69	1,944,300.29
Fica/Med	135,781.40	117,802.79	148,738.97
Employee Benefits	264,930.15	246,803.52	395,323.75
Workers Comp	19,254.11	14,240.98	19,907.19
Uniforms	4,000.00	10,000.00	7,000.00
Marketing/Outreach MicroTransit	50,000.00	-	57,500.00
Professional Services Transit	120,209.00	66,875.16	86,150.00
Transit Building Maintenance	65,000.00	49,554.08	35,000.00
Transit Vehicle Maintenance	301,600.00	264,591.68	300,100.00
Transit Center Cleaning	26,000.00	24,556.80	26,000.00
Transit Safety	25,000.00	1,500.00	5,000.00
IT Support	40,000.00	40,000.00	40,000.00
Transit Security	6,000.00	2,392.00	4,000.00
Transit Surveillance	2,500.00	3,559.80	4,000.00
Legal Fees	5,000.00	150.00	-
Transit-DAM Compliance	4,500.00	5,000.00	5,500.00
Payroll Fees	6,037.20	7,375.00	8,361.60
Fuel	235,500.00	172,469.80	213,000.00
Postage & Supplies (G&A)	12,700.00	25,450.00	1,000.00
Transit Maint. Fac - Utilities	35,000.00	43,186.12	36,000.00
Radio Communications	10,000.00	540.00	-
Vehicle Insurance	162,000.00	153,018.76	158,000.00
Transit General Liability	16,500.00	16,081.72	18,000.00
Payouts for Insured Liab Damag	7,500.00	-	8,500.00

Description	2024 Budget	2024 Estimated Actual	2025 Budget
Errors & Omissions Liability	11,000.00	12,249.00	13,500.00
Insurance General Office	17,000.00	16,639.42	18,100.00
Property Taxes	650.00	-	-
Dues, Subs, Tuition	30,000.00	19,291.93	20,000.00
Meetings	2,500.00	356.08	700.00
Travel & Training	6,000.00	5,310.32	5,000.00
Equipment - Transit Other	3,000.00	9,474.94	10,500.00
Bank/Credit Card Charges	1,800.00	329.14	450.00
Education/Community Outreach	10,000.00	-	-
Print Advertising	15,000.00	15,000.00	6,000.00
Radio Advertising/Web	6,600.00	6,250.00	6,250.00
Recruitment	16,000.00	7,365.66	7,000.00
Printed Brochures & Pieces	5,000.00	7,500.00	7,500.00
Transit Maint. Facility-Rent	41,000.00	40,256.04	40,256.00
Office Rent	8,160.00	8,640.00	8,160.00
Equipment Lease	6,000.00	6,100.00	6,100.00
Tracking Software - Micro	65,000.00	11,924.00	13,000.00
Depreciation - Transit Off Equ		26,712.40	26,712.00
Equipment Other - ADA	1,000.00	-	-
Printed Broch & Pieces - ADA	500.00	-	-
Total Direct Expenditures	**3,604,919.00**	**3,005,952.82**	**3,710,609.80**
Total Indirect Expenditures	-	-	-
Total Expenditures	**3,604,919.00**	**3,005,952.82**	**3,710,609.80**
Net Income/Loss	-	-	-

Revenue			
Federal 5307 Planning	80,000.00	25,600.00	80,000.00
State 5307 Planning	10,000.00	3,200.00	10,000.00
COF Planning Cost Share	10,000.00	3,200.00	10,000.00
Total Revenue	**100,000.00**	**32,000.00**	**100,000.00**
Zero Emission Study Match			
Planning/Transit	100,000.00	32,000.00	100,000.00

Description	2024 Budget	2024 Estimated Actual	2025 Budget
Revenue			
Federal 5307 Capital Expenditu	536,000.00	209,700.00	328,000.00
State 5307 Capital Expenditure	67,000.00	26,210.00	41,000.00
COF Capital Cost Share	67,000.00	26,215.03	41,000.00
Total Revenue	**670,000.00**	**262,125.03**	**410,000.00**
Equipment - Transit	-		-
Capital Rolling Stock	200,000.00	262,125.03	300,000.00
Cameras for Vehicles	440,000.00		50,000.00
Transit Shelters	30,000.00		60,000.00

