



**BOARD OF DIRECTORS**

**METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY**

**BUSINESS MANAGEMENT COMMITTEE**

**THURSDAY, MARCH 31, 2022**

**ATLANTA, GEORGIA**

**MEETING MINUTES**

**1. CALL TO ORDER AND ROLL CALL**

Chair Frierson called the meeting to order at 11:41 A.M.

**Board Members**

**Present:**

Roderick Frierson  
Stacy Blakley  
Rita Scott  
Reginald Snyder  
William Floyd  
Rod Mullice  
Freda Hardage  
Thomas Worthy

**Board Members**

**Absent:**

Jim Durrett  
Kathryn Powers  
Al Pond  
Robert Ashe III  
Roberta Abdul-Salaam  
Russell McMurry  
Christopher Tomlinson

**Staff Members Present:**

Collie Greenwood  
Luz Borrero  
Rhonda Allen  
Ralph McKinney  
Peter Andrews  
Raj Srinath  
George Wright  
Manjeet Ranu

**Also in Attendance:**

Justice Leah Ward Sears of Smith, Gambrell & Russell, LLP, Kevin Hurley, Kirk Talbott, Paula Nash, Jacqueline Holland, Bill Bailey, MARTA Police Officer Amy Shumate, James Moss, Carrie Rocha, Maggie Schilling, Tyrene Huff, Keri Lee, Kenya Hammond, Phyllis Bryant, and Board Techs, Courtne Middlebrooks, Jonathan Brathwaite, Adrian Carter, Kareem Jackson, and Abebe Girmay.

**2. APPROVAL OF THE MINUTES**

**Minutes from February 24, 2022**

Approval of the Minutes from the Business Management Committee Meeting on February 24, 2022. On a motion by Board Member Mullice, seconded by Board Member Snyder, the motion passed by a vote of 8 to 0 with 8 members present.

**3. RESOLUTIONS**

**Resolution Authorizing a Modification in Contractual Authorization for Contracts Utilizing State of Georgia Contracts and/or General Services Administration (GSA) Schedules for Network, Server, Storage Equipment and Professional Services**

Approval of the Resolution Authorizing a Modification in Contractual Authorization for Contracts Utilizing State of Georgia Contracts and/or General Services Administration (GSA) Schedules for Network, Server, Storage Equipment and Professional Services. On a motion by Board Member Mullice, seconded by Board Member Hardage, the resolution passed by a vote of 8 to 0 with 8 members present.

**Resolution Authorizing the Solicitation of Proposals for the Procurement of Financial Advisory Services, RFP P50119**

Approval of the Resolution Authorizing the Solicitation of Proposals for the Procurement of Financial Advisory Services, RFP P50119. On a motion by Board Member Mullice, seconded by Board Member Snyder, the resolution passed by a vote of 8 to 0 with 8 members present.

**4. OTHER MATTERS**

FY 2022 January Financial Highlights and Financial Performance Indicators  
(Informational Only)

**5. ADJOURNMENT**

The Committee meeting adjourned at 12:12 P.M.

Respectfully submitted,



Tyrene L. Huff  
Assistant Secretary to the Board

YouTube Link: <https://youtu.be/YS9vDpepQNo>



**Resolution Authorizing a Modification to SAN  
Storage Contract Number RFP P42136  
Utilizing State of Georgia Contract to Procure  
Network, Server, Storage Equipment and  
Professional Services**

Kirk Talbott, AGM  
Department of Technology

## Resolution Authorizing a Modification to SAN Storage Contract Number RFP P42136 Utilizing State of Georgia Contract to Procure Network, Server, Storage Equipment and Professional Services

The Department of Technology is requesting approval to modify SAN Storage Contract Number RFP P42136. This modification is needed to increase MARTA's enterprise storage capacity abilities to:

- Expand 911 Emergency Call recordings (digital and audio) for the three (3) year mandated record retention period required for safety and legal compliance.
- Increase CCTV Video storage capacity.
- Increase Enterprise Backup capacity for the Commvault system.
- Provide maintenance support for storage hardware and software.

