



BOARD OF DIRECTORS

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

BUSINESS MANAGEMENT COMMITTEE

THURSDAY, APRIL 29, 2021

ATLANTA, GEORGIA

via WebEx

MEETING MINUTES

Committee Chair Roderick Frierson called the meeting to order at 11:39 a.m.

| Board Members Present | Staff Members Present |
|---------------------------------|------------------------------|
| Roberta Abdul-Salaam | Jeffrey Parker |
| Stacy Blakley | Melissa Mullinax |
| Jim Durrett | Rhonda Allen |
| William Floyd | Luz Borrero |
| Roderick Frierson, Chair | Elizabeth O'Neill |
| Freda Hardage | Raj Srinath |
| Al Pond | |
| Rita Scott | |
| Reginald Snyder | |

Also in attendance, Board General Counsel Justice Leah Ward Sears of Smith, Gambrell & Russell, LLP; other staff members: LaShanda Dawkins, Kirk Talbott, Kevin Hurley, Santiago Osorio, Dean Millis, Paula Nash, Sean Thomas, Patricia Lucek, Gena Major, Jacqueline Holland, Phyllis Bryant, Keri Lee, Tyrene Huff and Board Techs, LaTonya Pope, Courtne Middlebrooks, Jonathan Brathwaite and Abebe Girmay.

Approval of the March 25, 2021 Business Management Committee Meeting Minutes

Committee Chair Frierson called for a motion to approve the March 25, 2021 meeting minutes. Board Member Pond made a motion to approve, seconded by Board Member Durrett. The minutes were approved unanimously by a vote of 9 to 0.

Resolution Authorizing the Award of a Contract for the Procurement of Automation of Background Screens, RFP P46774 [Presentation attached]

LaShanda Dawkins, AGM Human Resources, presented the above resolution for approval. On a motion by Board Member Durrett, seconded by Board Member Hardage, the resolution was approved unanimously by a vote of 9 to 0.

- Chair Scott asked, will Sterling replace the existing vendor and Ms. Dawkins advised yes. Ms. Scott stated, is that because the existing vendor failed to meet the goals. Ms. Dawkins replied we were not pleased with the services from the existing vendor and we believe we will get superior services with the proponent vendor we are putting forth in the resolution. Chair Scott asked if we received seven applications and only five were deemed responsive; Ms. Dawkins replied yes. Those decisions are made by Contracts & Procurement and the Legal Department as to which proponents are responsive and able to move forward. Chair Scott asked, so two were eliminated and if any proponents were located/headquartered in Georgia? Sterling is headquartered out of New York. Ms. Dawkins advised yes, and she doesn't think our current vendor is local either, but she will need to get the information and provide it.
- Chair Scott asked for clarification on the proponent being 10% below the DBE goal at this time. Ms. Dawkins stated no, the goal is a 10% DBE goal and we fully expect them to meet the goal. Chair Scott asked have they met the goal and Ms. Dawkins replied that will be determined upon award of the contract and when they begin to provide services. They have provided information to the Diversity & Inclusion Office that they will meet the goal. Paula Nash, Executive Director of Diversity & Inclusion, stated at the time of submitting their bid/proposal, the proponent did not have a company that was DBE certified in Georgia, but they have since found a DBE that is part of the Georgia directory that they are vetting. The company is currently about 90% complete with the vetting process and are expected to pass. Upon completing and passing the process, they will become a DBE company that is on this contract. Ms. Nash stated another company they have used frequently was encouraged to apply as a DBE as well; the company has done so and is certified as a DBE that will serve on this contract, so between the two companies, we expect they will meet the 10% goal. Chair Scott asked have we communicated a date to meet the goal? Ms. Nash responded, no, we have not; the one company that has become DBE certified is already on the contract and has completed the letter of intent. We are waiting on the company that is being vetted.
- Board Member Blakley asked does the selected DBE meet the 10% goal in the event the other company does not get certified as a DBE? Ms. Nash advised, the DBE that has been selected can increase their participation to meet the 10% right now since they are vetting another company, they have split 5% for each company. Still, if the other company fails, we can ask how they expect to make up the additional 5%. It's left up to the company to decide. Chair Scott asked do we have any safeguards in place to ensure Sterling meets the goal? Ms. Nash advised that the Office of Diversity & Inclusion monitors goals and monitors whether a company appropriately uses the DBE's. The office will monitor this contract.

