

## MINUTES

### WORK SESSION OF THE BOARD OF DIRECTORS METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

May 11, 2016

12:24 p.m.

#### **Board Members Present**

Roberta Abdul-Salaam  
Juanita Jones Abernathy  
Robert L. Ashe III  
Robert F. Dallas  
Frederick L. Daniels, Jr.  
Jim Durrett  
Noni Ellison-Southall  
Jerry Griffin  
Freda B. Hardage  
Barbara Babbit Kaufman

#### **Staff Members Present**

Keith T. Parker, AICP  
Richard Krisak  
Rukiya Thomas  
LaShanda Dawkins (Interim)  
Elizabeth O'Neill  
Gordon Hutchinson  
Elayne Berry  
Wanda Dunham  
Robin Henry  
Ryland McClendon  
David Springstead (Interim)  
Ferdinand Risco  
Rhonda Briggins  
Joseph Erves  
Amanda Rhein  
John Bayalis  
Lyle Harris  
Alisa Jackson  
Davis Allen  
Abebe Girmay

Also in attendance was Robert S. Highsmith, Jr. of Holland & Knight, Ray Carini; Brian Gist of Environmental Law Center; Tom Weyandt of City of Atlanta; Betty Willis of Emory University Government & Community Affairs.

#### **Chairman's Report**

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#### *Upcoming Meetings*

Thursday, May 26, 2016

- Operations & Safety Committee – 10:00 a.m.
- Business Management Committee (immediately following)

Thursday, June 2, 2016

- Planning & External Relations Committee – 10:30 a.m.
- Work Session – 12:00
- Board – 1:30 p.m.

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### **Approval of the April 12, 2016 Work Session Minutes**

On motion by Mr. Durrett seconded by Mr. Dallas, the minutes were unanimously approved by a vote of 7 to 0, with 7 members present.

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Chairman Ashe thanked Board members Kaufman, Griffin and Dallas for agreeing to Chair the upcoming Budgets and Service Modification Hearings.

### **General Manager/CEO Report**

#### **Briefing – Rail Car Procurement Financial Analysis**

Board members received a briefing on rail car fleet replacement needs.

#### *Investing in MARTA's Future*

There are over 58,000 assets in MARTA's asset database. What MARTA has learned from transit properties such as Philadelphia, Boston, New York and Chicago and other large systems is these systems deteriorated with little investment. The good news at MARTA is there is a strategic plan – There is an internal system called 'fixed asset suites' whereas models are run internally. There is a program in place for every critical system. This has been two years in the making. MARTA has one of the best track systems in the United States - FTA has invited MARTA to do another safety demonstration project.

Overall, MARTA has done a good job at prioritizing capital needs. Additionally, MARTA's inspection program and preventive maintenance program is considered best in class in the United States. You can run an old system, but you must be on top of it every day. A lot of time and energy is expended in managing the system.

*Fleet Replacement Needs*

FTA's benchmark for running cars is 25 years. MARTA is at 30 years and has gone past useful life for a rail vehicle. Our oldest cars, the 310s and 311s will be 37-43 years old by the time they are out of the system. The Breda cars (the most problematic cars) will be 21 years old by the time MARTA's program is implemented.

Looking at MARTA's KPIs, the Authority holds a high ranking for on-time performance (about 97%), but at the same time the Authority's Mean Distance Between Failure (MDBF) is low. How do we do that? MARTA is very good at managing delays (off-loads – a train that is experiencing mechanical problems).

A rehab was done on the oldest cars. The rehab has paid off, but is only designed to last twelve years. There are cars that are 9 years into the 12-year rehab. We must invest in a new car fleet.

*Costs/Affordability*

Our cost for maintenance is very high. Typically, between awarding a new rail car procurement and delivery of fleet is about five (5) years. It's a long term investment. Another thing that's stressed the fleet is MARTA increased service dramatically. MARTA has gone from a 70,000 mile average to a 90,000 mile average – a high level of mileage on a very old fleet.

Financial Assumptions – acquisition cost of \$2.7M per car including 5% contingency. This will be done on a firm, fixed price buy - \$668M. Final delivery completed in late 2025. Interest rate on fixed debt is 5.5%

*Recommendation*

Purchase 250 rail cars and perform life extension work on current fleet until new cars arrive

**Briefing - City of Atlanta Sales Tax Draft Project List**

SB 369 provides sales tax for up to .50% is allowed in the City of Atlanta for MARTA. This would significantly expand MARTA transit service and would run

concurrent with existing MARTA tax through 2057. The service must serve in whole or in part, the City of Atlanta. Receipts are projected at \$2.5B over life of the tax. The Referendum is in November 2016 or 2017.

**Potential High-Capacity Improvements:**

- I-20 East Bus Rapid Transit
- I-20 West Heavy Rail Transit
- Northside Drive Bus Rapid Transit
- Atlanta Light Rail Transit
- Clifton Corridor Light Rail Transit
- Capacity Improvements
- Station Enhancements

**Potential Bus Service Improvements:**

- Five (5) Arterial Rapid Transit Routes
- Two (2) Transit Centers
- Frequent Local Service
- Supporting Local Service
- Community Circulator Service

**Potential Pedestrian Improvements**

- Arterial Rapid Transit Corridors

**Next Steps:**

|   |                          |
|---|--------------------------|
| -Adoption of the Project List by the MARTA Board    | May 11 2016              |
| -COA City Council Work Session Briefing             | May 18 2016              |
| -COA Public Meetings                                | May 25 & 26 – June 1 & 2 |
| -Draft List Submitted to COA City Council           | May 31                   |
| -City Ordinance Adoption for November Referendum    | by June 30 2016          |
| -Final List Presented to COA City Council           | July 31 2016             |
| -Public Education and Outreach Campaign             | July – November          |
| -Ads of Notice of Proposed Referendum               | October 10-October 31    |
| -Referendum Vote                                    | November 8, 2016         |
| Amendment to the RTCAA (w/positive referendum vote) | November-December        |

**TOD Quarterly Update**

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The Board received a briefing on the work program for six projects that are currently underway:

| <b><u>TOD Project</u></b> | <b><u>Groundbreaking</u></b> |
|---------------------------|------------------------------|
| King Memorial             | 4Q 2016                      |
| Avondale                  | 2Q 2016                      |
| Edgewood/Candler Park     | 2Q 2016                      |
| Brookhaven/Oglethorpe     | 2Q 2017                      |
| Chamblee                  | 3Q 2016                      |
| Arts Center               | TBD                          |

**Adjournment**

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The meeting of the MARTA Board of Directors adjourned at 1:28 p.m.