



CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY  
& THE CHATTANOOGA PARKING AUTHORITY

## BOARD MEETING AGENDA

September 19, 2024, 10:00 AM ET

1. **Call to Order**
2. **Quorum Call**
3. **Moment of Silence & Pledge of Allegiance**
4. **Public Comment**
5. **Recognitions**
6. **Adoption of Minutes** [\(page 2\) - A](#)
7. **CEO Report:** Charles D. Frazier
8. **Consent Agenda**
  - A. Financial Report: Sonja Sparks [\(page 13\) - I](#)
  - B. Statistical Report: Veronica Peebles [\(page 16\) - I](#)
  - C. Parking & Facilities Update: Brent Matthews [\(page 20\) - I](#)
9. **Finance Committee:** Charita Allen
  - A. Credit Card Policy (New): Sonja Sparks [\(page 22\) - A](#)
  - B. Contracting Authority of the CEO Resolution (New): Sonja Sparks [\(page 25\) - A](#)
  - C. Advertising Policy (Update): Veronica Peebles [\(page 27\) - A](#)
10. **Compensation and HR Committee:** Charita Allen
11. **Operations Committee:** Chair de Nysschen
12. **New Business**
  - A. AARP Request for Election Day: Charles Frazier [\(page 33\) - A](#)
13. **Old Business**
14. **Adjournment**
15. **Executive Session**
  - A. Quarterly Performance Review of Chief Executive Officer

**(A) = Action item (I) = information**

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

**AND**

**THE CHATTANOOGA PARKING AUTHORITY**

**August 22, 2024**

The regular meeting of the Board of Directors of the Chattanooga Area Regional Transportation Authority (CARTA) and the Chattanooga Parking Authority was held Thursday, August 22, 2024, starting at 10:00 a.m., at the Board Building, 1617B Wilcox Blvd. Chattanooga, TN 37406. The meeting was held in accordance with Section 4, Paragraphs 1 and 2 of the ordinances creating the Authority and pursuant to the notice advertised in the Chattanooga Times Free Press on August 04, 2024. The following Board members were in attendance and constituted a quorum: Johan de Nysschen, Chairman; Evann Freeman, Vice Chairman; Arcie D. Reeves, Secretary; Charita Allen, Stephen Culp, Corey Evatt, Bill Nye, and LeAndrea Sanderfur. The following persons were also in attendance: Charles Frazier, Chief Executive Officer; Sonja Sparks, Chief Financial Officer; Jeff Smith, Chief Operating Officer; Scott Wilson, Chief of Staff; Philip Pugliese; Transportation System Planner; 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.

CARTA Board Meeting Minutes 08.22.2024

Mr. de Nysschen called on Mr. Nye to give the invocation and lead the Pledge of Allegiance. Mr. de Nysschen next opened the meeting for public comments regarding board action items. Mr. de Nysschen then advised he had been approached regarding the practice of doing the invocation at the start of board meetings. After board discussion, it was agreed that a moment of silent reflection would be put in place in lieu of the invocation to ensure inclusivity. Mr. de Nysschen next opened the meeting for public comments regarding board action items. There were no public comments.

Mr. de Nysschen then stated that all members had been sent a copy of the June 20, 2024, board meeting minutes and asked if there were any additions or corrections. There being none, a motion was made by Ms. Allen and seconded by Mr. Nye, followed by a vote to approve the minutes. The motion was unanimously approved.

Mr. de Nysschen then called on Mr. Frazier to present the CEO report. Mr. Frazier stated that CARTA continues to focus on building strategic partnerships, advancing green initiatives, and fostering connections that will drive CARTA's future success. Mr. Frazier reported that to date he has surpassed more than one hundred (100) engagements resulting in the fleshing out of unmet transportation and infrastructure needs and assisting with building the coalition of support CARTA needs as it develops its plan to build out its mobility ecosystem.

Mr. Frazier reported providing a tour of the Incline Railway's engine room and CARTA's electric vehicle maintenance shop at Shuttle Park South to C Walton Robinson, the Executive

Director of Hamilton County Apprenticeship Works. The hope is that Chattanooga 2.0's Apprenticeship Works program will assist CARTA by building out its apprenticeship program to serve as a pipeline for future maintenance workers and the skilled workforce that is needed for operations, and that this becomes a permanent program.

Next, Mr. Frazier provided an update on attending the Young American Leadership Program at Harvard Business School advising the class project is to outline a technology solution app that will use crowdsourcing to inform CARTA of unmet transportation needs in the community. CARTA will apply to the FTA under the Enhancing Mobility Innovation grant to fund the app's development.

Mr. Frazier further reported that CARTA recently hosted Hamilton County Mayor, Weston Wamp, and Deputy Mayor, Cory Gearin, at CARTA's offices and a meeting with Hamilton County Schools Superintendent, Justin Robertson. The meeting discussions included transit, education, and economic development and emphasized the future of transportation in the Tennessee Valley. Mr. Frazier advised that Mayor Wamp is interested in supporting a future pilot program with CARTA and concepts are being developed now.

During a meeting with Mayor Tim Kelly's Climate Action Plan Community Group, the UTC inductive charging station was toured via one of CARTA's battery electric buses. Meeting discussion topics included CARTA's ongoing green efforts, and the meeting provided an opportunity to showcase CARTA's commitment to sustainability and align its initiatives with the

city's broader climate goals. Mr. Frazier then introduced Mr. Bruce Blohm and Mr. Doug Carlson, community group representatives of Mayor Kelly's Climate Action Plan and members of Climate Chattanooga, who provided details on their goals. They requested that CARTA play an active role in the climate action plan and assist the City in achieving carbon net zero by 2040 by reducing transportation carbon emissions.

Mr. Frazier then introduced Houston Duke, congratulated him on his new role as Assistant Incline Director, and Mr. Frazier thanked him for his 18 years of service.

Mr. Frazier advised that in July CARTA's executive leadership team began developing a near-term strategic plan centered around "Fixing the Foundation." The next step will be engaging with the management leadership team to develop the action plan itself and establish key performance indicators.

Mr. Frazier further reported the following: (i) participating in the SMART grant information session with the City Mayor's office and the US Department of Transportation and speaking at a press conference alongside Mayor Kelly, UTC's Mina Sartipi, and US DOT officials highlighting how CARTA's buses will play a pivotal role in this initiative; (ii) riding the shuttle and the bus with Teddy Batanghari, a frequent rider who shared his experiences with the CARTA system; (iii) attending the Tennessee Public Transportation Association meeting, which provided an excellent opportunity to connect with transit colleagues from across the state; (iv) appearing on Channel 12's "Let's Chatt" segment with Chip Chapman who interviewed Mr. Frazier, Will

CARTA Board Meeting Minutes 08.22.2024

O’Hearn, and Liz Hunter from the Chattanooga Library about the Read & Ride collaboration. Mr. Frazier reported that a new milestone of over 4,000 student trips had been met.

Chairman de Nysschen requested an update on the ongoing negotiations of the Amalgamated Transit Union contract. Mr. Frazier indicated that negotiations were ongoing and moving expeditiously.

Under “Consent Agenda” Mr. de Nysschen asked if there were any comments or questions regarding the financial report or statistical report provided in the board packet sent electronically on August 16, 2024. There being none, a motion was made by Mr. Freeman and seconded by Mr. Evatt, followed by a vote to approve the Consent Agenda items as received, read, understood, and accepted. The motion was unanimously approved.

Mr. de Nysschen next advised that due to a board vacancy, the board must appoint a new Treasurer. Ms. Allen self-nominated, Mr. Culp made a motion to appoint, and Mr. Evatt seconded the motion. Ms. Allen was unanimously appointed as Treasurer.