Resolution Authorizing the Award of a Contract for the Procurement of Microsoft Enterprise Agreement, IFB B48124 *[Presentation attached]*

Kirk Talbott, AGM Technology/CIO, presented the above resolution for approval. On a

motion by Board member Durrett, seconded by Board Member Hardage, the resolution was approved unanimously by a vote of 9 to 0.

Resolution Authorizing the Issuance, Sale, Execution and Delivery of the Metropolitan Atlanta Rapid Transit Authority Variable Rate Sales Tax Revenue Bonds, Refunding Series 2021A in the Aggregate Principal Amount of \$117,500,000 [Presentation attached]

Kevin Hurley, Deputy Chief Financial Officer/Treasurer, presented the above resolution for approval. On a motion by Ms. Hardage, seconded by Mr. Durrett, the resolution was approved unanimously by a vote of 9 to 0.

- Board Member Pond asked why we are doing variable rate structure with rates being at an all-time low and the potential for rates to go up with all the deficit spending. Hurley advised the variable rate is considerably lower than our fixed rates. As part of the portfolio, it's typically advisable to carry some level of variable rate debt within that portfolio. This piece is less than 5% of MARTA's overall debt portfolio. It's a good practice to keep a certain portion of it within that funding profile. We only have to hold this paper for a year; after a year, we can adjust if we need to. Board member Frierson advised we have discussed this item in other meetings before and he thinks it's a good opportunity for us.

Resolution Authorizing the Acceptance and Creation of a Pool of Underwriting Service Providers Pursuant to a Request for Qualifications [Presentation attached]

Kevin Hurley, Deputy Chief Financial Officer/Treasurer, presented the above resolution for approval. On a motion by Mr. Durrett, seconded by Ms. Hardage, the resolution was approved unanimously by a vote of 9 to 0.

- Board Member Pond asked how will we determine when to go out for this versus when not to. Hurley stated this is not our typical utilization; it would be in response to a market condition and/or type of transaction that's more complicated, typically competitive to reimburse ourselves to support our capital programs. See projects looming for expansion, we may want to use a negotiated transaction in those types of financings, and we want someone with that type of expertise supporting the debt issuance for an expansion effort. Raj stated certain transactions might require a structured maturity in support of our capital program. Typically, competitive transactions have a pre-defined bond maturity, we want to change that based on the needs of the capital program and a negotiated sale will be the best way to do that. During competitive bond transactions, interest payments are pre-determined, whereas with negotiated we can negotiate interest payments can be made at a later date. Mr. Frierson advised he understands the need and it seems that other entities are possibly using this as well.

Resolution Approving a Memorandum of Understanding Between the Metropolitan Atlanta Rapid Transit Authority (MARTA) and the Amalgamated Transit Union Local 732 (ATU) [Presentation attached]

Luz Borrero, Chief Administrative Officer, introduced Patricia Lucek, AGM of Labor and

Employee Relations. Ms. Lucek presented the above resolution for approval. On a motion by Board member Durrett, seconded by Board Member Pond, the resolution was approved unanimously by a vote of 9 to 0.

- Chair Scott asked if the \$17.4 million inclusive of represented and non-represented employees? Do we have a breakdown of each? Ms. Lucek stated that \$11.5M - represented employees and \$4.1M - non-represented employees.

Other Matters (Informational Only)

FY 2021 February Financial Highlights and Financial Performance Indicators

Committee Chair Frierson advised the Committee to review the FY 2021 February Financial Highlights and Financial Performance Indicators listed as information only in their packet.

Adjournment

The Committee meeting adjourned at 12:26 p.m.

Respectfully submitted,



Tyrene L. Huff
Assistant Secretary to the Board

YouTube Link: <https://youtu.be/tPT7vddcm5A>

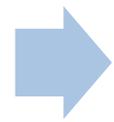


RFP P46774 - Resolution Authorizing the Award of a Contract for Background Screening Services