### Cost Detail

ITEM DESCRIPTION	CAP or OP	FISCAL YEAR	COST
ESS 5U92 Elastic Storage System (2.5PB Capacity)	Capital 32274	FY22	\$695,638.44
License Upgrade Data Access Edition (DAE) to Data Management Edition (DME)	Capital 32274	FY22	\$112,509.36
Upgrade two (2) CCTV servers to HPE Synergy Gen 10	Capital 31614	FY22	\$271,941.00
	Total Cap	FY22	\$1,080,088.80
Enterprise and CCTV Storage Maintenance Hardware, Software and Commvault Backup	Total Op	FY22	\$756,928.75
<b>MODIFICATION COST AMOUNT</b>			<b>\$1,837,017.55</b>



## **Resolution Authorizing a Modification to SAN Storage Contract Number RFP P42136 Utilizing State of Georgia Contract to Procure Network, Server, Storage Equipment and Professional Services**

### **Funding Source**

The cost of this modification will be funded from FY22 Capital and Operating Budgets.

- \$1,080,088.00 - Capital (Upgrade)
- \$756,928.75 - Operating (Maintenance Support)

**Requesting approval of the total modification cost in the amount of \$1,837,017.55.**

### **Total Modified Value**

SAN Storage Contract Number RFP P4136 was part of an approved April 2017 Board package to replace and upgrade technology infrastructure which included storage. The approval of this requested added modification amount increases the total value to \$10,267,547.68.

<b>PROCUREMENT ACTIONS</b>	<b>DOLLAR AMOUNT ADDED</b>
April 2017 Board Approval	\$8,339,000.00
Sept 2021 Approved GM Contingency	\$91,530.13
April 2022 Request for Board Approval	\$1,837,017.55
<b>Total Value</b>	<b>\$10,267,547.68</b>



Thank You





## Permission to Solicit: Financial Advisory Services

MARTA Board Business Management Committee  
March 31, 2022

# Agenda

- Background
- Business Management Committee Action

# Background

- Current contract P36399 expires September 30, 2022
- Financial Advisor (FA) assists with the execution of capital markets transactions
- Supports the Authority's priority of delivering the capital program with speed and efficiency
- The FA assists with the following:
  - Independent advice of a comprehensive plan of finance
  - Financial modeling
  - Review of financial transaction products and structures
  - Lease versus buy analysis
  - Debt portfolio accounting support, and
  - Fuel hedge audit testing
- Contract is for five-years with a one-year base and four one-year options
- Estimated cost is \$750,000 over the five-year life of the contract
- Under law, allows the Authority to receive solicitations of cost savings products and initiatives

# Business Management Committee Action

- Approval of this resolution only allows for execution of the solicitation process
- Final contract award is subject to approval by the MARTA Board of Directors
- I respectfully request the BMC Approval of the Resolution to permit staff to execute the solicitation of proposals for Financial Advisory Services through a competitive RFP Process



Thank You





# Financial Highlights January 2022

## Year-To-Date (YTD) Operations Performance

January 31, 2022

(\$ in Millions)

	Actual	Budget	Variance	
	\$	\$	\$	%
<b>Net Revenues</b>	398.2	324.2	74.0	22.8%
<b>Net Expenses</b>	283.2	321.9	38.7	12.0%
<b>Net Surplus (Deficit)</b>	<b>115.0</b>	<b>2.3</b>	<b>112.7</b>	

### COMMENTS

- YTD Net Revenues were favorable to budget by \$74.0M
- YTD Net Expenses were favorable to budget by \$38.7M
- YTD Net Surplus was \$115.0M compared to a \$2.3M budget surplus for the year

## Year-To-Date (YTD) Operating Revenues and Expenses January 31, 2022 (\$ in Millions)

	Actual	Budget	Variance	
	\$	\$	\$	%
<b>REVENUES</b>				
Sales Tax	182.7	154.3	28.4	18.4%
Title Ad Valorem Tax	19.5	13.7	5.8	42.3%
Federal Assistance	46.0	42.6	3.4	8.0%
COVID Stimulus Funds	87.9	66.2	21.7	32.8%
Passenger Revenue	36.3	33.2	3.1	9.3%
Lease Income	15.7	4.8	10.9	227.1%
Station Parking	0.9	0.7	0.2	28.6%
Other Revenues	9.2	8.7	0.5	5.7%
<b>Net Operating Revenues</b>	<b>398.2</b>	<b>324.2</b>	<b>74.0</b>	<b>22.8%</b>
<b>EXPENSES</b>				
Salaries and Wages	135.1	155.0	19.9	12.8%
Overtime	17.5	18.9	1.4	7.4%
Total Benefits	68.6	79.4	10.8	13.6%
Contractual Services	44.0	58.4	14.4	24.7%
Total Materials and Supplies	25.9	27.9	2.0	7.2%
Other Non-Labor	19.2	23.4	4.2	17.9%
<b>Gross Operating Expenses</b>	<b>310.3</b>	<b>363.0</b>	<b>52.7</b>	<b>14.5%</b>
Less: Capital Charges	27.1	41.1	(14.0)	-34.1%
<b>Net Operating Expenses</b>	<b>283.2</b>	<b>321.9</b>	<b>38.7</b>	<b>12.0%</b>