Mr. de Nysschen called on Ms. Allen to provide an update from the Compensation and HR Committee. Ms. Allen stated the committee did not meet, but as a group the board was invited to attend the strategic planning meeting that was held on August 2, 2024, where there was an extensive discussion on organizational redevelopment.

Mr. de Nysschen asked Mr. Brent Matthews to present parking enhancement recommendations for the Operations Committee update. Mr. Matthews presented CPA’s

(Chattanooga Parking Authority) parking enhancements and requested board approval for the following: (i) approve first hour free and rate change from three dollars (\$3.00) per hour with eleven dollar (\$11.00) maximum to four dollars (\$4.00) per hour with twelve dollar (\$12.00) maximum rate at Shuttle Park North and South; (ii) approve special event rate change from ten dollars (\$10.00) to fifteen dollars (\$15.00) at Shuttle Park South; (iii) approve maximum rate change to ten dollars (\$10.00) for three (3) or more hours at the Renaissance Lot, Riverfront Lot, and North Shore Garage; (iv) approve a rate change of initial ticket penalty fee from ten dollars (\$10.00) to twenty dollars (\$20.00) for all surface lots; (v) approve implementation of real-time parking inventory and wayfinding app via the technology procurement of Modii; and (vi) authorize the Chief Executive Officer to execute a contract to renew the parking contract with Courtyard Marriott.

Mr. de Nysschen remarked that the first hour free structure will increase utilization resulting in increased revenue. Ms. Allen asked for clarification on how the first hour free will look at the payment kiosk. Mr. Matthews stated the kiosk will be programmed for first-hour free rates. Mr. Nye asked for the number of hospitality employee discounted parking passes that are currently issued to which Mr. Matthews replied two hundred forty-five (245). Mr. Matthews further advised that the number of available parking spaces far exceeds the number of passes issued. Mr. de Nysschen requested Mr. Matthews follow up on the ownership of Lot A recently sold to the City of Chattanooga by the railroad and the current management of that lot. Mr. Evatt

inquired about average park time data availability to which Mr. Matthew advised parking usage data is available through Park Mobile and payment kiosks, and that the reports are being utilized on a regular basis. Mr. Matthews further advised the requested rate changes will be below competitors' rates. After an extensive board discussion, it was agreed that an above-par public relations campaign and a distinct branding plan with the Mayor's Office and City Council will be needed both for parking fee changes and distinguishing CPA lots from privately owned lots. In response to Mr. Culp's questions regarding the integration of the Modii application with wayfinding, Mr. Matthew advised that Modii will be a web based open API white label application. Mr. Frazier stated there will be additional integration opportunities once the first phase has been completed. Mr. de Nysschen requested cost information to which Mr. Matthews advised Modii is being offered at a forty-five percent (45%) discount and is renewable annually at CPA's request. Mr. de Nysschen stated that he recommends adopting the Modii application and to annually review its cost benefit. Mr. de Nysschen requested clarification on the Courtyard Marriott parking agreement to which Mr. Matthews advised that CPA is recognizing recurring revenue even when the parking space is not in use, there are no assigned parking spots, and there will be a rate increase with the renewal. The increase is based on a ten-block utilization area around the garage.



Mr. de Nysschen asked if there were any comments or questions regarding CPA parking enhancement recommendations. There being none, a motion was made by Mr. Culp and seconded by Ms. Allen. The motion unanimously passed.

Mr. Matthews next requested that the board authorize the Chief Executive Officer to present on-street parking fees and fines rate change requests to the City Council of Chattanooga requesting approval for the following: (i) base fee change from eleven dollars (\$11.00) to twenty dollars (\$20.00) with a reduction to sixteen dollars (\$16.00) if paid within forty-eight (48) hours; change illegal parking fine from thirty-six dollars (\$36.00) to forty-five (\$45.00) dollars; (ii) change handicap parking violation fine from fifty dollars (\$50.00) to one hundred dollars (\$100.00); and (iii) expand the paid parking zone boundary to include Cherokee Boulevard, Spears Avenue, and Velma Avenue.

Mr. de Nysschen asked if there were any comments or questions regarding City Council parking enhancement recommendation requests. There being none, a motion was made by Mr. Evatt and seconded by Mr. Nye. The motion unanimously passed.

Under “New Business”, Mr. de Nysschen asked Mr. Matthews to present information on the Scofflaw Program. Mr. Matthews stated that the Scofflaw Program has been developed to enhance parking enforcement through the immobilization of vehicles through booting. The program is critical to safeguarding future revenue streams and funding essential shuttle services

and parking infrastructure. Mr. Matthews stated the program will not be launched until it is fully vetted and approved by the Chattanooga City Council and the Mayor's Office.

Mr. Matthews advised the primary objective of the Scofflaw Program is to ensure the collection of outstanding parking citations, which directly impacts CARTA's ability to continue providing high-quality shuttle services and maintaining its parking facilities. Mr. Matthews stated that by addressing the significant number of unpaid citations, CARTA is protecting the vital funds necessary to keep these services operational and accessible to the public. Mr. Matthews next provided clarity of who would be considered for the Scofflaw Program under City Ordinance guidelines stating it includes individuals who have three (3) or more outstanding citations for over sixty (60) days. As of August 2024, there were over 3,900 outstanding Scofflaw cases, with a total balance exceeding \$2.64 million. The introduction of self-releasing boot technology will make it easier for violators to settle their debts while reducing the operational burden on staff. Mr. Matthews then introduced Mr. Skelton with PCI to complete the Scofflaw presentation.

Mr. Skelton reviewed the Scofflaw City Ordinance noting that CARTA and CPA currently have the right to boot under the ordinance; however, violators will have been notified seven (7) times prior with a ten (10) day appeal timeframe prior to boot placement. Mr. Skelton stated that the largest number of parking citations are for on-street parking. There are four thousand two hundred seventy-seven (4,277) unpaid Scofflaw citations; the average amount owed of each top twenty-five (25) Scofflaw violators is ten thousand two hundred ninety-nine dollars and forty-six

cents (\$10,299.46). The balance owed collectively by the top twenty-five violators is two hundred fifty-seven thousand four hundred eighty-six dollars and fifty cents (\$257,486.50).

Next, Mr. Skelton presented the recommended self-releasing boot program roll out as follows: (i) an informational meeting with the Mayor and City Council; (ii) issue a press release; (iii) preparation of the appeals hearing program; (iv) set up a payment plan program; (v) offer an amnesty period of thirty (30) days; and (vi) issue an additional press release. The amnesty program recommendation is to offer a reduced payment of citation fee with the expectation that ten to fifteen percent will take advantage of the amnesty period. Mr. Skelton advised that the purpose is to reduce the need to negotiate settlements after the amnesty period.

Mr. de Nysschen requested financial details on the boot cost. Mr. Skelton advised the monthly technology fee is three hundred fifty dollars (\$350.00) per device which includes BootVision software and 24/7 customer call center access. Fifteen (15) Intelliboats will be needed. The recommendation is to add a seventy-five (75) dollar boot fee per case to self-fund the program. After an extensive board discussion regarding the potential hardship of implementing the booting program, Mr. Skelton suggested CARTA offer a hardship appeal program.

Mr. Frazier restated the program will not be launched until it is approved by the City Council and reminded the Board that he has set up one-on-one appointments with members and the Mayor's Office to provide opportunities to uncover and address concerns as they surface.

CARTA Board Meeting Minutes 08.22.2024

Mr. de Nysschen advised the Scofflaw Program was presented as information only and no vote was needed to approve.