LaShanda R. Dawkins, Assistant General Manager Human Resources

Contract Term

3 Year
Base



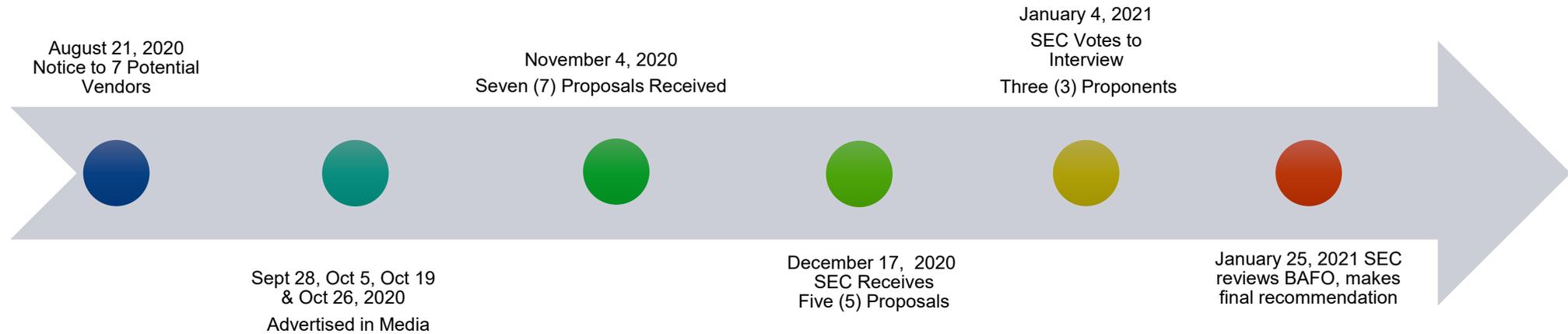
(2)
1 Year
Options

5 Year
Term

\$522,030
LOCAL OPERATING FUNDS

10% DBE GOAL

Background

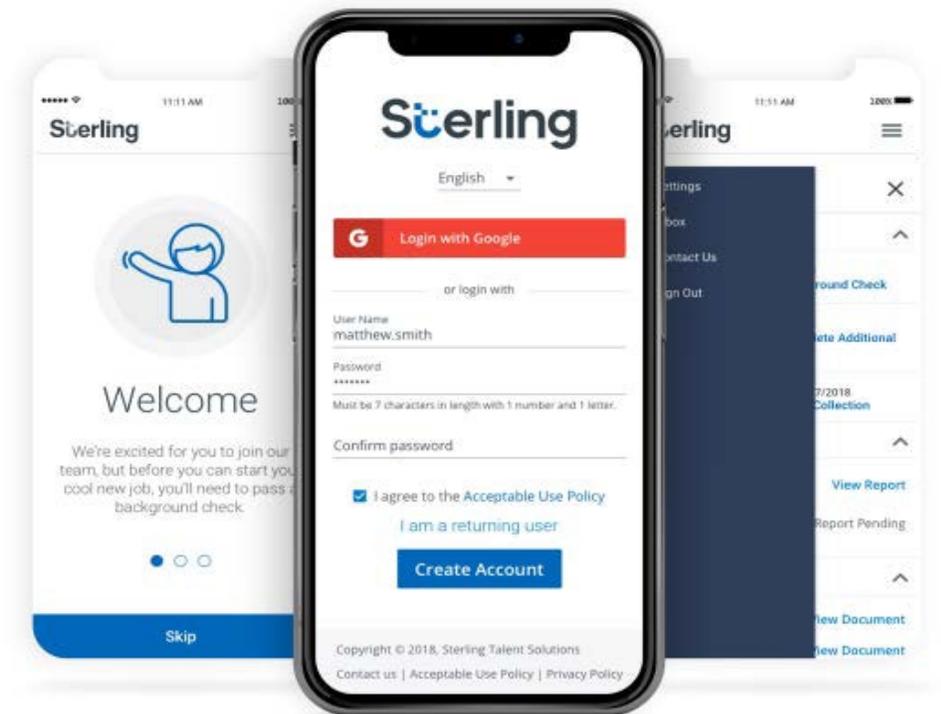


Background Cont.

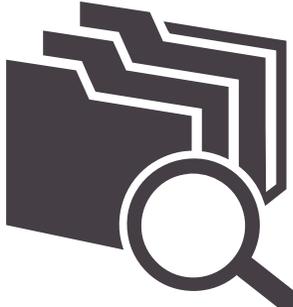
| Seven Proposals Received | Five Responsive Proposals | Three Invited to Interview |
|--|---|--|
| <ul style="list-style-type: none"> • Sterling Infosystems Inc. • Sports Engine (NCSI) • One Source Tech (Asurint) • FirstPoint Background Screening Resources • Tranzlation Global • First Choice Background Screens • Hire Right | <ul style="list-style-type: none"> • Sterling Infosystems Inc. • Sports Engine (NCSI) • One Source Tech (Asurint) • FirstPoint Background Screening Resources • Tranzlation Global | <ul style="list-style-type: none"> • Sterling Infosystems Inc. • Sports Engine (NCSI) • One Source Tech (Asurint) |

Recommended Vendor

- Sterling Infosystems Inc., dba Sterling
- Founded 1975, Incorporated 2003
- Over 5,000 Employees
- 30,000 Clients worldwide
- Headquarters in New York, New York



