

**MINUTES**  
**MEETING OF THE BOARD OF DIRECTORS**  
**BUSINESS MANAGEMENT COMMITTEE**  
**METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY**

**January 26, 2017**

The Board of Directors Business Management Committee met on January 26, 2017 at 11:03 a.m. in the Board Room on the 6<sup>th</sup> Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

**Board Members Present**

Robert F. Dallas, *Chair*  
Jim Durrett  
Bill Floyd  
Jerry Griffin  
Alicia Ivey  
Al Pond

MARTA officials in attendance were: GM/CEO Keith T. Parker, AICP; Chief Administrative Officer LaShanda Dawkins (Acting); Chief Financial Officer Gordon L. Hutchinson; Chief Operating Officer Richard A. Krisak; Chief Counsel Elizabeth O'Neill; Chief of Staff Rukiya S. Thomas; AGMs Elayne Berry, Wanda Dunham, Robin Henry, Ming Hsi, Benjamin Limmer, Ryland McClendon and David Springstead; Executive Director Ferdinand Risco; Sr. Directors Cynthia Moss Beasley, Joseph Erves and Amanda Rhein; Directors Onyinye Akujuo, Lisa DeGrace, Pat Minnucci, Richard Slaton and Patricia Sullivan; Manager Denise Whitfield; Executive Manager to the Board Rebbie Ellisor-Taylor; Finance Administrative Analyst Tracy Kincaid. Others in attendance were Carlos Arietta, Jonathan Brathwaite, Abebe Girmay, Keri Lee, Cory Loriot, Courtne Middlebrooks, LaTonya Pope and Lesley Walker.

Also in attendance were Pam Alexander of LTK Engineering; Jim Schmidt of HNTB.

**Consent Agenda**

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- a) Approval of the November 29, 2016 Business Management Committee Meeting Minutes
- b) Resolution Authorizing the Solicitation of Proposals for Occupational Medical Services, RFP P38752

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- c) Resolution Authorizing the Third Amendment to Easement Agreement between AmericasMart Real Estate, LLC and MARTA Peachtree Center Station, Parcel D3072

On motion by Mr. Durrett seconded by Mr. Griffin, the Consent Agenda was unanimously approved by a vote of 5 to 0, with 5 members present.

### **Individual Agenda**

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#### **Resolution Authorizing Award of a Contract Utilizing the State of Georgia Contracts for the Renewal of Authority-Wide Microsoft Software Licensing, P39125**

Mrs. Hsi presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to enter into a contract with vendor(s) that currently hold a valid State of Georgia Contract for Microsoft software licensing to allow the Authority to renew the same, in the amount of \$3,650,788.73.

Mr. Griffin asked about kiosk email accounts for represented employees.

Mrs. Hsi said this licensing includes product enhancements, which will allow the Authority to provide kiosk email accounts for all MARTA's 3,000 represented employees. Additional product enhancements are Cloud computing, Office 365 plan, and Microsoft Premier Support.

Mr. Griffin asked if the email accounts are for personal use.

Mrs. Hsi said the email accounts are for business use only. Many represented employees use their personal email accounts for business purposes. This will provide those employees with a secured, MARTA email account to administrate their pay slips, benefit enrollments, online training and other business purposes.

Mr. Dallas asked has everyone been educated on the proper use of the email accounts.

Mr. Parker said yes. Parameters have been established and communicated to those employees.

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

**Resolution Authorizing the Award of a Contract for Public Address System Upgrade, RFP P37171**

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Mrs. Hsi presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to enter into a contract with Kiewit Infrastructure South Co., in the amount of \$19,922,271.00 for public address system upgrade.

Mr. Parker said MARTA is really excited about this project. It is one that, upon completion, MARTA stakeholders and elected officials would be invited out to a celebratory event. He added that the price came in two-thirds lower than the original estimate.

Mr. Dallas said members of the disabled community should be invited out as well.

Mr. Parker agreed. He added that this is MARTA's biggest procurement in terms of impact.

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

**Resolution Authorizing the Award of P37176 Rail Station Electronic Signage**

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Mrs. Hsi presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to enter into a contract with Kiewit Infrastructure South Co., in the amount of \$15,822,537.00 for rail station electronic signage upgrade.