Federal Transit Administration Grant Balances

Federal Transit Administration Funding Source	Grant Number	Balance in TrAMS (As of 3/5/2024)	Uses
5307	TN-2017-020-00	$144,595.00	Planning
5307	TN-90-X384-00	$321,303.00	Security, Vanpool Replacement. Vehicles
5307	TN-90-X352-00	$305,647.00	Security, Shelters, Vanpool Vehicles
5307	TN-2019-021-00	$1,124,677.00	Shelters, PM, Buses, Support Equipment
5307	TN-2020-008-00	$1,104,507.00	OA, CCC, PM, Software, Rent, Vanpool Replacement Vehicles
5307 CARES Act	TN-2020-018-00	$1,706,498.00	OA—Operating Assistance
5307	TN-2022-031-00	$804,499.00	Operating, Planning, PM, Security, Rent (WC: Operating Assistance and Planning)
5307 American Rescue Plan	TN-2022-027-00	$593,894.00	Operating Assistance, Security (WC: Operating Assistance)
5310 American Rescue Plan	TN-2023-001-00	$143,230	Operating Assistance
5310 CRRSAA	TN-2023-002-00	$143,228	Operating Assistance

- $2,224,889 of the above listed FTA funds are allocated to the vanpool program. Franklin Transit serves as the direct recipient/pass-through entity.
- Typically, 5307 funds require a match. Expenses are distributed among federal government, state government, and the City of Franklin as follows:
  - ✓ Operating Assistance: 50% federal, 50% local
  - ✓ Capital Expenditures: 80% federal, 10% state, 10% local
  - ✓ Preventive Maintenance Expenses: 80% federal and 20% local
  - ✓ Planning Expenses: 80% federal, 10% state, and 10% local.
- Covid relief funding (CARES Act, American Rescue Plan, and CRRSAA) provides additional funding at a 100-percent federal share, with no local match required.

Grant Applications in Process

Federal Transit Administration Funding Source	Type of Funding Used	Amount Requested	Uses
5307	CMAQ Flex	$1,425,460.00	Cool Springs Microtransit
5307	Formula Funds	$2,427,760.00	See Next Table

	Total	Federal Transit	State	Local (Franklin)
Operating Assistance Franklin Transit	$ 1,810,626	$ 905,313	no match	$ 905,313
Preventive Maintenance	$ 443,750	$ 355,000	no match	$ 88,750
Security	$ 75,000	$ 60,000	$ 7,500	$ 7,500
Safety	$ 12,500	$ 10,000	$ 1,250	$ 1,250
Support Vehicle	$ 40,000	$ 32,000	$ 4,000	$ 4,000
Rolling Stock (Replacement Vehicles)	$ 750,000	$ 600,000	$ 75,000	$ 75,000
Operating Assistance Williamson County	$ 850,894	$ 425,447	no match	$ 425,447
Security Williamson County	$ 50,000	$ 40,000	$ 5,000	$ 5,000
Total	**$ 4,032,770**	**$ 2,427,760**	**$ 92,750**	**$ 1,512,260**

Other Grant Funding:

- **CMAQ:**
  - **Vanpool Post-Pandemic Initiative**: Balance as of January 31: $3,227,185.95
  - **Regional Multimodal and Rideshare Park and Ride:** Balance as of January 31: $1,287,836.57

- **TDOT IMPROVE Act**—Ten vehicles were purchased, and the grant's final report has been submitted.
- **TDOT Transportation Planning Grant**:
  - Zero Emission Vehicle Feasibility Study
  - Presentation by WSP at the February Franklin Transit Authority meeting. They will vote on pursuing funds for a pilot program at the next meeting.