Next under “New Business,” Mr. de Nysschen asked Mr. Frazier to present his update on management reorganization. Mr. Frazier stated reorganization is focused on three (3) key areas: (i) core business functions; (ii) strategic planning; and (iii) funding. The first phase of the management reorganization has been completed and includes the creation of both the Executive Leadership Team and Management Leadership Team as follows: (i) Executive Leadership Team: chief executive officer, chief of staff, chief administrative officer, chief financial officer, and chief operating officer; (ii) Management Leadership Team: safety & training, innovation & technology, planning, communications & external affairs, grants & procurement, vehicle maintenance, human resources, fixed route & shuttle, care-a-van, parking & facilities, and the Incline Railway. Key performance indicators for each area will be developed, prioritized and brought back to the board as a formal FY2025 action plan.

Mr. de Nysschen inquired if there were any other business items that need to be addressed. There being no further business, a motion was made to adjourn, and the meeting was adjourned.

**TO:** CARTA Board of Directors  
Finance & Compliance Committee

**FROM:** Sonja Sparks  
Chief Financial Officer

**SUBJECT:** Financial Report

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### **RECOMMENDED ACTION**

Staff recommends that the Board approve CARTA's financial reports for the month ending August 2024.

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

August, 2024

- Revenue for the month was \$2,290,102 compared to a budgeted \$2,306,478. There were no significant revenue variances.
- Expenses for the month were \$2,318,069 compared to a budgeted \$2,484,249.
  - Transit expense under budget variance of \$191,181 is due to a wage and benefit under budget variance of \$91,217 due to turnover and vacancies. We also had an under budget variance in fuel of \$26,224 and maintenance of \$27,312. Items in the process of being implemented for this budget year include professional services in the amount of \$18,538 for cleaning and other services, and training, travel and software in the amount of \$31,894. This results in a monthly under budget variance in net income of \$163,165.
- The August Parking Report indicates receipts from parking meter and enforcement reflected net positive revenue of \$21,583 and when combined with net shuttle costs of (\$14,163), created a net of (\$127,580). Total net parking revenue for the month (adding in surface lot and garage revenues and expenses) reflected a positive net revenue of \$64,680.

**CARTA**  
**Variance Report**  
**For the Two Months Ending Saturday, August 31, 2024**

	<u>MONTHLY ACTUAL</u>	<u>MONTHLY BUDGET</u>	<u>VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>VARIANCE</u>
<b>TRANSIT</b>						
Revenues	\$1,215,955	\$1,243,972	(\$28,016)	\$2,449,736	\$2,487,943	(\$38,207)
Expenses	<u>1,328,608</u>	<u>1,519,789</u>	<u>(191,181)</u>	<u>2,547,406</u>	<u>2,964,578</u>	<u>(417,173)</u>
<b>NET</b>	<b>(112,652)</b>	<b>(275,818)</b>	<b>163,165</b>	<b>(97,670)</b>	<b>(476,635)</b>	<b>378,965</b>
<b>SHUTTLE</b>						
Revenues	\$160,438	\$146,504	\$13,933	\$329,458	\$293,009	\$36,450
Expenses	<u>208,933</u>	<u>211,932</u>	<u>(2,999)</u>	<u>412,660</u>	<u>423,864</u>	<u>(11,205)</u>
<b>NET</b>	<b>(48,495)</b>	<b>(65,428)</b>	<b>16,933</b>	<b>(83,201)</b>	<b>(130,856)</b>	<b>47,655</b>
<b>INCLINE</b>						
Revenues	\$452,507	\$459,496	(\$6,990)	\$1,148,399	\$1,142,629	\$5,770
Expenses	<u>244,804</u>	<u>232,366</u>	<u>12,438</u>	<u>519,061</u>	<u>464,733</u>	<u>54,328</u>
<b>NET</b>	<b>207,702</b>	<b>227,130</b>	<b>(19,428)</b>	<b>629,338</b>	<b>677,897</b>	<b>(48,558)</b>
<b>CARE-A-VAN</b>						
Revenues	\$84,986	\$86,260	(\$1,274)	\$169,362	\$172,520	(\$3,157)
Expenses	<u>273,781</u>	<u>298,295</u>	<u>(24,514)</u>	<u>513,016</u>	<u>596,590</u>	<u>(83,574)</u>
<b>NET</b>	<b>(188,795)</b>	<b>(212,035)</b>	<b>23,240</b>	<b>(343,653)</b>	<b>(424,070)</b>	<b>80,417</b>
<b>PARKING</b>						
Revenues	\$376,217	\$370,246	\$5,972	\$750,951	\$740,491	\$10,460
Expenses	<u>261,944</u>	<u>221,866</u>	<u>40,078</u>	<u>501,605</u>	<u>443,732</u>	<u>57,873</u>
<b>NET</b>	<b>114,273</b>	<b>148,380</b>	<b>(34,106)</b>	<b>249,347</b>	<b>296,759</b>	<b>(47,413)</b>
<b>CARTA - Total</b>						
Revenues	\$2,290,102	\$2,306,478	(\$16,375)	\$4,847,907	\$4,836,592	\$11,316
Expenses	<u>2,318,069</u>	<u>2,484,249</u>	<u>(166,179)</u>	<u>4,493,747</u>	<u>4,893,497</u>	<u>(399,750)</u>
<b>NET</b>	<b>(27,967)</b>	<b>(177,771)</b>	<b>149,804</b>	<b>354,160</b>	<b>(56,905)</b>	<b>411,065</b>

**AUGUST 2024 PARKING REPORT**

	<u>Meters</u>	<u>Shuttle</u>	<u>Lots</u>	<u>Garages</u>
Revenues	\$ 207,953	\$ -	\$ 130,771	\$ 152,990
Enforcement	\$ 58,520	\$ -	\$ -	\$ -
Donations	\$ -	\$ 488	\$ -	\$ -
Advertising	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ 800	\$ -	\$ 6,159
Fed/State Grants	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 266,473</b>	<b>\$ 1,288</b>	<b>\$ 130,771</b>	<b>\$ 159,149</b>
Onstreet Enforcement Expenses	\$ 244,890	\$ -	\$ -	\$ -
Shuttle Expenses	\$ -	\$ 150,451	\$ -	\$ -
Lot Expense	\$ -	\$ -	\$ 39,178	\$ -
Garage Expense	\$ -	\$ -	\$ -	\$ 58,482
<b>Total Expense</b>	<b>\$ 244,890</b>	<b>\$ 150,451</b>	<b>\$ 39,178</b>	<b>\$ 58,482</b>
<b>Net Revenue</b>	<b>\$ 21,583</b>	<b>\$ (149,163)</b>	<b>\$ 91,593</b>	<b>\$ 100,667</b>
<b>Net Meters &amp; Shuttle</b>	<b>\$ (127,580)</b>			
<b>Total Parking</b>	<b><u>\$ 64,680</u></b>			

**TO:** CARTA Board of Directors  
**FROM:** Veronica Peebles  
Chief Administrative Officer  
**SUBJECT:** Statistical Report

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**RECOMMENDED ACTION**

Staff recommends that the Board accept CARTA’s statistical report for the month ending August 2024 as information to the Board.

**HIGHLIGHTS, ANALYSIS AND CONCLUSIONS**

August schedule change went into effect on August 18, with UTC classes beginning on the 19<sup>th</sup>.