### REVENUE COMMENTS – YTD revenues were \$74M above budget

- Sales Tax performance was \$28.4M above budget as a result of a strong local economy
- Federal Assistance was \$3.4M above budget and includes accruals for reimbursable expenses for Preventive Maintenance and other Federal grants
- COVID Stimulus Funds includes all eligible reimbursable expenses in addition to accruals for ARP Funds
- Passenger Revenue was \$3.1M above budget. Although actual performance has been better than budget, ridership continues to be negatively impacted by Covid-19
- Lease Income YTD positive variance includes South Line LILO termination revenue

### EXPENSE COMMENTS – YTD expenses were \$38.7M under budget

- Salaries and Wages were below budget by \$19.9M primarily due to vacancies (approximately 667 vacant positions)
- Total Benefits were \$10.8M below budget for the year primarily due to the large number of vacancies
- Contractual Services were \$14.4M below budget largely due to the COVID-19 driven reduction in ridership for contracted paratransit services
- Other Non-Labor Expenses were \$4.2M below budget largely due to a significant decrease in insurance reserves

## Current Month Operations Performance January 31, 2022

(\$ in Millions)

	Actual	Budget	Variance	
	\$	\$	\$	%
<b>Net Revenues</b>	51.0	49.8	1.2	2.4%
<b>Net Expenses</b>	36.1	46.2	10.1	21.9%
<b>Net Surplus / (Deficit)</b>	<b>14.9</b>	<b>3.6</b>	<b>11.3</b>	

### COMMENTS

- Revenues were favorable to budget by \$1.2M for the month of January
- Expenses were favorable to budget by \$10.1M for the month of January
- Net Surplus for January was \$14.9M compared to a \$3.6M budget surplus

# Current Month Operating Revenues and Expenses

## January 31, 2022 (\$ in Millions)

	Actual	Budget	Variance	
	\$	\$	\$	%
<b>REVENUES</b>				
Sales Tax	30.4	25.5	4.9	19.2%
Title Ad Valorem Tax	2.8	2.2	0.6	27.3%
Federal Assistance	2.3	6.1	(3.8)	-62.3%
COVID-Stimulus Funds	9.5	9.5	0.0	0.0%
Passenger Revenue	4.6	4.9	(0.3)	-6.1%
Lease Income	0.8	0.7	0.1	14.3%
Station Parking	0.1	0.2	(0.1)	-50.0%
Other Revenues	0.5	0.7	(0.2)	-28.6%
<b>Net Operating Revenues</b>	<b>51.0</b>	<b>49.8</b>	<b>1.2</b>	<b>2.4%</b>
<b>EXPENSES</b>				
Salaries and Wages	18.4	22.4	4.0	17.7%
Overtime	2.2	2.7	0.5	19.1%
Total Benefits	11.8	11.4	(0.4)	-3.1%
Contractual Services	4.7	8.3	3.6	43.4%
Total Materials and Supplies	3.6	4.0	0.4	9.3%
Other Non-Labor	(1.7)	3.4	5.1	150.7%
<b>Gross Operating Expenses</b>	<b>39.0</b>	<b>52.1</b>	<b>13.1</b>	<b>25.2%</b>
Less: Capital Charges	2.9	5.9	(3.0)	-50.8%
<b>Net Operating Expenses</b>	<b>36.1</b>	<b>46.2</b>	<b>10.1</b>	<b>21.9%</b>

