

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

February 27, 2014

The Board of Directors Business Management Committee met on February 27, 2014 at 10:51 a.m. in the Board Room on the 6th Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

Board Members Present

Jim Durrett
Kirk Fjelstul*
Freda B. Hardage
Barbara Babbit Kaufman, *Chair*

MARTA officials in attendance were: General Manager/CEO Keith T. Parker, AICP; Chief Operating Officer Richard A. Krisak; Chief of Staff Rukiya S. Eaddy; Chief Administrative Officer Edward L. Johnson; Chief Financial Officer Gordon Hutchinson; Chief Counsel Elizabeth O'Neill; AGMs LaShanda Dawkins (Interim), Wanda Dunham, Shyam Dunna (Interim), Rod Hembree (Acting) and Terry Thompson; Executive Director Ferdinand Risco; Senior Directors Bernard Guida, Amanda Rhein and David Springstead; Directors John Crocker and Lyle Harris; Manager Sharlotte Quarles; Executive Manager to the Board Rebbie Ellis-Taylor; Manager, Executive Office Administration Tyrene L. Huff; Finance Administrative Analyst Tracy Kincaid. Others in attendance Davis Allen, Larry Bowden, Reginald Bryant, Ricky Chambers, Diane Graham, Anthony Pines, Srinath Remala.

Also in attendance Pam Alexander of LTK Engineering; Matt Pollack of MATC.

Consent Agenda

Mrs. Kaufman requested a motion to approve the following items on the Consent Agenda:

- a) Approval of the January 27, 2014 Business Management Committee Meeting Minutes
- b) Resolution to Approve the Disposal of MARTA Parcel C3158A, Surface, Subsurface and Aerial Easements at Peachtree Center Station for the Atlanta Streetcar Project

*Kirk Fjelstul is Executive Director of the Georgia Regional Transportation Authority (GRTA) and is therefore a non-voting member of the MARTA Board of Directors.

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- c) Resolution Authorizing Disposal of Parcel D3175 at West Peachtree Street and 15th Street, Atlanta, Fulton County, Georgia

On motion by Mr. Durrett seconded by Mrs. Hardage the Consent Agenda was unanimously approved by a vote of 3 to 0, with 4* members present.

Individual Agenda

Resolution Authorizing to Enter into Agreements with the Georgia World Congress Center Authority (GWCCA), the State of Georgia, the Atlanta Falcons Stadium Company, LLC (StadCo), and the Atlanta Falcons Football Club, LLC to Convey Certain Property Interests to Public Entities, to Relocate Existing MARTA Facilities and Construct Improvements to MARTA Facilities to Accommodate the New Stadium Project

Ms. Rhein presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to enter into agreements, as necessary, with GWCCA, the State of Georgia, StadCo and the Club (the Parties) to accommodate the construction and operation of the New Stadium Project (NSP). This resolution also authorizes that all agreements with each, any or all of the above Parties, will provide for full compensation and expense reimbursement to the Authority for all the Authority's efforts regarding the NSP.

On motion by Mr. Durrett seconded Mrs. Hardage, the resolution was unanimously approved by a vote of 3 to 0, with 4* members present.

Resolution Authorizing to Enter into Negotiation with the Decatur Development Authority for Avondale Station Transit Oriented Development South Parking Lot

Ms. Rhein presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to enter into contract negotiations with the Decatur Development Authority for development at the Avondale Station south parking lot consistent with the competitive proposal developed by the Columbia Ventures team.

On motion by Mr. Durrett seconded Mrs. Hardage, the resolution was unanimously approved by a vote of 3 to 0, with 4* members present.

Resolution Authorizing the Solicitation of Proposals for MARTA's Life Insurance and Accidental Death and Dismemberment (AD&D) Insurance Coverage, RFP P32661

Mrs. Dawkins presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to solicit proposals for the procurement of MARTA's Life Insurance and Accidental Death and Dismemberment (AD&D) Insurance Coverage 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 Mrs. Hardage, the resolution was unanimously approved by a vote of 3 to 0, with 4* members present.

Briefing – 2014 - 2017 Affirmative Action Plan

Mr. Risco briefed the Committee on MARTA's 2014-2017 Affirmative Action Plan.

The MARTA Equal Employment Opportunity & Affirmative Action Responsibilities

- Developing & implementing an Affirmative Action Plan (AAP) is required as a public transit entity and a recipient of federal funding
- The MARTA AAP must be submitted to and approved by FTA every 3 years
- MARTA must disseminate the AAP and its elements to all levels of management & staff
- The objective of this presentation is to provide an overview of the proposed AAP and its components, prepared for FT A review and approval

Workforce Analysis

- Total Workforce – 4,377 employees
- Minority Representation
 - Total – 90%
 - Black – 84%
 - Hispanic – 3%
 - American Indian – 1%

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- Asian – 2%
- Gender Representation
 - Female – 36%
 - Male – 24%

Goals Established

- Officials & Administrators
 - Asian – 5.38% (Goal), 4.17% (Current)
 - Hispanic – 6.85% (Goal), 2.08% (Current)
- Professionals
 - Female – 55.1% (Goal), 34.32% (Current)
 - Asian – 6.91% (Goal), 4.56% (Current)
 - Hispanic – 3.44% (Goal), 3.08% (Current)
- Technicians
 - Female – 52.5% (Goal), 28.3% (Current)
 - Asian – 6.91% (Goal), 4.72% (Current)
- Administrative Support
 - Asian – 2.7% (Goal), 1.98% (Current)
 - Hispanic – 4.8% (Goal), 4.2% (Current)
- Skilled Craft Workers
 - Female – 5.4% (Goal), 4.47% (Current)
 - Hispanic – 22.8% (Goal), 3.76% (Current)
- Service/Maintenance Workers
 - Female – 59% (Goal), 40.29% (Current)
 - Asian – 5.3% (Goal), 0.81% (Current)
 - Hispanic – 14% (Goal), 2.28% (Current)