- Fixed route ridership continues with a 4% growth over July, and level with the prior year. Note – due to a mechanical issue with the Genfare bus probe, some ridership data was estimated during this period and future corrections may be made.
- Shuttle ridership began tapering as school started but remains at 125% year-over-year.
- Special Note: Read and Ride Program Launched June 1, 2024
  - Cooperative program with Chattanooga Library launched June 1 with planned end of date of July 31, was extended through December 31, 2024. Through August 31, 2024, the program has provided 4,725 trips.



**Chattanooga Area Regional Transportation Authority**

**Statistical Report**

**For the Period Ending August 31, 2024**

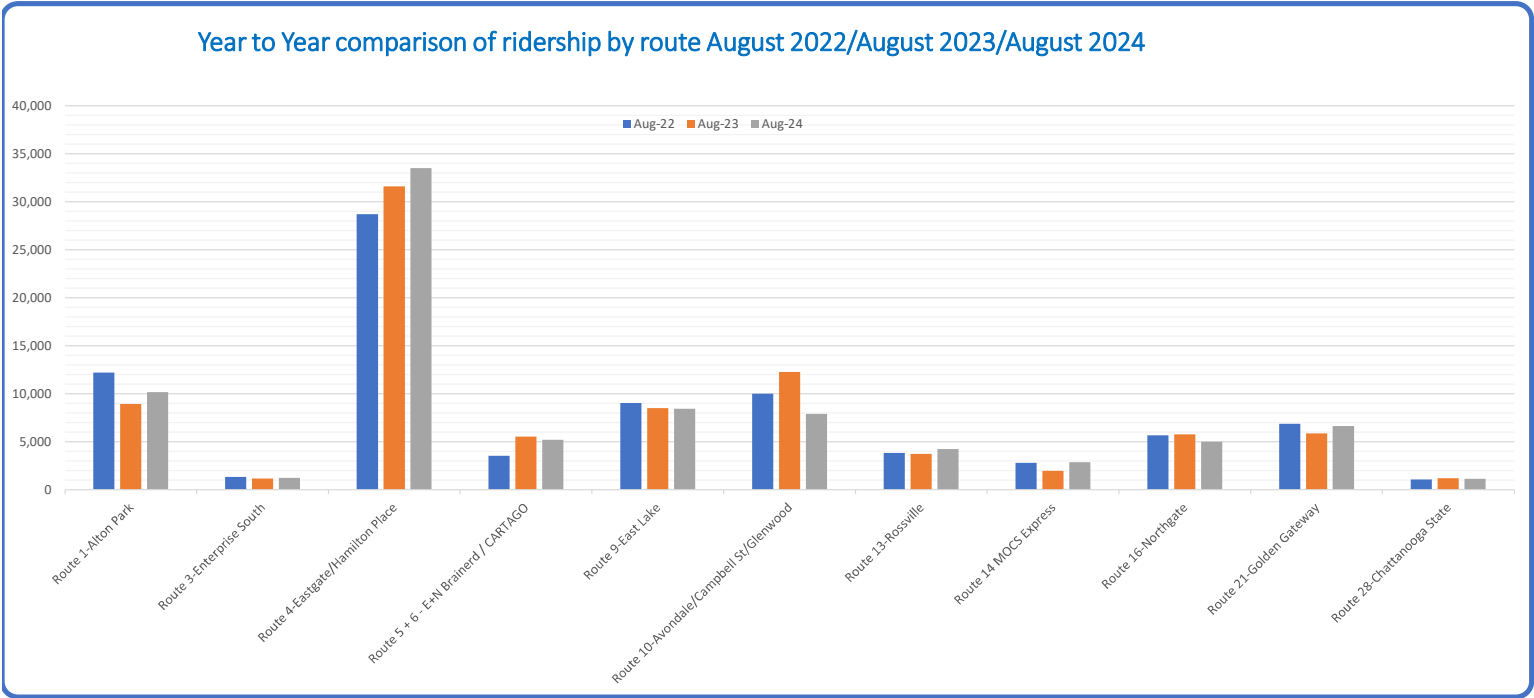
	<u>This Month</u>	<u>Month YR Ago</u>	<u>YTD</u>	<u>Prior YTD</u>
<b><u>TRANSIT</u></b>				
Ridership	86,162	86,505	169,244	160,781
Weekday Average - with Mocs	3,293	3,247	3,205	3,118
Weekday Average - without Mocs	3,164	3,162	3,203	3,072
Saturday Average	2,154	2,159	2,140	2,155
Sunday Average	737	794	776	813
Miles	163,497	165,749	319,238	315,373
Passengers/Mile	0.53	0.52	0.53	0.51
Accidents	1	3	3	3
Operating Cost/Rider	9.56	9.15	9.60	9.28
<b><u>SHUTTLE</u></b>				
Ridership	28,599	22,930	58,756	49,069
Weekday Average	971	754	993	805
Saturday Average	1,080	949	1,081	1,021
Sunday Average	461	450	544	497
Miles	18,073	15,569	36,382	28,979
Passengers/Mile	1.58	1.47	1.61	1.69
Accidents	0	0	0	1
Operating Cost/Rider	2.41	3.20	2.32	2.93
<b><u>INCLINE</u></b>				
Ridership	43,569	33,481	116,174	115,632
Net Revenue/Passenger	4.77	3.15	5.42	2.73
Days Down	0	0	0	0
<b><u>CARE-A-VAN</u></b>				
Ridership	4,779	4,768	8,956	8,753
Miles	53,103	55,602	102,105	102,850
Turndowns	0	1	0	1
Accidents	1	0	1	0
Operating Cost/Rider	47.67	44.19	48.21	44.91
Passengers/Hour	1.26	1.26	1.23	1.25
<b><u>TOTAL CARTA</u></b>				
<b>Ridership</b>	<b>163,109</b>	<b>147,684</b>	<b>353,130</b>	<b>334,235</b>

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

North Shore Shuttle	3,304	2,804	6,841	5,466
MOCS Express	2,854	1,963	2,854	1,963
Bicycles Carried	1,636	1,750	3,376	3,128
Wheelchairs Carried	1,241	1,520	2,319	2,756
St.Elmo/Incline	2,962	2,197	6,024	4,535

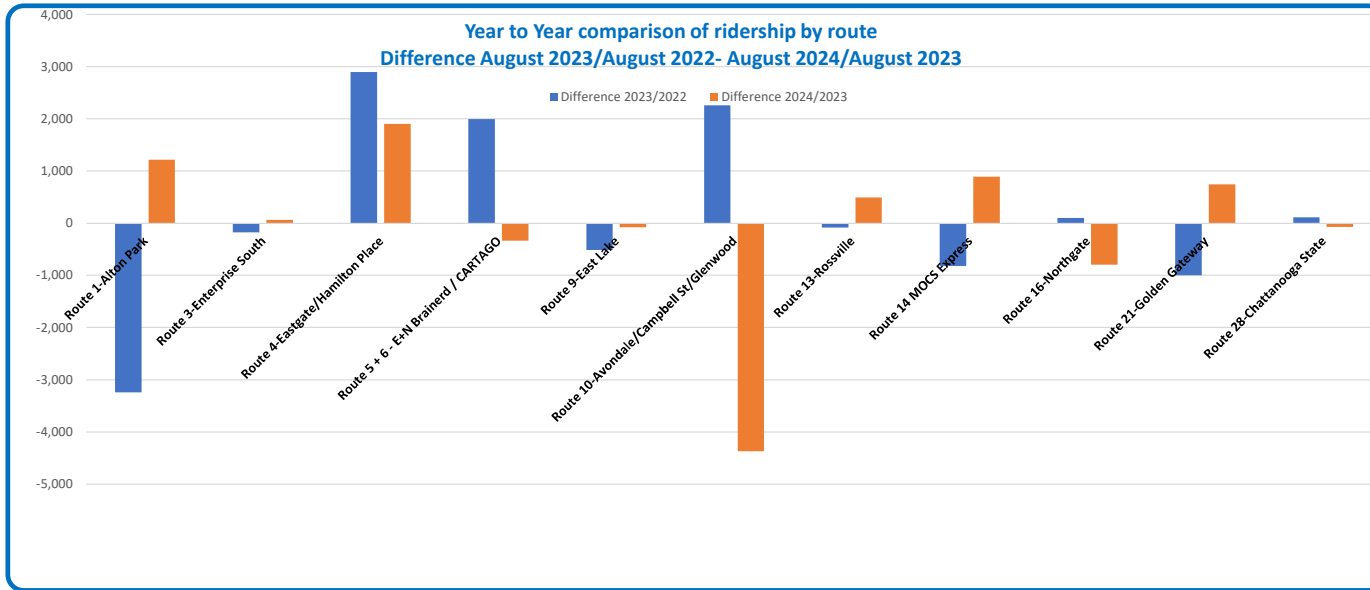
Days of Operation Transit, Care-A-Van, Incline, Shuttle