### REVENUE COMMENTS – Monthly revenues were \$1.2M above budget

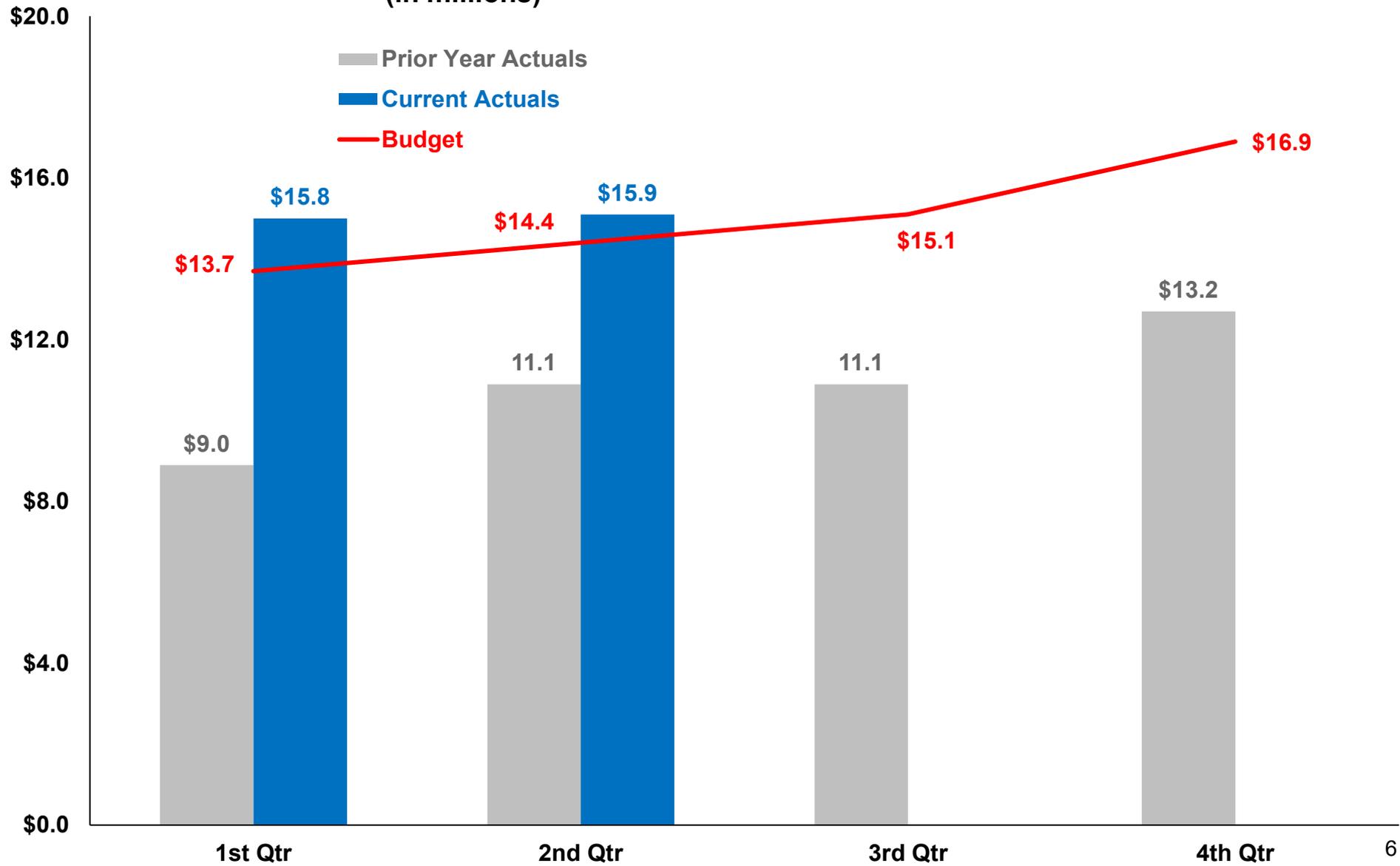
- Sales Tax performance was \$4.9M above budget as a result of a strong local economy
- Federal Assistance was \$3.8M below budget due to reversal of certain accruals
- COVID Stimulus Funds includes accruals for estimated eligible reimbursable expenses
- Passenger Revenue was \$0.3M below budget. Ridership continues to be impacted by Covid-19 - January saw a spike in cases
- Station Parking was \$0.1M below budget. Ridership continues to be impacted by Covid-19 - January saw a spike in cases

