

MINUTES
MEETING OF THE BOARD OF DIRECTORS
BUSINESS MANAGEMENT COMMITTEE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
July 30, 2015

The Board of Directors Business Management Committee met on July 30, 2015 at 10:44 a.m. in the Board Room on the 6th Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

Board Members Present

Roberta Abdul-Salaam
Frederick L. Daniels, Jr., *Chair*
Jim Durrett
Jerry Griffin
Freda Hardage
Barbara Babbit Kaufman
Russell McMurry*

MARTA officials in attendance were: General Manager/CEO Keith T. Parker; Chief Operating Officer Richard A. Krisak; Chief Financial Officer Gordon L. Hutchinson; Chief of Staff Rukiya S. Thomas; Chief Counsel Elizabeth O'Neill; AGMs Wanda Dunham, Robin Henry, Ming Hsi, Reginald Mason, Ryland McClendon, David Springstead (Interim) and Donald Williams (Acting); Executive Director Ferdinand Risco; Sr. Directors Kevin Hurley and Amanda Rhein; Manager Deloris Jacobs; Executive Manager to the Board Rebbie Ellisor-Taylor; Manager of Executive Office Administration Tyrene L. Huff; Finance Administrative Analyst Tracy Kincaid. Others in attendance Davis Allen, Jacquelyn Bentley, Denise Coleman, Abebe Girmay, Nicolas Gowens, Aston Greene, Srinath Remala and Dansby Wade.

Also in attendance Pam Alexander of LTK Engineering; Jack Buckingham of MATC; Jim Schmid of HNTB.

Consent Agenda

- a) Approval of the June 26, 2015 Business Management Committee Meeting Minutes
- b) Resolution to Authorize AirWatch to Lease Level 6 of the Sandy Springs Parking Deck - Parcel – D7006Y

* Russell McMurry is Commissioner, Georgia Department of Transportation (GDOT) and is therefore a non-voting member of the MARTA Board of Directors.

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- c) Resolution to Approve the Sale of a Utility Easement (Parcel D3195) located at 1386 Mayson Street, Atlanta, Fulton County, Georgia to Epic Real Estate Services
- d) Resolution Authorizing the Extension of MARTA's Vending and Concessions Retail – Beverage Sales Contract, Request for Proposals Number P19410
- e) Resolution Authorizing the Solicitation of Proposals for Financial Advisory Services

On motion by Mr. Durrett seconded by Mrs. Kaufmann, the Consent Agenda was unanimously approved by a vote of 6 to 0, with 7* members present.

Individual Agenda

Resolution Authorizing Award of a Contract for Procurement of MARTA Police Department Uniforms and Equipment, Group 1 and Group 2 CP B4185

Mrs. Jacobs presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to award a contract for the procurement of MARTA Police Department Uniforms and Equipment, to Modern Firearms, in the amount of \$168,012.50 for Group 1 (Bicycle Unit), and in the amount of \$133,435.00 for Group 2 (Communications and Administrative Staff).

On motion by Mr. Durrett seconded by Mrs. Abdul-Salaam, the resolution was unanimously approved by a vote of 6 to 0, with 7* members present.

Resolution to Approve the Exchange of Property Rights at Dunwoody Station to Facilitate a New Entrance

Ms. Rhein presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to exchange property rights with Atlanta Office Investment Phase I, L.L.C. ("AOI").

AOI is the special purpose entity formed by State Farm to hold their adjoining property being developed as an office complex. The exchange of property rights is contemplated in that certain New Station Development Agreement (approved by the MARTA's Board on April 24, 2014) to allow AOI to construct certain improvements to MARTA's Dunwoody Station which include a new entrance to Dunwoody Station on the south side of Hammond Drive. Presently, there is no entrance to the Dunwoody Station on the south side of Hammond Drive.

On motion by Mr. Durrett seconded by Mrs. Hardage, the resolution was unanimously approved by a vote of 6 to 0, with 7* members present.

