



EAST CORRIDOR OVERSIGHT COMMITTEE  
 MEETING Minutes  
 Tuesday April 11, 2006  
 10:00 a.m. – 11:00 a.m.

MTA Conference Room, 130 Nestor Street (Enter off of Driftwood)  
 Nashville, TN

**MTA Bus Routes 25 or 44 stop at the front door of the building where the meeting takes place**

THOSE IN ATTENDANCE

Paul Ballard	Governor Appointee
Rob Shearer	City of Mt. Juliet
Jeff Baines	City of Lebanon
Tom Brashear	Wilson County
Terry Bebout	TSG
Diane Davidson	TDOT
Jim Ladieu	TDOT
Kevin Walker	RTA/NS
Bill Farquhar	RTA
Teresa McKissick	RTA
Mike Choate	TDOT
Allyson Shumate	RTA

Mr. Paul Ballard called the ECOC to order at approximately 10:00 a.m. on April 11, 2006.

**1. Public Comments**

There was no public comment.

**2. Approval of March 28, 2006 ECOC meeting minutes**

Mr. Paul Ballard called for a motion for approval of the minutes from the March 28, 2006 meeting. Ms. Diane Davidson motioned, Mr. Tom Brashear seconded and the motion passed unanimously.

**3. TIP Amendment Proposal – Allyson Shumate**

RTA staff briefed the committee on the TIP Amendment. It was explained that this process would not increase funds but add scope to cover costs for the circulator buses. RTA staff noted the concern is how to keep these services going after the three year period for CMAQ funds end.

**4. Insurance Update-Bill Farquhar**

Staff was requested to provide the legal limits in the tort liability act.

Mr. Farquhar reiterated to the committee that \$25 million in liability insurance is all that can be acquired for the liability coverage for the first year. He also stated the concern the NERC/NERA have over this amount of the insurance. At the previous ECOC meeting, the NERC stated that Metrolink has already paid out over \$100 million in claims with regard to the Glendale incident. RTA staff met with the Claim Management for Metrolink was told that to date, no funds have been paid. Metrolink anticipates paying out \$1 to \$2 million total.

Mr. Farquhar stated the need for RTA to be able to replace equipment if there is damage. The RTA is purchasing insurance to cover our equipment and operating liability.

Diane Davidson questioned the NERC concern for the increased liability coverage since NERC is in control of both operations and dispatching.

Mr. Farquhar stated that staff will be attending the NERA Board meeting to discuss the concerns of NERC.

Mr. Farquhar briefed the committee on the effort to extend the Tennessee Tort Liability Cap to the operators of commuter rail in the middle TN. Sam Edwards, RTA's legal counsel, is taking the lead on this effort and is getting sponsors and work this legislation through the system. Mr. Farquhar stated the tort coverage would help in future years, but not this year. Mr. Sam Edward stated at the end of the day yesterday the odds are at about 50-50 of getting this legislation passed. Mr. Farquhar asked the committee members to please contact your representatives to support this bill.

Mr. Farquhar stated that funding the SIR is the most critical item at this time. Tom Brashear handed out copies of sunset legislation for the committee to review. Mr. Brashear stated in that code TCA 4 29 107 states that if the state determines to terminate the RTA, there is a winding up affairs period, and the RTA becomes insolvent due to events, the legislature sunsets the agency, the full faith and credit of the State of TN would be used to cover any debts. Mr. Brashear did say that the local governments would be affected under contract law.

Mr. Farquhar stated this is a good fall back position but does not fund the SIR. He further informed the committee that staff met with the Metropolitan Nashville, Davidson County Mayor's Office regarding the possibility of a resolution, and they requested a draft proposal to review and forward to the Finance Department.

Tom Brashear stated that he has discussed this with the Finance Director and he has inquired of the Wilson County insurance carrier to place a rider on the insurance policy for their share of the liability. He will let us know if this can be done by Wilson County. RTA staff will get a draft resolution out to the parties.

It was asked if the committee wanted to pursue obtaining an opinion from the Attorney General regarding the sunset issue. It was decided to review current case law regarding this issue. Mr. John Kennedy offered to assist in this effort.

Diane Davidson asked Paul Ballard how much the MTA pays to self insure under the current tort limits? Mr. Ballard stated that the MTA pays approximately \$250,000 annually.

Mr. Farquhar alerted the committee if the SIR is not in place by May 1, 2006, there will be a day to day slip to the start of service date.

Staff is asking for a motion to recommend the full RTA Board approve the acquisition of \$25 million in general liability insurance coverage in a timely manner after the NERA / NERC approval of the amendment to the trackage rights agreement and the SIR is funded. Rob Shearer motioned, Jeff Baines seconded and motion passed unanimously.

## **5. Funding Update-Allyson Shumate**

Mrs. Shumate briefed the committee on the status of the funds. The FTA funds have been approved and are in the grant. The loan is being paid off this month, with a little over \$1,000.00 in interest charges. The contract for the state matching funds is in the signature process and should be available to bill against within the next two week.

## **6. Martha Station Parking Lease-Bill Farquhar**

Staff anticipates the need for additional parking at the Martha Temporary Station. Staff met with the owner of the adjacent lot to begin to work out terms of a lease for the use of space for additional parking. The owner has agreed to a \$30,000 payment for 36 months of use of the lot. This property could be purchased in the future for the permanent station.

The committee suggested that a transfer clause be placed in the lease in the event the property is sold. It was also suggested that a first right of refusal be included in the lease agreement.

A motion was requested to approve staff to negotiate a 36 month lease for additional parking at the Martha Station. Tom Brashear motioned and Jeff Baines seconded and the motion passed unanimously.

## **7. Construction Update – Kevin Walker**

Mr. Kevin Walker briefed the committee on the status of construction. Riverfront station roof and masonry is being finalized. Hermitage burs and side walks are being implemented currently.

**Paving and final surfacing will start this week.**

## **8. Other Business**

Mr. Kevin Walker briefed the committee on the 109 issue that TDOT has agreed to pay the cost of the improvements to the crossings in that area. There were questions as to how this would happen and what was the best method for this happen. Diane Davidson suggested Kevin Walker discuss with Mike Choate the preferred method for the funds to be received and then have Mike discuss with Paul Deggs.