### EXPENSE COMMENTS – Monthly expenses were \$10.1M under budget

- Salaries and Wages were below budget by \$4.0M, primarily due to the large number of vacancies
- Total Benefits were above budget by \$0.4M; the variance is primarily related to healthcare
- Contractual Services were \$3.6M below budget largely due to the COVID-19 driven reduction in ridership for contracted paratransit services and a lower than anticipated consulting services costs
- Other Non-Labor Expenses were \$5.1M below budget largely due to a significant decrease in insurance reserves

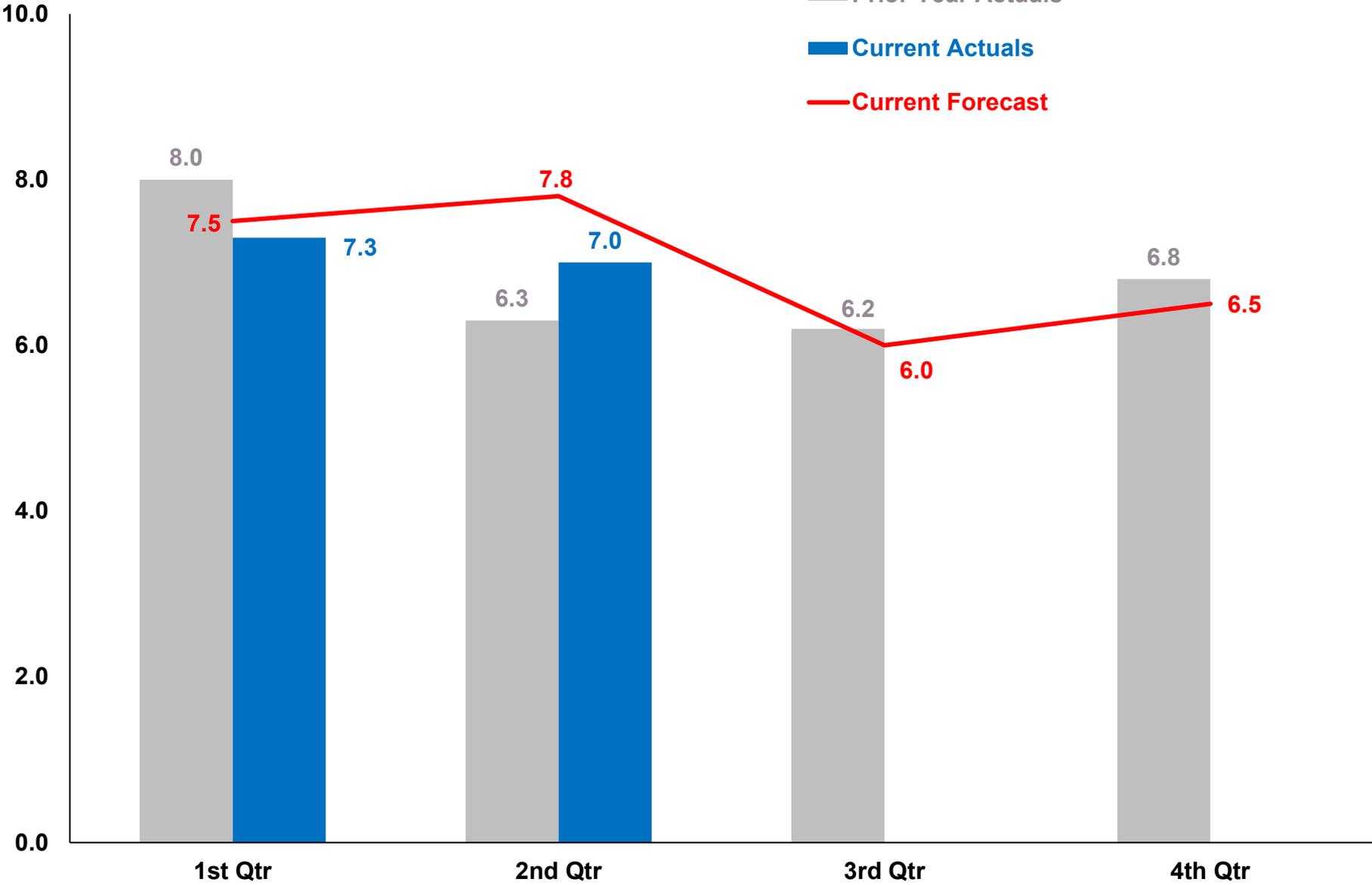
# FY22 Quarterly Passenger Revenues

(in millions)