Measuring Success & Accountability under the Affirmative Action Plan (AAP)

- MARTA plans to:

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- Continue to targeted to under-utilized groups during recruitment efforts
- Communicate and market internal and external training opportunities
- Conduct training for management personnel, with hiring/promoting responsibility, on the AAP and their impact on goal accomplishment
- Measuring affirmative action success happens in a variety of ways; specific actions include:
 - Reviewing and documenting outreach efforts
 - Reviewing the diversity of applicant pools/new hires/promotions/terminations
 - Reviewing employment data on a quarterly basis, as it relates to goals
 - Sharing employment data related to agency and departmental goals with executive leadership

Briefing – December Year-to-Date FY 2014 Budget Variance Analysis and Performance Indicators

Mr. Hutchinson briefed the Committee on the December Year-to-Date FY 2014 Budget Variance Analysis and Performance Indicators.

Overview

- Total net revenues were \$4.7M or 15.2% greater than budget due to:
 - A favorable variance of \$2.6M or 401.4% in Other Revenue due to the unbudgeted receipt of \$2.6M in Alternative Tax Rebate and
 - A favorable variance of \$1.4M in Title Ad Valorem Tax
 - A favorable variance of \$1.3M or 10.5% in Sales Tax this month due to over-performing relative to plan as forecasted by the Georgia State Economic Forecasting Center
- Total net expenses were \$2.7M or 6.3% less than budget primarily due to:
 - A favorable variance of \$4.8M or 34.8% in Benefits attributed to the budgeted Represented incentive pay that did not occur

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- A favorable variance of \$3.8M or 16.7% in Salaries also primarily due to the budgeted Represented incentive pay that did not occur
- An unfavorable variance of \$3.4M
- An unfavorable variance of \$1.2M or 50.3% in Contractual Services

Year-to-Date Operating Revenues

- On a December year-to-date-basis, actual Revenues were favorable by \$12.2M or 6.2%; of this amount:
- Title Ad Valorem Tax was favorable by \$9.9M
- Other Revenue was favorable by \$2.6M or 67.7% due to the unbudgeted receipt of \$2.6M in Alternative Tax Rebate

Year-to-Date Budget vs. Actual Expense Performance

- On a December year-to-date basis, net operating budget expenses were under budget (favorable) by \$19.3M or 8.8% primarily due to the combined effects of the following
- Salaries & Wages were favorable by \$11M or 9.7%
- Overtime Expenses were \$3.0M or 28.6% over budget which is an offsetting impact of the vacancies
- Benefits were under budget by \$12.2M or 18.1%
- Contractual Services were \$0.8M or 5.1% under budget
- CNG Fuel was right on target
- Diesel Fuel was \$0.5M or 5.1% under budget
- Other Materials & Supplies were favorable by \$0.5M or 2.9%
- Other Non-Labor charges were right on target
- Capital charges were unfavorable at \$2.6M or 9.0% under budget

FY14 YTD vs. FY13 YTD Actual Performance

- On a year-over-year basis, actual Revenues were favorable by \$7.5M or 3.7%. This favorable variance was primarily attributable to Title Ad Valorem Tax, which was favorable by \$9.9M
- On a year-over-year basis, net operating expenses were lower by \$6.0M or 3.1%

Sales Tax Subsidy

- The Year-to-Date actual Net Operating Surplus of \$10.6M requires a sales tax subsidy of 43.7% which is favorable to the budget
- The Annual Budgeted Sales Tax Subsidy is 58.2%

* * *

On motion by Mr. Durrett seconded by Mrs. Hardage, the Board unanimously agree by a vote of 3 to 0, with 4* members present to go into Executive Session at 11:41 a.m.

On motion by Mr. Durrett seconded by Mrs. Hardage, the Board unanimously aged by a vote of 3 to 0, with 4* members present to adjourn the Executive Session at 11:49 a.m.

* * *

Resolution Authorizing the General Manager/CEO to Execute Agreements for Parcel D1124 at King Memorial Station for TOD, RFP P29286

Ms. Rhein presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or his delegate to execute appropriate agreements with Walton King Station Development, LLC (WKSD) for the redevelopment of Parcel D1124 at King Memorial Station. The terms and conditions negotiated in the Term Sheet and Interim Agreement represent a fair, market-based return to the Authority and provides for the least amount of development risk.

On motion by Mr. Durrett seconded Mrs. Hardage, the resolution was unanimously approved by a vote of 3 to 0, with 4* members present.

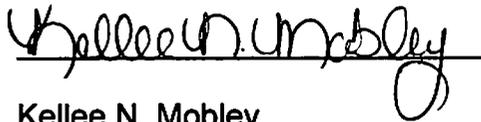
Other Matters

The Committee received the December FY 2014 Key Performance Indicators as informational only.

Adjournment

The meeting of the Business Management Committee adjourned at 11:49 a.m.

Respectfully submitted,

A handwritten signature in black ink, reading "Kellee N. Mobley", is written over a horizontal line. The signature is cursive and includes a large, stylized initial "K".

Kellee N. Mobley
Sr. Executive Administrator to the Board