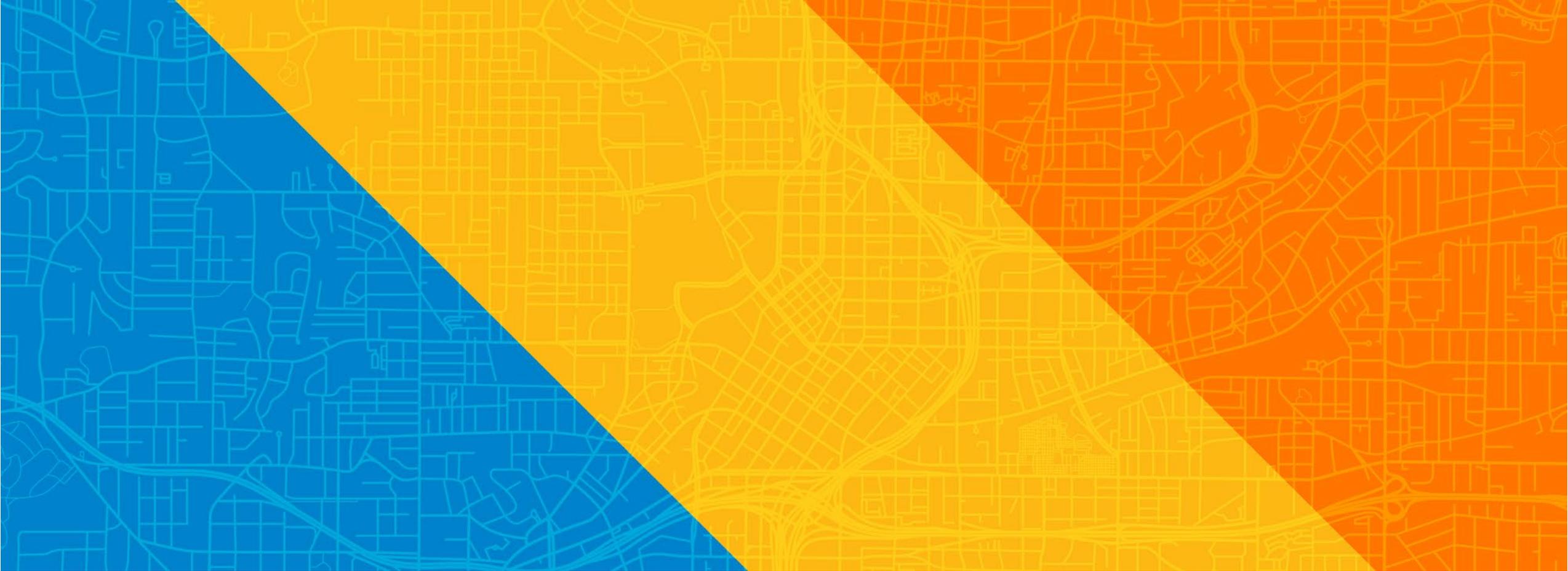
Purpose

| 1. Employment | 2. Education | 3. Criminal History | 4. FCRA Compliance |
|---|--|---|---|
|  |  |  |  |

System Access

Devices





Thank You





BUSINESS MANAGEMENT COMMITTEE MEETING

Metropolitan Atlanta Rapid Transit Authority

April 29, 2021

(Immediately following Operations & Safety Committee Meeting)



Agenda

1. Approval of the March 25, 2021 Business Management Committee Meeting Minutes
2. Resolution Authorizing the Award of a Contract for the Procurement of Automation of Background Screens, RFP P46774 – **LaShanda R. Dawkins, AGM Human Resources**
3. Resolution Authorizing the Award of a Contract for the Procurement of Microsoft Enterprise, IFB B48124 – **Kirk Talbott, AGM Technology/CIO**
4. Resolution Authorizing the Issuance, Sale, Execution and Delivery of the Metropolitan Atlanta Rapid Transit Authority Variable Rate Sales Tax Revenue Bonds, Refunding Series 2021A in the Aggregate Principal Amount of \$117,500,000 – **Kevin Hurley, Deputy Chief Financial Officer/Treasurer**
5. Resolution Authorizing the Acceptance and Creation of a Pool of Underwriting Service Providers Pursuant to a Request for Qualifications – **Kevin Hurley, Deputy Chief Financial Officer/Treasurer**
6. Resolution Approving a Memorandum of Understanding Between the Metropolitan Atlanta Rapid Transit Authority (MARTA) and the Amalgamated Transit Union Local 732 (ATU) – **Luz Borrero, Chief Administrative Officer**
7. Other Matters
 - a. FY 2021 February Financial Highlights and Financial Performance Indicators – (Informational Only)



Resolution Authorizing the Award of a Contract for the Procurement of a Microsoft Enterprise Agreement B48124

Kirk Talbott, AGM

Department of Technology

Business Case

Microsoft licenses provide numerous business products for MARTA's daily operational needs which include MS Office (Outlook email, PowerPoint, Excel, Word) SharePoint, Power BI, Azure Cloud Computing, Cybersecurity and Microsoft Teams.