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



	Aug-22	Aug-23	Aug-24
Route 1-Alton Park	12,176	8,937	10,154
Route 3-Enterprise South	1,335	1,159	1,220
Route 4-Eastgate/Hamilton Place	28,693	31,588	33,492
Route 5 + 6 - E+N Brainerd / CARTAGO	3,537	5,534	5,200
Route 9-East Lake	9,016	8,501	8,421
Route 10-Avondale/Campbell St/Glenwood	9,999	12,259	7,886
Route 13-Rossville	3,821	3,735	4,226
Route 14 MOCS Express	2,785	1,963	2,854
Route 16-Northgate	5,671	5,774	4,978
Route 21-Golden Gateway	6,870	5,875	6,621
Route 28-Chattanooga State	1,066	1,180	1,111

Totals: 84,969                      86,505                      86,162



	Difference 2023/2022	Difference 2024/2023
Route 1-Alton Park	-3,239	1,217
Route 3-Enterprise South	-176	61
Route 4-Eastgate/Hamilton Place	2,895	1,904
Route 5 + 6 - E+N Brainerd / CARTAGO	1,997	-334
Route 9-East Lake	-515	-80
Route 10-Avondale/Campbell St/Glenwood	2,260	-4,373
Route 13-Rossville	-86	491
Route 14 MOCS Express	-822	891
Route 16-Northgate	103	-796
Route 21-Golden Gateway	-995	746
Route 28-Chattanooga State	114	-69

**TO:** CARTA Board of Directors

**FROM:** Brent Matthews  
Director of Parking & Facilities

**SUBJECT:** Parking & Facilities Update and Parking Day 2024 Briefing

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**RECOMMENDED ACTION**

N/A Information Only

**HIGHLIGHTS, ANALYSIS AND CONCLUSIONS**

The newly formed Parking & Facilities team has been getting organized and I am happy to share the following project updates with you.

**PARKING**

- New Paid Parking Spaces
  - 99 spaces added on Riverfront Parkway
  - 60 spaces added on Mocs Alumni Drive
  - 120 spaces added in the UNUM areas
  - 15 spaces added in the Erlanger / Palmetto area
- Meter Pruning / Removal
  - 188 meters in the West Main Street area replaced with Mobile Pay
  - 109 meters in the Riverfront area replaced with Mobile Pay
  - 238 meters in the UTC area replaced with Mobile Pay
  - 5 multi-space and 186 single-space credit card meters have been removed and replaced with Mobile Pay (Approximate savings of \$27,342.00 annually)
- Pay and Display Conversion
  - Converted all on-street multi-space meters to pay by plate eliminating the need to place a receipt on the windshield
- Parking Day – September 20, 2024
  - CARTA and CPA will be participating in the annual Parking Day celebration tomorrow, Friday September 20<sup>th</sup> in conjunction with the Design Studio and others. There will be 50 individual parklets set up throughout the area. Parking Day will run from 10 AM to 4 PM and will be located on Broad Street between 6<sup>th</sup> and 8<sup>th</sup>. CARTA will be providing a cooling bus on site and have a tent set up with information about our services. There will be a demonstration explaining the idea of the Bus Rapid Transit (BRT) concept, and CARTA will be surveying attendees on things associated with CARTA operations. Please consider stopping by and seeing us and checking out Parking Day 2024.

**FACILITIES**

- The 12<sup>th</sup> Street facility has been repainted and recarpeted and is ready for the Care-a-Van staff and the Safety & Training center to be established.

- Bids have been received for the repainting of the Bus Barn and walkway covers. The project will be paid for with grant funding and is scheduled to begin in October.
- In preparation for the 2025 FTA Triennial Review, the team is reviewing and updating the Transit Asset Management (TAM) plan. The team will begin the formal inspection and assessment of all CARTA assets, including but not limited to: facilities, shelters, vehicles and associated equipment. The data gathered from these assessments will be used to help prioritize the 5-year capital budget.

**TO:** Board of Directors  
Finance & Compliance Committee

**FROM:** Sonja Sparks, Chief Financial Officer

**SUBJECT:** Credit Card Policy

---

### **RECOMMENDED ACTION**

Staff recommends that the Board approve CARTA’s Credit Card Policy, enhancing financial oversight, and improving the overall management of corporate credit card usage.

### **ALIGNMENT WITH STRATEGIC GOALS**

This action aligns with CARTA’s strategic imperatives of **Fiscal Accountability, Transparency, and Operational Efficiency**. By adopting this new policy, CARTA strengthens its commitment to responsible spending and good governance practices.

### **SUMMARY OF NEED**

Approval of this item will formalize and standardize the use of credit cards within CARTA, ensuring purchases are properly documented, compliant with purchasing policies, and restricted to authorized business purposes only. This policy enhances internal controls, increases transparency, and mitigates risks associated with misuse or improper transactions. In doing so, CARTA aims to foster accountability and promote ethical financial practices.

### **BACKGROUND AND HISTORY**

CARTA has relied on credit cards provided by First Bank for emergency purchases, travel bookings, and time-sensitive transactions since 2012. While the cards have been instrumental in facilitating immediate payments where no other payment methods are accepted, the evolving operational environment calls for greater scrutiny, documentation, and enforcement of proper usage. Currently, credit cards are issued to a limited number of authorized personnel, including the Chief Financial Officer, Chief Operating Officer, and Purchasing Manager. However, with the growing complexity of CARTA’s transactions and operational demands, a robust, formal policy is needed to safeguard the agency from potential financial and operational risks.

This policy introduces enhanced measures such as mandatory pre-approval for transactions, comprehensive documentation for all expenditures, regular reconciliations, and detailed reporting. Additionally, merchant restrictions and penalties for misuse are incorporated to enforce compliance and ensure the integrity of financial practices. All purchases made with company credit cards will continue to adhere to CARTA’s procurement policy, which includes pre-approval for transactions, detailed reporting, and adherence to the micro-purchase limits. This policy underscores the agency’s commitment to maintaining the highest standards of fiscal responsibility and operational efficiency.