Resolution Authorizing the Lease of Parcel D3077 – Cell Tower Rights, Contract Proposal Number B34798-A

Ms. Rhein presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to enter into a contract Verizon Wireless to lease cell tower rights for MARTA's Parcel D3077.

On motion by Mr. Durrett seconded by Mrs. Kaufman, the resolution was unanimously approved by a vote of 6 to 0, with 7* members present.

Resolution Authorizing Additional Funding for the Planning and Technical Services Contract RFP, P27818

Mr. Williams presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to amend the current contract amount of the Planning and Technical Services Contract, RFP P27818.

Mrs. Abdul-Salaam asked how much is the additional amount.

Mr. Williams said \$5M, which will allow staff to initiate the Clayton High Capacity Transit Study.

Mr. Daniels asked how did staff arrive at that amount.

Mr. Williams said it based on costs of past environmental studies.

Mr. Griffin said the Board approved the contract at the last Board Meeting. He asked if this goes in another direction for high speed capacity.

Mr. Williams said yes, this will look at commuter rail and other technology.

Mrs. Abdul-Salaam asked about the alignment.

Mr. Williams said it the same alignment that GDOT identified – the Jonesboro/Lovejoy corridor.

Mrs. Abdul-Salaam asked if Clayton County officials have seen this.

Mr. Williams said yes, MARTA met with Clayton County officials approximately one week ago.

On motion by Mr. Durrett seconded by Mrs. Kaufman, the resolution was unanimously approved by a vote of 6 to 0, with 7* members present.

Briefing – DBE Program

Mr. Risco briefed the Committee on MARTA's Disadvantaged Business Enterprise (DBE) Program.

The Office of Diversity and Equal Opportunity (DEO) –

- Serves as an advocate to promote the diverse social profile of the service area, equitable representation and advancement of at all levels of employment, utilization of small and disadvantaged businesses and equitable distribution of transit services

Mission

- To ensure that all MARTA decisions, activities, programs and services are equitable and do not adversely impact current or potential employees, customers, communities, businesses, or other stakeholders

Vision

- To ensure that all perspectives are valued and respected

Values – must be the basis for all our actions

- Integrity
- Respect
- Inclusion
- Professionalism

The core functions of the office are achieved on a platform of Compliance, Education and Outreach (CEO):

- Compliance
 - Equal Employment Opportunity Program
 - Title VI - Service and Fair Equity Analysis
 - Environmental Justice
 - Limited English Proficiency Program

- American with Disabilities Act
- Disadvantaged Business Enterprise Program
- Small Business Enterprise Program
- Departmental Protocols for Discrimination Complaints/Investigations
- Education
 - Sexual Harassment Prevention Training
 - Inclusive Leadership and Strategy
 - Diversity Management
 - Inclusive Management and Supervision Training Series
 - Respect in the Workplace Training
 - Violence in the Workplace Prevention Training
 - New Employee Orientation Training
- Outreach
 - MARTA Accessibility Committee
 - Business Resource Groups
 - Cross Cultural Mentoring Program
 - Diversity Awareness Programing
 - Cultural Diversity Programs
 - Targeted Organization Memberships
 - Cultural Program Attendance

Disadvantaged Business Enterprise (DBE) Program

- DBE Program, a Federal Mandate [49 CFR Part 26.21(a)(2)]: FTA recipients of planning capital or operating assistance; awarding prime contracts greater than \$250,000
- Four Elements of the DBE Program:
 - Program Document
 - Goal Setting Methodology
 - Monitoring and Oversight
 - Semi-Annual Reporting