- The Department of Technology received Board approval in March 2021 for the current Microsoft Enterprise Agreement to be extended to 5/31/2021.
- The extension date gave the needed time to select a new license provider.
- Microsoft licenses are provided through Value Added Resellers (VAR).
- CPM published an Invitation for Bid (IFB) to competitively seek an authorized Microsoft reseller.
- The IFB solicitation was for an authorized reseller to provide a three (3) year term Microsoft Enterprise Agreement starting 6/1/2021 and expiring 5/31/2024.
- The licenses for both the Department of Technology and the Department of Information Security are to be included in this agreement.



Invitation for Bid (IFB)

Bid Advertised: 3/31/2021 - 4/22/2021

Atlanta Journal-Constitution (AJC)

MARTA's website

Georgia Procurement Registry

Georgia Local Government Access Marketplace

Bid Close Date: 4/22/2021

36 firms retrieved the online solicitation and/or purchased the CD

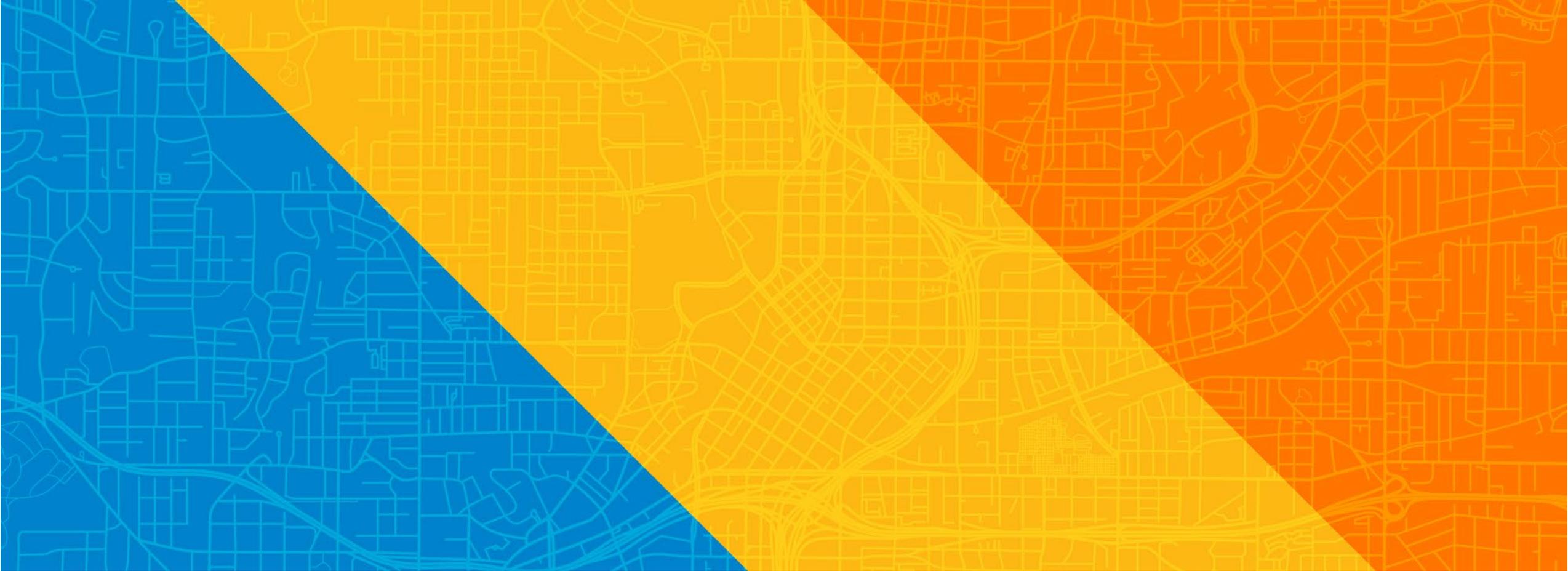
Bids Opened: 4/23/2021

Two (2) Responses:

| | |
|------------------------------------|-----------------------|
| Crayon Software Experts LLC | \$5,316,122.26 |
| Dell Technologies | \$5,360,160.99 |

| Microsoft Enterprise Agreement 3 Year Term Dates | Crayon Software Experts IFB Lowest Response |
|---|--|
| Year 1 - (6/1/2021 - 5/31/2022) | \$1,938,876.86 |
| Year 2 - (6/1/2022 - 5/31/2023) | \$1,688,622.70 |
| Year 3 - (6/1/2023 - 5/31/2024) | \$1,688,622.70 |
| Years 1 - 3 Total Cost | \$5,316,122.26 |

- The Department of Technology has verified with Microsoft that Crayon Software Experts, LLC is an authorized reseller partner and can provide the Enterprise Agreement licenses listed in this IFB.
- Our recommendation is to award the lowest bidder, Crayon Software Experts, LLC the Microsoft Enterprise Agreement for a three (3) year term in the amount of \$5,316,122.26.
- This contract will be funded 100% from Department of Technology and Department of Information Security's annual operating budgets.



Thank You





Bond Series 2021A Direct Placement

MARTA Business Management Committee
April 29, 2021

Agenda

- Bond Series 2021A Direct Placement - \$117.5M Par
 - Background
 - Summary
 - Bid Results

Bond Direct Purchase Tender: Background

- In 2018, MARTA issued its Series 2018B as a three-year variable rate direct placement with Wells Fargo
- Par \$117.5M with 28-year maturity - three-year mandatory tender
- Closed July 19, 2018
- Mandatory tender date is July 1, 2021
- Recommendation was to issue a competitive RFP to solicit as a direct placement in a variable rate mode

Series 2021A Summary

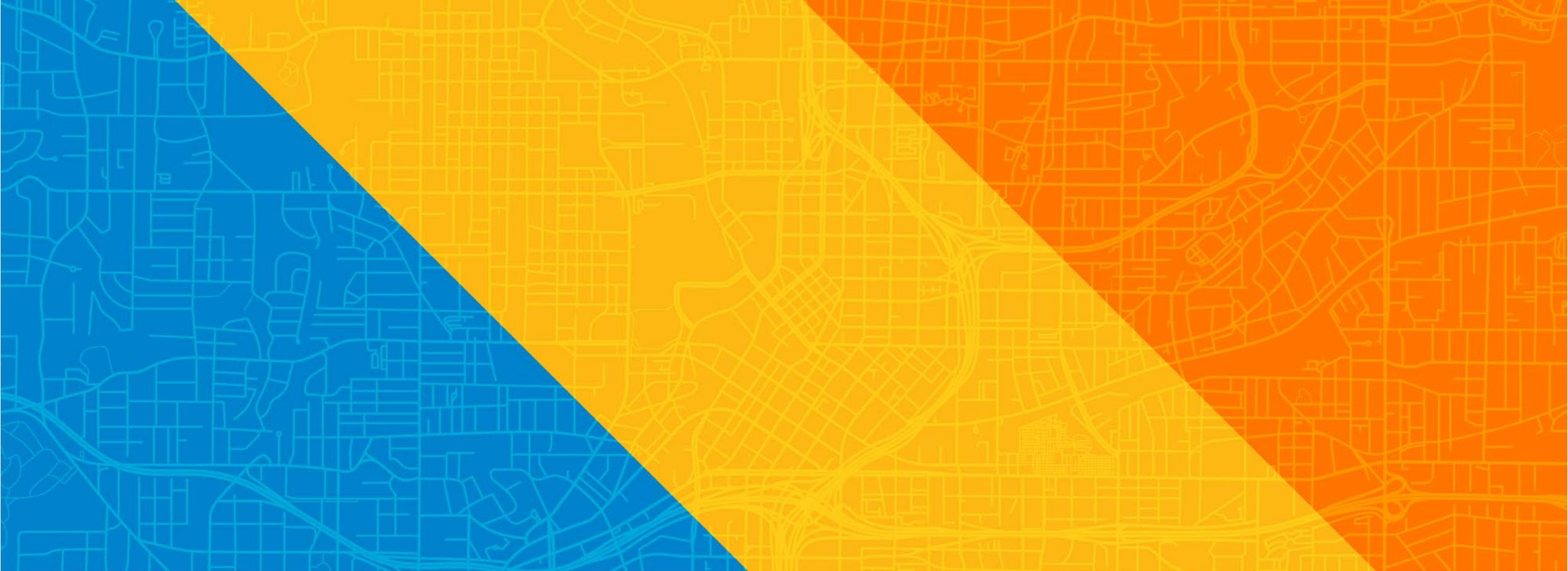
- Par \$117.5 million
- Proceeds will be used to refund \$117.5 million of Series 2018B bonds
- Competitive RFP was conducted
- Pricing structure locks on RFP submission date – March 26, 2021
 - Finance Staff with Financial Advisors, Bond and Disclosure Counsel assistance selected the optimal structure
- Present to May 13, 2021 for full Board for approval
- Closing in mid-June