### **PROCUREMENT OVERVIEW**

N/A

### **FISCAL IMPACT**

N/A

### **DBE PARTICIPATION**

N/A



Standard Operating Procedure	SOP 18-003	Page 1 of 2
	Date of Issue:	Revision: 0.0
Credit Card SOP		

**PREPARED BY:** Sonja Sparks \_\_\_\_\_ **Date:** \_\_\_\_\_  
 Author Name

**REVIEWED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
 Reviewer Name

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
 Approving Officer

1. **Purpose:** *The purpose of this Standard Operating Procedure is to Document the purchase credit card process to establish guidelines for the issuance, use, and monitoring of credit cards issued by the agency for official business purposes. This SOP will cover the credit card policy.*
2. **Scope:** *This procedure applies to all employees and officials of the agency who are issued or use agency credit cards.*
3. **Requirements:**
  - *Issuance: Credit cards will be issued to authorized personnel based on job requirements and approval from senior management.*
  - *Usage: Cards are to be used strictly for legitimate business expenses related to the operations of the public transportation agency. Personal use is strictly prohibited.*
  - *Transaction Limits: Limits are based on CARTA’s purchasing policy and are limited to Micro-Purchases.*
  - *Merchant Restrictions: Certain categories of merchants, such as those selling alcohol or entertainment services, are restricted.*
  - *All purchases with the company credit card must adhere to CARTA’s purchasing policy (see attached).*
4. **Procedures:**
  - *Approval Process: All credit card transactions must be pre-approved by a supervisor unless in cases of emergencies where immediate reporting is required.*
  - *Credit Card purchases must follow CARTA’s Purchasing Policy which requires purchase orders on all purchases unless an emergency situation or in stances where dues, fees, etc. automatically renew. The Purchasing Manager can authorize a purchase order under \$500, any over \$500 must be approved by the CEO, CFO, COO or the Director or Manager of the Department the purchase relates to.*
  - *Documentation: All transactions must be supported by original receipts, invoices, or other documentation detailing the nature and purpose of the expense.*
  - *Reconciliation: Monthly statements will be reviewed and reconciled by both the cardholder and a designated finance officer within the agency.*
  - *Reporting Misuse: Any suspected misuse or unauthorized transactions must be reported immediately to the finance department and investigated promptly.*



<b>Standard Operating Procedure</b>	<b>SOP 18-003</b>	<b>Page 2 of 2</b>
	<b>Date of Issue:</b>	<b>Revision: 0.0</b>
<b>Credit Card SOP</b>		

- Training: Cardholders will receive mandatory training on appropriate use, documentation, and reporting requirements.
- Penalties: Misuse of the agency’s credit card may result in disciplinary action, including reimbursement of funds, termination of employment, and possible legal action.
- Card Security: Cardholders are responsible for the security of their issued credit card. Loss or theft must be reported immediately.
- Account Information: Credit card numbers, expiration dates, and security codes must not be stored in unsecured locations or shared without proper authorization.
- Cancellation: Upon termination or reassignment of the cardholder, the card must be surrendered and the account canceled immediately.
- Expense Reports: Monthly expense reports are required from all cardholders, detailing each transaction, the purpose of the expense, and attaching all relevant receipts.
- Review Process: Expense reports must be reviewed and approved by the cardholder's supervisor and then submitted to the finance department for final review and reconciliation.
- Special Circumstances: Any exceptions to this policy must be documented and approved by the head of the agency or a designated authority.
- Review Cycle: This policy will be reviewed annually or as needed to ensure it remains relevant and effective.

**5. Reference documents:** *CARTA Purchasing Policy*

CARTA Purchasing Summary

- I. Micro-Purchases-purchases/contracts that do not exceed \$10,000.

I. Purchases that do not exceed \$10,000 - Options for purchasing:

- A. May be obtained without obtaining competitive quotes if the price is determined to be fair and reasonable. All micro purchases with only one (1) quote must include the “Fair and Reasonable Price Determination” section of the purchase order to be signed, dated, and reason checked off. The purchase order must be forwarded to accounting. CARTA will distribute micro purchases procured in this manner equitably among qualified suppliers.
- B. At least two telephone quotes may be obtained, and must be documented using the Telephone Quote form, which should include the date, vendor’s name, address, phone number, and contact person. In this case, the “Fair and Reasonable Price Determination” form at the bottom of the purchase order is not needed. The completed telephone quote form must be forwarded to accounting.
- C. Two written quotes may be obtained by fax, mail, or electronic means. If submitted electronically, the quote must be printed. No “Fair and Reasonable Price Determination” form at the bottom of the purchase order is needed if you have at least two written quotes. Copies of all quotes must be forwarded to accounting.

Davis-Bacon prevailing wage requirements apply to any micro purchases exceeding \$2,000. Procurements may not be divided or reduced to come within the micro purchase limit.



**TO:** Board of Directors  
Finance & Compliance Committee

**FROM:** Sonja Sparks  
Chief Financial Officer

**SUBJECT:** CEO Contract Signature Threshold Policy

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**RECOMMENDED ACTION**

Staff recommends that the Board approve Resolution No. 606, which establishes formal guidelines on the contracting authority of the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO).

**ALIGNMENT WITH STRATEGIC GOALS**

This action aligns with CARTA’s strategic imperatives of Fiscal Accountability, Efficiency, and Transparency.

**SUMMARY OF NEED**

Approval of this item will establish formal guidelines regarding the contracting authority of the CEO. Currently, the CEO has broad discretion over the approval of contracts and expenditures, which increases the risk of decision-making without the necessary checks and balances. While this structure provides operational flexibility, it lacks a safeguard mechanism to prevent excessive or imprudent spending without Board oversight. The proposed policy sets critical financial guardrails by capping contract execution authority at \$50,000.

This threshold is designed to strike a balance between operational efficiency and fiscal responsibility. It ensures that day-to-day expenditures and routine contracts can be executed without delays, while also providing the Board with greater control and visibility over more significant financial commitments. By doing so, CARTA strengthens its governance structure, limits financial exposure, and fosters better alignment between executive actions and Board-approved financial strategies.

**BACKGROUND AND HISTORY**

The current Purchasing Policy authorizes the CEO, CFO, Chief Operating Officer, and Director of Grants to approve contracts. Under the proposed resolution, this authority will be reduced to only the CEO and CFO, but with a stricter threshold. Transactions valued above \$50,000 will require formal Board approval, maintaining the existing requirement that all auditing and legal services are subject to Board oversight. This adjustment ensures tighter financial control and reduces potential financial risks stemming from unsupervised contract approvals. The implementation of this policy will promote sound financial practices at CARTA by setting reasonable limits on the authority of the CEO and CFO to approve expenditures. This ensures that all significant financial decisions are carefully reviewed and align with CARTA’s strategic priorities.

**PROCUREMENT OVERVIEW**

N/A

**FISCAL IMPACT**

N/A

**DBE PARTICIPATION**

N/A

**RESOLUTION NO. 606**

**A RESOLUTION TO UPDATE CONTRACTING AUTHORITY OF THE  
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE  
CHATTANOOGA AREA REGIONAL TRANSPORTATION  
AUTHORITY**

WHEREAS, the Chattanooga Area Regional Transportation Authority (“CARTA”) was established by the City of Chattanooga under Chapter 23 of the Chattanooga Municipal Code, pursuant to the provisions of state law under Sections 7-56-101 through 7-56-109 of the Tennessee Code; and

WHEREAS, Section 23 of the Chattanooga Municipal Code grants CARTA the broad authority to acquire and dispose of property and various rights, apply for and accept grants and loans, invest funds, promulgate by resolution rules and regulations deemed necessary to carry out the duties of CARTA; enter into contracts; borrow money; set rates; and generally to and construct, maintain, and operate a public transportation system; and

WHEREAS, Section 23-4 of the Chattanooga Municipal Code establishes the authority of the Chief Executive Officer (the “CEO”) and the Chief Financial Officer (“CFO”) to render such services as may be required of such officer by the Board of Directors of CARTA (the “Board”); and