- **DBE Coverage:**
 - **Small business-owned and controlled by a socially and economically disadvantaged individual; including women-owned**
- **Current DBE Program Goals (Current Approved Plan FY2015 - FY2017)**
 - **DBE Goal – 30%**
 - **Race conscious 25%**
 - **Race neutral 5%**
 - **Based on contracts greater than \$100,000**
 - **Race conscious – a measure or program that is focused specifically on assisting only DBEs; includes women owned**
 - **Race Neutral – a measure or program that is, or can be, used to assist all small businesses**
- **MARTA's DBE Program stands for:**
 - **Increase Competition and Participation**
 - **Work From the Inside Out**
 - **More Diverse Suppliers**
 - **Level the Playing Field**
 - **Greater Returns with Diverse Suppliers**
- **MARTA's DBE Program does not include:**
 - **Quotas**
 - **Set Asides**
 - **Guarantees**
 - **Minimum Participation**

DBE Goal Methodology

- **"Ready, willing and able" DBE firms to perform on contracts**
- **Currently certified DBEs with the Georgia Unified Certification Program**
- **DBEs certified in North American Industry Classification System (NAICS) Code(s) for work to be performed**
- **Opportunities based on the scope of work**

Procurement Types and How Goals Are Set

- Request for Proposals (RFPs) and A/E Contracts – \$100,000; Request for Quotations (RFQs); Seal Bids (IFB)/Task Order – \$100,000+
 - Examine scope of work
 - Identify certified DBEs
 - Calculate goal using methodology
 - Assign DBE participation goal
 - Develop tailored listing of DBEs
- General Services Administration (GSA) Schedules; State of Georgia Procurements
 - Federal Acquisition Regulation (FAR) requirements are established; bidders/proponents are prequalified
 - MARTA "piggyback" on contracts awarded by Federal and State agencies
 - DBE goals assigned on General Consulting and Professional Services contracts (GCPS) only
 - NO MARTA DBE goals assigned on other type contracts
- Emergency and Sole Source Procurements
 - No MARTA DBE goals assigned
 - Justification approved for sole source procurement

What's Next – DBE Efforts

- Supplier Diversity Program Launch
- MARTA Mentor Protégé Program
- Launch #GRT - Get Ready for Transportation
- Increased spending with small, minority, veteran, women-owned and LGBT business communities
- Strengthen communities and creates long-term growth
- Targeted Partnership Development - internal and external customers
- Increase inclusion and diversification of our regional suppliers

Briefing – FY2015 May Budget Variance Analysis and Performance Indicators

Mr. Hutchinson briefed the Committee on the FY2015 May Budget Variance Analysis and Performance Indicators.

- Revenues for the month of May were strong but were still exceeded by Expenses primarily due to the Workers' Compensation true-up of \$6M; in the future, staff will look at doing this on a quarterly basis in an effort to prevent such a huge impact annually
- Year-to-Date (YTD), the Authority is almost \$29M better than budget
- Cumulative Operating Expenses are tracking close to prior year – an overall good performance
- YTD, the Authority is 10% positive on taxes
- Overtime Expenses is impacted by a shortage of operators and absenteeism
- Gross Labor Expenses are above prior year but below projections
- Combined Ridership is consistently higher than prior year, except for the month of May
- YTD, Ridership experienced its first slip in the month of May
- Call Wait Time performance has consistently improved
- Bus On-Time-Performance (OTP) is consistently above target and prior year
- Mobility OTP experienced a five-month downtrend but is seeing significant improvement in July
- Employee Injuries is the key driver in Workers Compensation true-ups

Mr. Daniels said Workers Compensation should definitely be looked at quarterly to avoid negative earnings at the end of the fiscal year.

Mr. Griffin asked if staff knows in advance how much a Workers Compensation claim could possible cost the Authority.

Mrs. O'Neill said MARTA is now putting a number on it a lot sooner.

Mr. Krisak commented that a collaborative effort has begun with the Operations and Safety departments to decrease employee injuries – MARTA hopes to see significant improvements.

Other Matters

The May FY2015 Key Performance Indicators were provided as informational only.

Adjournment

The meeting of the Business Management Committee adjourned at 11:32 a.m.