Series 2021A RFP Bid Results

- RFP sent to 34 potential respondents
- 13 Responses
 - Winning Submission – Bank of America
- Five-year variable rate direct placement
 - Rate = SIFMA index plus 39 basis points, currently 0.45%
 - The 2018B rate was based on 80% LIBOR plus 35 basis points (currently at 0.51%)
 - LIBOR will be phased out in 2023
- 2045 bond maturity, with mandatory tender in 2026

Board of Directors Actions

- Approve the Resolution Authorizing the Issuance, Sale, Execution and Delivery of the Metropolitan Atlanta Rapid Transit Authority Variable Rate Sales Tax Revenue Bonds, Refunding Series 2021A in the Aggregate Principal Amount of \$117,500,000



Thank You





Resolution Authorizing the Acceptance and Creation of a Pool of Underwriting Service Providers

MARTA Business Management Committee
April 29, 2021

Agenda

- Negotiated Bond Underwriting Pool
 - Background
 - Advantages
 - Solicitation
 - RFQ Results
 - Selection
 - Pool Utilization

Negotiated Bond Underwriter Pool - Background

- MARTA has traditionally utilized competitive bidding when selling bonds
- Section 10 of the MARTA Act, permits MARTA to conduct both negotiated and competitive bond transactions
- Credit market turmoil due to COVID-19 caused the competitive bid market to temporarily “dry-up” in March 2020 while the Negotiated market was still viable

Negotiated Bond Transaction - Advantages

- Negotiated sales can potentially provide greater access to the markets by allowing underwriters more time to pre-market the bonds to investors
- Negotiated sales can also yield greater flexibility for MARTA on how the bonds are priced and structured, and provide MARTA the ability to customize bond structures or incorporate innovative financing products
- Negotiated transactions can be used for new money borrowings and refundings

Negotiated Bond Underwriter Pool - Solicitation

- A Request for Qualifications (RFQ) was conducted to establish a pool of underwriters
 - Solicited a broad market inclusive of DBE firms
 - Five-year term structured as a three-year base with two one-year options
 - Individual responses were required - no joint responses
 - Allows MARTA to align the best team based on market conditions and transaction type
 - Participation in past competitive sales and experience in like transactions in the State of Georgia will be considered

Negotiated Bond Underwriter Pool - RFQ Results

- RFQ sent to 38 potential respondents
- Received 27 Responses from the following firms:

National Firms

Bank of America
 Barclays Capital Inc.
 Citi
 Goldman Sachs & Co. LLC
 J.P. Morgan Securities LLC
 Jefferies LLC
 Morgan Stanley
 RBC Capital Markets
 UBS
 Wells Fargo

Regional Firms

FHN Financial Capital Markets
 Fifth Third Securities, Inc.
 Mesirow Financial, Inc.
 Piper Sandler & Co
 PNC Capital Markets LLC
 Raymond James
 Robert W. Baird
 Truist

Diverse

Academy Securities Inc.
 Blaylock Van, LLC
 Drexel Hamilton
 Estrada Hinojosa & Company, Inc.
 Loop Capital Markets LLC
 Ramirez & Co., Inc.
 Security Capital Brokerage Inc.
 Siebert Williams Shank & Co., LLC
 Stern Brothers & Co.

- All firms were qualified to be in the pool

Negotiated Bond Underwriter Pool - Utilization

- Number of firms selected based on transaction size – will include DBE
- Firms notified that negotiated transactions may or may not be used
- Being selected as part of underwriting pool does not guarantee participation in a negotiated sale
- MARTA may elect to rotate firms for subsequent transactions
- If no negotiated bond transactions occur – no costs incurred by MARTA
- The MARTA Board of Directors will approve any negotiated bond transactions independently to the establishment of the Underwriter Pool

Board of Directors Actions

- Approve the Resolution Authorizing the Acceptance and Creation of a Pool of Underwriting Service Providers