WHEREAS, pursuant to Article II, Section 1(d) of CARTA’s Bylaws, CARTA has the right to contract with any person, firm, federal or state agency, municipality, or public or private corporation relating to the acquisition, construction, maintenance, and operation of all or part of the public transportation system, and may contract for any loans, grants, or other financial assistance from any state or federal agency or other source; and

WHEREAS, the Board has determined that it is in CARTA’s best interest in promoting efficient operations for CARTA to authorize the CEO and CFO to enter into contracts, for the benefit of CARTA in the CEO’s and CFO’s reasonable discretion, respectively, with an aggregate value of less than Fifty Thousand and No/100 Dollars (\$50,000.00) consistent with CARTA’s purpose and day-to-day operations;

NOW, THEREFORE, be it resolved that:

1. The CEO and CFO shall be and is hereby authorized to execute and deliver any and all agreements, contracts, and instruments for the benefit of CARTA and consistent with CARTA’s operation and purpose, without prior approval from the Board; provided that the value of the transaction documented by such agreement, contract, or instrument does not exceed, in the aggregate, Fifty Thousand and No/100 Dollars (\$50,000.00), and further provided that such contract does not otherwise require Board authorization under CARTA’s Procurement Policy or any federal, state, or local law, rule, or regulation.

ADOPTED:

\_\_\_\_\_, 2024

\_\_\_\_\_  
JOHAN DE NYSSCHEN, Chairman

ATTEST:

\_\_\_\_\_  
ARCIE D. REEVES, Secretary

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
Miller & Martin PLLC  
CARTA Legal Counsel

**TO:** CARTA Board of Directors  
Finance Committee

**FROM:** Veronica Peebles  
Chief Administrative Officer

**SUBJECT:** Approval of CARTA's Updated Advertising Policies

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**RECOMMENDED ACTION**

Staff recommends that the Board approve CARTA's revised advertising policies, effective September 19, 2024.

**ALIGNMENT WITH STRATEGIC GOALS**

This action aligns with CARTA's FY2025 focus area of advertising revenue. The update to the advertising policies and exclusions is a measurable tactic towards the goal of increasing revenue.

**SUMMARY OF NEED**

Approval of this action item will allow CARTA to develop a strategy for advertising sales and offer additional opportunities to potential advertisers to increase revenue.

**BACKGROUND AND HISTORY**

CARTA's advertising program has been a revenue source for the agency for many years. Our advertising policies were reviewed and revised by our legal counsel to allow the promotion of commercial and civic advertisements on all of CARTA's assets, in addition to the vehicles, to include but not limited to:

- Bus shelters
- Benches
- Bus stop signage
- Facilities
- Ticket booths
- Platforms
- Bus passes

**PROCUREMENT OVERVIEW**

N/A

**FISCAL IMPACT**

N/A

**DBE PARTICIPATION**

N/A

**ADVERTISING POLICIES FOR CARTA PROPERTY**  
**(Revised September 2024)**

As a governmentally-created and independently-operated public transit authority, CARTA must recognize several competing obligations and opportunities with respect to allowing and promoting the utilization of CARTA Property (as hereinafter defined) as media for commercial and civic advertising.

CARTA operates four distinct types of transit service, each of which is focused on serving a different element of the public. Specifically, CARTA operates: (i) its fixed route, large-vehicle, community-wide bus service, mostly serving passengers with no alternative means of transportation between home, work, shopping, healthcare, and other daily activities, and also serving the student body at the University of Tennessee-Chattanooga; (ii) its Downtown and North Shore Shuttle services, mostly serving downtown residents, office workers and visitors to downtown hotels, shops, restaurants, service providers, and tourist attractions; (iii) the Lookout Mountain Incline Railway, mostly serving non-resident tourists and visitors enjoying Chattanooga’s family-oriented tourist attractions and recreational opportunities; and (iv) its Care-A-Van paratransit service for disabled persons who cannot access CARTA’s fixed route service (all of the foregoing, collectively, the “Transit Services”).

In connection with the operation of Transit Services, CARTA also owns and/or controls certain improvements, including, but not limited to, bus shelters, ticket booths, platforms, and other facilities (the “Improvements”), as well as certain personal property, including, but not limited to, benches and bus passes (the “Personal Property”). The Transit Services, Improvements, and Personal Property are collectively referred to herein as the “Property.”

Given the varied nature of these four different Transit Services, the location of the Improvements, public use of the Personal Property, and the broad and diverse circumstances and audiences served by CARTA transportation, CARTA desires to establish and maintain a system-wide advertising policy which pursues the multiple goals of: (i) informing and advising CARTA riders of public services, civic events and civic institutions promoted by governmental and non-profit charitable organizations serving the community; (ii) maximizing the economic benefit to CARTA which comes from selling advertising to appropriate commercial entities and enterprises; (iii) avoiding exposing a “captive audience” dependent upon CARTA transportation for regularly scheduled personal transportation needs to distasteful or inappropriate advertising messages; (iv) promoting the economic vitality of Chattanooga’s hospitality industry, tourist attractions, and downtown residences and businesses served by CARTA’s shuttle program; and (v) promoting CARTA’s role as a provider of safe, reliable, clean, and dependable public transportation.

In order to attempt to best serve all of these goals, CARTA’s advertising policies are set forth as follows:

1. No advertising will be accepted on any CARTA Property for any of the following products, services, or businesses: alcoholic beverages; tobacco or tobacco-substitute products or nicotine delivery systems; adult movies or any other form of entertainment with a rating of

“Restricted,” “Adult,” or higher; adult bookstores; adult nightclubs; massage parlors; or any other form of advertising containing pornographic, indecent, or sexually-explicit material;

2. CARTA will not accept either political candidate advertising or political issue advocacy advertising on any CARTA Property. Prohibited advertising includes advertising on behalf of any candidate for public office; advertising on behalf of any present holder of any public office; advertising which advocates a position on any referendum or ballot initiative; and advertising which advocates any other political argument or position. Prohibited advertising also includes any other advertising which would violate the provisions of T.C.A. § 2-19-206 banning the use of state-owned property for political advertising purposes.

3. Additional restrictions shall apply on advertising on CARTA’s Downtown Shuttle system and on the Lookout Mountain Incline Railway, and also upon the exterior (but not the interior) of both CARTA’s fixed-route public transit system and its Care-A-Van services. Advertising will be permissible in these locations only if the advertising falls within one or more of the following categories and is not otherwise excluded under Paragraphs 1 or 2 above: (i) public service advertising by governmental and nonprofit religious, educational, or charitable organizations; (ii) advertising promoting Chattanooga’s tourism, hospitality, and outdoor recreation industries and attractions; (iii) advertising promoting public eating establishments, family theatres, and cultural and/or entertainment events; (iv) advertising which promotes the retail sale of products other than those prohibited under Paragraph 1 above; and (v) advertising for the sale of services other than those expressly prohibited under Paragraphs 1 and 2 above.

4. On the interior of CARTA’s fixed-route public transit system vehicles and CARTA’s Care-A-Van vehicles, all advertising is permitted except for that expressly prohibited under Paragraphs 1 and 2 above.

5. CARTA shall have the right of approval for the appearance of all advertising to be displayed on or within any CARTA Property, including approval of form; color; graphic design; placement; and display. CARTA shall have the right to require modification to any advertising which it deems unsatisfactory in appearance, and reserves the right to cancel any advertising if final agreement cannot be reached on the objectionable portions of the ad’s appearance.