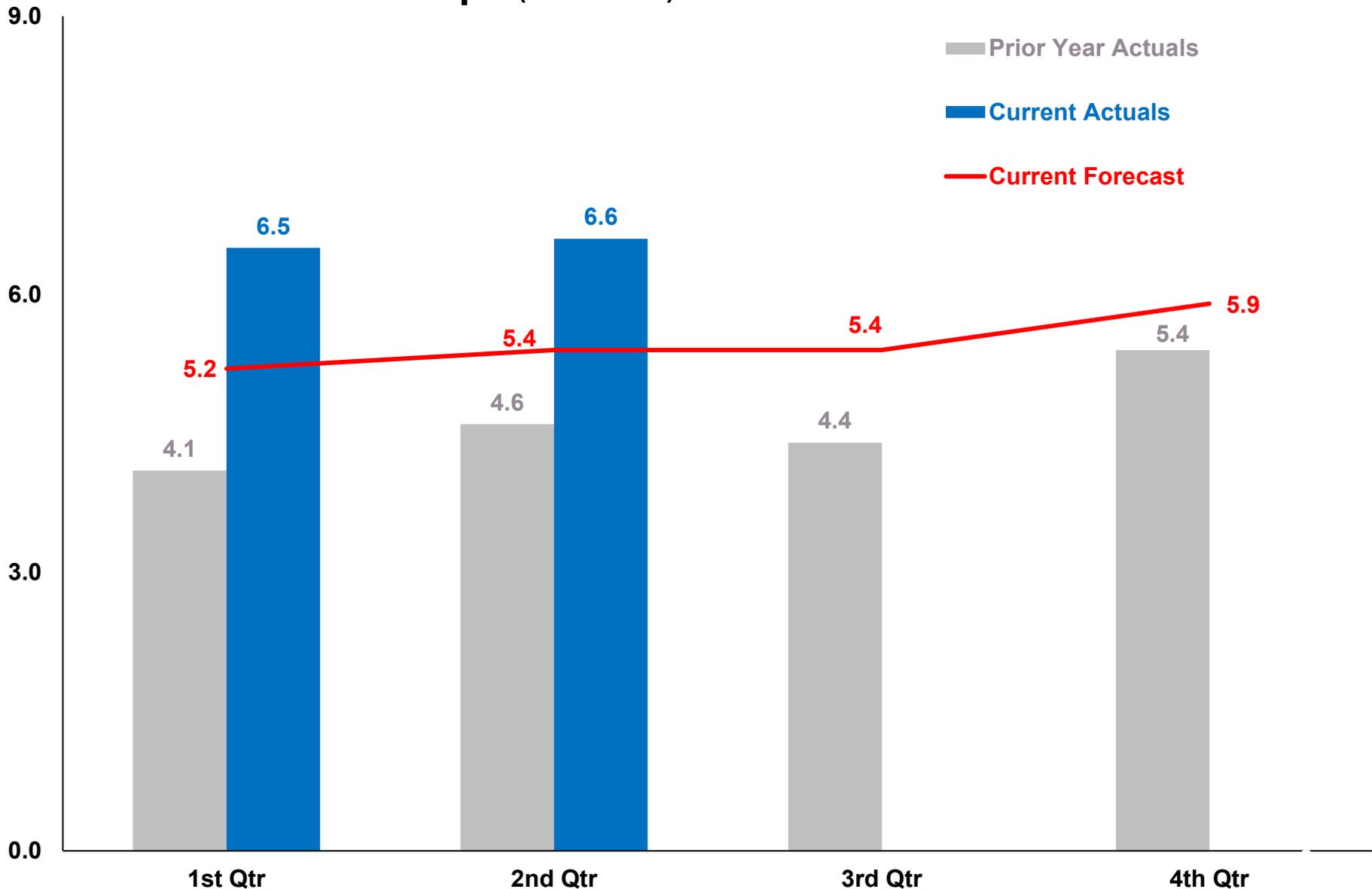


# FY22 Quarterly Bus Ridership – Unlinked Trips (in millions)

■ Prior Year Actuals  
■ Current Actuals  
— Current Forecast



# FY22 Quarterly Rail Ridership – Unlinked Trips (in millions)



## Capital Sources and Uses by Category - SGR Year-To-Date thru January 2022

(\$ in Millions)