Thank You





Pandemic Pay & ATU Local 732 Collective Bargaining Agreement Extension

Patricia Lucek
AGM Labor & Employee Relations

Pandemic Pay Represented & Non-Rep Frontline Workers

Approximately 3,700 MARTA frontline employees have kept our system running during the pandemic without opportunity to work remotely.

| | |
|--|-----------------------|
| • \$500 Hero Pay in August 2020 | \$1.8 Million |
| • \$3,500 Pandemic Payment in May 2021 | \$15.6 Million |
| Total Cost of Pandemic Pay | \$17.4 Million |

Terms of Agreement

As per Local 732 President Britt Dunams, members voted on April 7, 2021 to accept MARTA's proposed agreement which:

- Allows for one year extension of the Collective Bargaining Agreement to December 31, 2022
- Provides for a two percent (2%) general wage increase for all represented employees effective February 2, 2022; Cost approximately \$3.7 M
- Gives a \$3,500 COVID Pandemic lump sum payment to all represented employees

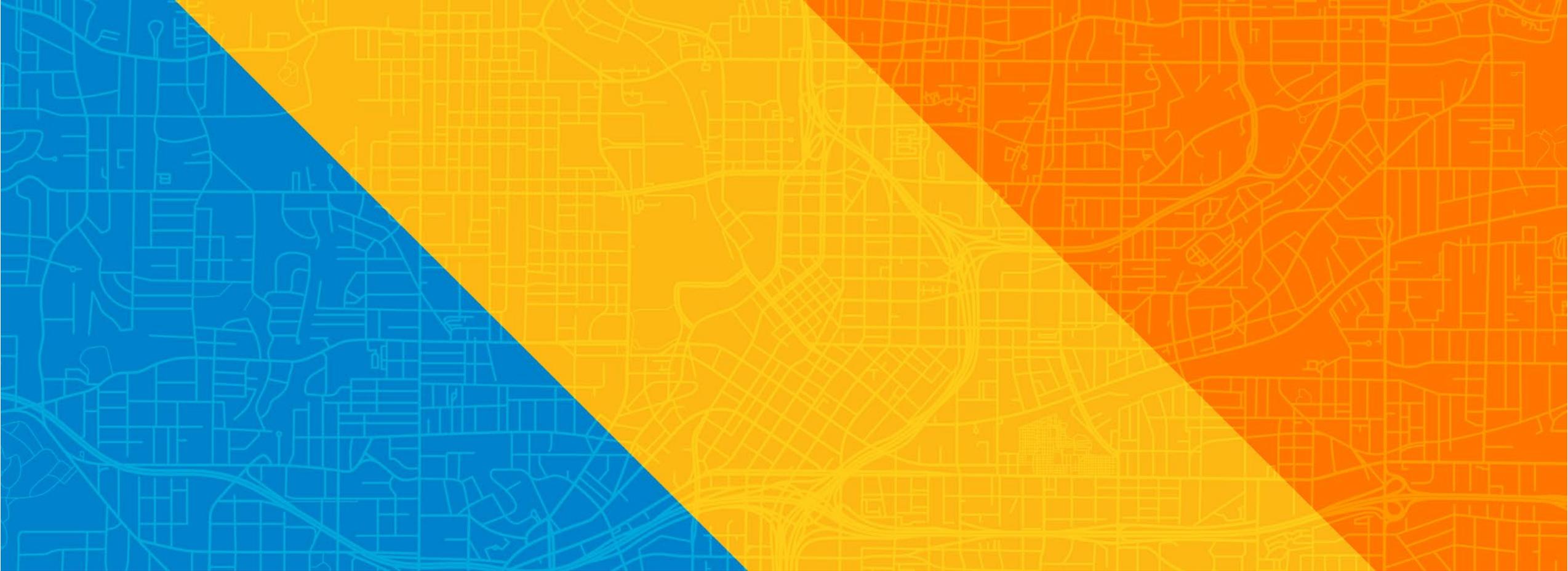
Benefits of Agreement

- Mutually beneficial agreement that provides represented employees with both a wage increase as well as a second pandemic payment recognizing their important work during the pandemic year
- Promotes labor harmony during a challenging time
- Allows additional time for preparing and implementing in-person negotiations - ideal under normal circumstances - which would be difficult logistically with COVID protocols and social distancing
- Gives MARTA Labor Relations staff adequate time to better prepare for negotiations

Board of Directors Resolution

We respectfully request the approval of the proposed resolution to allow the General Manager/CEO or his delegate to execute the memorandum of understanding between MARTA and ATU Local 732.

Thank you for your consideration.



Thank You