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

**Resolution Authorizing the Award of a Contract for Beverage and Snack Vending, CP B37878**

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Mrs. Rhein presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to enter into a contract with Gilly Vending, Inc. for Beverage and Snack Vending.

Mr. Dallas asked if the contract includes kiosks.

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Mrs. Rhein said MARTA only has vending machines at every station. However, MARTA is looking to expand the options at the Airport Station.

Mr. Dallas asked if adding kiosks later would affect this contract.

Mrs. Rhein said no.

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

### **Briefing – Fiscal Challenges**

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Mr. Hutchinson briefed the Committee on Fiscal Challenges.

- MARTA's most important funding source is Sales Tax
- For the first three months of FY2017, MARTA ran below target and prior year in Sales Tax revenue
- MARTA has not experienced being lower than prior year in seven years
- Sales Tax revenue had a small uptick in October, but quickly declined
- Ridership has also been challenged, and there have been no major special events to drive Ridership
- Status – Next Steps
  - Full Executive Management Team (EMT) has been engaged to formulate solutions and produce a balanced budget
  - These challenges will be met through the FY2018 Budget process, which is already underway
  - MARTA is confident of a positive outcome
  - Further updates will be provided at the Board Work Session on February 2<sup>nd</sup> and Board Retreat on February 20<sup>th</sup>

Mr. Pond asked if the downtick in Ridership is seasonal.

Mr. Hutchinson said MARTA generally expects a softening in Ridership in the months of January – February.

Mr. Griffin asked what is the rationale for the low Sales Tax revenue.

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Mr. Hutchinson said personal spending habits may have changed. He added that vehicle purchases increased, which had some impact on Ridership.

Mr. Dallas asked if other jurisdictions are experiencing similar issues with Sales Tax revenue.

Mr. Hutchinson said the entire State of Georgia has been impacted.

### **Briefing – FY2017 November Budget Variance Analysis and Performance Indicators**

Mr. Hutchinson briefed the Committee on FY2017 November Budget Variance Analysis and Performance Indicators.

- Year-to-Date (YTD), Revenues are slightly ahead of budget
- YTD, Sales Tax is off budget by nearly \$6M
- Ad Valorem Tax is making up for the decline in Sales Tax
- Overtime continues to run over budget
- Pension is a challenge area for the Authority
- Bus On-Time Performance (OTP) is off target
- Rail OTP is excellent at 98%
- Mobility OTP has improved
- Part I Crime Rate has performed well

Mr. Pond asked what can the Ridership differences be attributed to.

Mr. Hutchinson said changes in Ridership can be attributed to ride-sharing services, like Lyft and Uber and lower fuel prices. He added the Office of Research & Analysis is conducting an analysis, so further information will be provided to the Board later.

Mr. Griffin asked how does MARTA's Ridership compare with other agencies.

Mr. Hutchinson said MARTA is not alone. Most transit agencies are dealing with declining Ridership.

Mr. Floyd asked how does staff know that MARTA is receiving its due, as it relates to Sales Tax.

Mr. Hutchinson said that concern came up last year. Staff did quite a bit of work and determined that MARTA was receiving accurate Sales Tax revenue.

Mr. Durrett asked what can the small uptick in Sales Tax be attributed to.

Mr. Hutchinson said holiday season purchases.

Mr. Griffin asked about Mobility complaints.

Mr. Krisak said Mobility complaints have decreased.

### **Briefing – King Memorial Transit Oriented Development**

The King Memorial Transit Oriented Development briefing was provided to the Committee as informational only.

### **Other Matters**

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On motion by Mr. Durrett seconded by Mr. Griffin, the Committee unanimously agreed, by a vote of 6 to 0, with 6 members present, to enter Executive Session at 11:49 a.m. to discuss a real estate matter.

On motion by Mr. Durrett seconded Ms. Ivey, the Committee unanimously agreed, by a vote of 6 to 0, with 6 members present, to adjourn Executive Session at 12:10 p.m.

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The FY2017 November Key Performance Indicators were provided to the Committee as informational only.

### **Adjournment**

The meeting of the Business Management Committee adjourned at 12:10 p.m.