	ACTUAL BUDGET		BUDGET VARIANCE	
	\$	\$	\$	%
<b>SOURCES OF FUNDS</b>				
Sales Tax Carryover	0.0	0.0	0.0	0.0%
Sales Tax	164.1	140.9	23.2	16.5%
Federal Funds	11.1	48.8	-37.7	-77.3%
Other Revenue	0.1	0.3	-0.2	-66.7%
Debt Issue	0.0	0.0	0.0	0.0%
<b>Total Sources of Funds</b>	<b>175.3</b>	<b>190.0</b>	<b>-14.7</b>	<b>-7.7%</b>
<b>USES</b>				
Vehicles	42.4	69.5	27.1	39.0%
Facilities & Stations	10.6	58.9	48.3	82.0%
Maintenance of Way	13.8	11.1	-2.7	-24.5%
Systems	23.7	77.0	53.3	69.2%
Non-Assets	15.3	64.2	48.9	76.2%
<b>Subtotal CIP:</b>	<b>105.8</b>	<b>280.6</b>	<b>174.8</b>	<b>62.3%</b>
Debt Service	83.6	92.3	8.7	9.4%
<b>Total Uses</b>	<b>189.4</b>	<b>372.9</b>	<b>183.5</b>	<b>49.2%</b>
<b>Under/(Over)</b>	<b>-14.1</b>	<b>-182.9</b>	<b>168.8</b>	<b>-92.3%</b>

## FY22 Top 10 Projects by Expenditures

Year-To-Date thru January 2022

(\$ Millions)

Description	Category	Actual	Budget	% of Budget	% of CIP Actuals
CQ400 New Rail Car Purchase	Vehicles	19.4	66.9	29.0%	18.3%
Track Renovation Phase IV	MOW	13.8	17.2	80.2%	13.0%
CQ310 and CQ311 Life Extension	Vehicles	13.2	26.6	49.6%	12.5%
Rehab Tunnel Ventilation Fans	Systems	10.3	21.6	47.7%	9.7%
CPMO (SGR)	Non-Asset	7.2	15.0	48.0%	6.8%
Escalators Rehabilitation	Systems	6.5	13.0	50.0%	6.1%
Rail Station Rehabilitation	Facilities	4.0	34.7	11.5%	3.8%
Electric Buses	Vehicles	3.0	3.5	85.7%	2.8%
CQ310 Life Extension 42-M	Vehicles	2.6	2.6	100.0%	2.5%
Energy Services Company Performance (ESCO)	Facilities	2.5	3.0	83.3%	2.4%
<b>TOTAL:</b>		<b>82.5</b>	<b>204.1</b>	<b>40.4%</b>	<b>78.0%</b>

**ACTUALS THRU JANUARY 31, 2022 - TOTAL \$105.8M**

**FY22 Top 10 Underspent Projects by \$\$**  
**Year-To-Date thru January 2022**  
**(\$ Thousands)**

Description	Category	Actual	Budget	Variance	
				Over/Under	% of Project Budget
CCTV System Expansion	Systems	1.4	139.0	137.6	1.0%
Rail Oper Platform Restrooms	Facilities	3.0	500.0	497.0	0.6%
Brookhaven DXO	MOW	3.8	50.0	46.2	7.6%
UPS: Lakewd; Dunwdy; Med Cntr	Systems	4.0	60.0	56.0	6.7%
NPBI Air Filtering Device	Systems	4.0	77.0	73.0	5.2%
Comprehensive Fare Collection	Systems	5.6	1,500.0	1,494.4	0.4%
Training Facilities Modernization	Systems	6.7	125.0	118.3	5.4%
Aerial Steel Bridges	MOW	8.9	2,500.0	2,491.1	0.4%
Service Vehicles for Police	Vehicles	11.6	750.0	738.5	1.5%
AVIS Electronic Signage	Systems	13.0	4,675.7	4,662.7	0.3%
<b>TOTAL:</b>		<b>62.0</b>	<b>10,376.7</b>	<b>10,314.7</b>	<b>0.6%</b>



Thank You