6. By adopting these advertising policies, CARTA does not intend CARTA’s Property to become “public forums” for exercise of all free-speech rights, and CARTA reserves the right to modify, amend, or terminate these policies at any time. CARTA also reserves the right to reject or request modification to any advertising which could negatively affect CARTA’s image as a provider of safe and reliable family-friendly public transportation.

**ADVERTISING POLICIES FOR CARTA ~~VEHICLES~~PROPERTY**  
**(Revised ~~February 2015~~September 2024)**

As a governmentally-created and independently-operated public transit authority, CARTA must recognize several competing obligations and opportunities with respect to allowing and promoting the utilization of CARTA ~~vehicles~~Property (as hereinafter defined) as media for commercial and civic advertising.

CARTA operates four distinct types of transit service, each of which is focused on serving a different element of the public. Specifically, CARTA operates: (i) its fixed route, large-vehicle, community-wide bus service, mostly serving passengers with no alternative means of transportation between home, work, shopping, healthcare, and other daily activities, and also serving the student body at the University of Tennessee-Chattanooga; (ii) its Downtown and North Shore Shuttle services, mostly serving downtown residents, office workers and visitors to downtown hotels, shops, restaurants, service providers, and tourist attractions; (iii) the Lookout Mountain Incline Railway, mostly serving non-resident tourists and visitors enjoying Chattanooga’s family-oriented tourist attractions and recreational opportunities; and (iv) its Care-A-Van paratransit service for disabled persons who cannot access CARTA’s fixed route service (all of the foregoing, collectively, the “Transit Services”).

In connection with the operation of Transit Services, CARTA also owns and/or controls certain improvements, including, but not limited to, bus shelters, ticket booths, platforms, and other facilities (the “Improvements”), as well as certain personal property, including, but not limited to, benches and bus passes (the “Personal Property”). The Transit Services, Improvements, and Personal Property are collectively referred to herein as the “Property.”

Given the varied nature of these four different ~~transit services~~Transit Services, the location of the Improvements, public use of the Personal Property, and the broad and diverse circumstances and audiences served by CARTA transportation, CARTA desires to establish and maintain a system-wide advertising policy which pursues the multiple goals of: (i) informing and advising CARTA riders of public services, civic events and civic institutions promoted by governmental and non-profit charitable organizations serving the community; (ii) maximizing the economic benefit to CARTA which comes from selling advertising to appropriate commercial entities and enterprises; (iii) avoiding exposing a “captive audience” dependent upon CARTA transportation for regularly scheduled personal transportation needs to distasteful or inappropriate advertising messages; (iv) promoting the economic vitality of Chattanooga’s hospitality industry, tourist attractions, and downtown residences and businesses served by CARTA’s shuttle program; and (v) promoting CARTA’s role as a provider of safe, reliable, clean, and dependable public transportation.

In order to attempt to best serve all of these goals, CARTA’s advertising policies are set forth as follows:

1. No advertising will be accepted on any CARTA ~~vehicle or CARTA property~~Property for any of the following products, services, or businesses: alcoholic beverages; tobacco or tobacco-substitute products or nicotine delivery systems; adult movies or any other form of entertainment with a rating of “Restricted,” “Adult,” or higher; adult bookstores; adult

nightclubs; massage parlors; or any other form of advertising containing pornographic, indecent, or sexually-explicit material;

2. CARTA will not accept either political candidate advertising or political issue advocacy advertising on any CARTA ~~vehicle or CARTA property~~Property. Prohibited advertising includes advertising on behalf of any candidate for public office; advertising on behalf of any present holder of any public office; advertising which advocates a position on any referendum or ballot initiative; and advertising which advocates any other political argument or position. Prohibited advertising also includes any other advertising which would violate the provisions of T.C.A. § 2-19-206 banning the use of state-owned property for political advertising purposes.

3. Additional restrictions shall apply on advertising on CARTA's Downtown Shuttle system and on the Lookout Mountain Incline Railway, and also upon the exterior (but not the interior) of both CARTA's fixed-route public transit system and its Care-A-Van services. Advertising will be permissible in these locations only if the advertising falls within one or more of the following categories and is not otherwise excluded under Paragraphs 1 or 2 above: (i) public service advertising by governmental and nonprofit religious, educational, or charitable organizations; (ii) advertising promoting Chattanooga's tourism, hospitality, and outdoor recreation industries and attractions; (iii) advertising promoting public eating establishments, family theatres, and cultural and/or entertainment events; (iv) advertising which promotes the retail sale of products other than those prohibited under Paragraph 1 above; and (v) advertising for the sale of services other than those expressly prohibited under Paragraphs 1 and 2 above.

4. On the interior of CARTA's fixed-route public transit system vehicles and CARTA's Care-A-Van vehicles, all advertising is permitted except for that expressly prohibited under Paragraphs 1 and 2 above.

5. CARTA shall have the right of approval for the appearance of all advertising to be displayed on or within any CARTA ~~vehiele~~Property, including approval of form; color; graphic design; placement; and display. CARTA shall have the right to require modification to any advertising which it deems unsatisfactory in appearance, and reserves the right to cancel any advertising if final agreement cannot be reached on the objectionable portions of the ad's appearance.

6. By adopting these advertising policies, CARTA does not intend CARTA's ~~vehicles~~Property to become "public forums" for exercise of all free-speech rights, and CARTA reserves the right to modify, amend, or terminate these policies at any time. CARTA also reserves the right to reject or request modification to any advertising which could negatively affect CARTA's image as a provider of safe and reliable family-friendly public transportation.

<b>Summary report:</b>	
<b>Litera Compare for Word 11.8.0.56 Document comparison done on 8/20/2024 11:00:33 AM</b>	
<b>Style name:</b> Default Style	
<b>Intelligent Table Comparison:</b> Active	
<b>Original DMS:</b> iw://millermartin-mobility.imatech.com/CONTENT/27738647/1	
<b>Modified DMS:</b> iw://millermartin-mobility.imatech.com/CONTENT/27738647/2	
<b>Changes:</b>	
<a href="#">Add</a>	11
<del>Delete</del>	9
<del>Move From</del>	0
<del>Move To</del>	0
<del>Table Insert</del>	0
<del>Table Delete</del>	0
<del>Table moves to</del>	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>20</b>



**TO:** CARTA Board of Directors  
**FROM:** Charles D. Frazier  
Chief Executive Officer  
**SUBJECT:** AARP Fare-Free Election Day Request

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**RECOMMENDED ACTION**

Staff recommends that the Board approve the American Association of Retired Persons' (AARP) request for CARTA to provide fare-free transit service on Tuesday, November 5, 2024 (Election Day).

**ALIGNMENT WITH STRATEGIC GOALS**

These actions align with CARTA's long-term aspirational vision of connecting communities and empowering lives, and CARTA's key foundational objective of building value as a trusted community partner.

**SUMMARY OF NEED**

Approval of this item will authorize CARTA's Chief Executive Officer to enter into an agreement with AARP East Region in which AARP will reimburse CARTA for lost revenue incurred by providing fare-free transit on fixed route, paratransit and microtransit services.

**BACKGROUND AND HISTORY**

AARP has a long history of non-partisan voter education and engagement, providing voters with information on the voting process as well as where the candidates stand on issues important to Americans 50+ and their families, so they can make informed decisions on Election Day. In this case, AARP would like to proactively eliminate barriers to transportation for Hamilton County residents in the 2024 election cycle.

**PROCUREMENT OVERVIEW**

N/A

**FISCAL IMPACT**

The approximate fiscal impact of not collecting fares for a single day across fixed route, paratransit and microtransit services of approximately \$3,500.00 which will be reimbursed to CARTA by AARP.

**DBE PARTICIPATION**

N/A