

MINUTES
MEETING OF THE BOARD OF DIRECTORS
BUSINESS MANAGEMENT COMMITTEE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
January 29, 2015

The Board of Directors Business Management Committee met on January 29, 2015 at 10:21 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
Harold Buckley, Sr.
Frederick L. Daniels, Jr., *Chair*
Jim Durrett
Roderick E. Edmond
Noni Ellison-Southall
Freda B. Hardage
Barbara Babbit Kaufman

MARTA officials in attendance were: General Manager/CEO Keith T. Parker, AICP; Chief Operating Officer Joseph Erves (Acting); Chief of Staff Rukiya S. Eaddy; Chief Administrative Officer Edward L. Johnson; Chief Financial Officer Gordon L. Hutchinson; Chief Counsel Elizabeth O'Neill; AGMs Wanda Dunham, Robin Henry, Ming Hsi, Reginald Mason, Ryland McClendon and Donald Williams (Acting); Executive Director Ferdinand Risco; Senior Directors Cynthia Beasley, David Springstead and Amanda Rhein; Directors Johnathon Hunt and Knox O'Callaghan; Executive Manager to the Board Rebbie Ellisor-Taylor; Manager, Executive Office Administration Tyrene L. Huff; Finance Administrative Analyst Tracy Kincaid. Others in attendance Davis Allen, Abebe Girmay, Nicholas Gowens, Don Lawrence, Saba Long, LaTonya Pope, Srinath Remala and Dansby Wade.

Consent Agenda

- a) Approval of the December 18, 2014 Business Management Committee Meeting Minutes
- b) Resolution Authorizing the Execution of Subgrant Agreements from GRTA

- c) Resolution Authorizing the Solicitation of Proposals for Construction and Operations of Cellular Wireless Network, RFP P33683

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

Mrs. Abdul-Salaam abstained.

Individual Agenda

Resolution Authorizing the Award of a Contract for Armed Security Guard Coverage for Revenue Operations, Contract Proposal Number B32346-A

Mrs. Beasley presented this resolution for Board of Directors approval authorizing the General Manager/CEO or his delegate to enter into a contract with Norred & Associates, Inc. for Armed Security Guard Coverage for Revenue Operations in the amount of \$809,841.24.

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

Resolution Authorizing the Solicitation of Proposals for the Joint Development of Parcel D3020 at Arts Center Station, RFP P35023

Ms. Rhein presented this resolution for Board of Directors approval authorizing the solicitation of proposals for Joint Development of Parcel 03020 at Arts Center Station by means other than competitive bidding, in accordance with Section 14(m) of the MARTA Act, through the use of Request for Proposals.

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

Resolution Authorizing the Solicitation of Proposals for the Joint Development of Parcel D3103 at Chamblee Station, RFP P35088

Ms. Rhein presented this resolution for Board of Directors approval authorizing the solicitation of proposals for Joint Development of parcel D3103 (Lot 1) at Chamblee Station by means other than competitive bidding, in accordance with Section 14(m) of the MARTA Act, through the use of Request for Proposals.

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

Resolution Authorizing Ratification of Payments Made to Robert Half International, Inc. and Additional Funding For Professional Accounting Services Under Agreement L34191

Mr. Hutchinson presented this resolution for Board of Directors approval authorizing the General Manager/CEO or his delegate to amend a contract with Robert Half International, Inc. to add additional funds for professional accounting and auditing services and to ratify contractual obligations incurred.

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

Briefing – FY2015 November Budget Variance Analysis and Performance Indicators

Mr. Hutchinson briefed the Committee on the November 2014 Financial Highlights and KPIs.

- November was a good financial month – there were no unusual variances and all items came in close to budget or positive, ending the month with a \$3.8M surplus
- Passenger Revenue softened in the month but the Authority is still experiencing a positive variance in Salaries and Benefits
- Year-to-Date performance is better than budget with a \$16.5M surplus
- Cumulative Ridership is better than budget
- Both Bus and Rail Cost per revenue mile is better than budget and prior year
- Bus On-Time Performance (OTP) is on an improving trend – Bus MDBF is key driver in OTP
- Bus Collision rate has seen a multi-month improvement

Mr. Daniels asked why MARTA experienced the softness in Passenger Revenue.

Mr. Hutchinson said it was primarily due to a combination of low gas prices and no special events – the planning group is doing a more in depth analysis.

Mr. Parker said the low gas prices are giving transit a big concern. MARTA is looking at ways to incentivize ridership which will be presented to the Planning & External Relations Committee at its February meeting.

Dr. Edmond asked if MARTA is doing anything to take advantage of the low gas prices.

Mr. Hutchinson said the Authority does not use a large amount of gasoline and natural gas is not falling in price. MARTA's fuel hedges are well below budget but much higher than current prices; however, the Authority is still receiving a net benefit.

Mr. Buckley asked if MARTA can renegotiate the hedge.

Mr. Hutchinson said unfortunately, no. He added that the Authority only hedges diesel and natural gas; if fuel prices increase, MARTA wins.

Mr. Parker added that MARTA hedges fuel to remove volatility not to save money.

Other Matters

The Committee received the November FY 2015 Key Performance indicators as informational only.

Adjournment

The meeting of the Business Management Committee adjourned at 11:02 a.m.

Respectfully submitted,



Kellee N. McDaniel
Sr. Executive Administrator to the Board