



BOARD OF DIRECTORS
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
BUSINESS MANAGEMENT COMMITTEE
THURSDAY, JULY 29, 2021
MARTA HEADQUARTERS
MEETING MINUTES

Committee Chair Roderick Frierson called the meeting to order at 10:48 a.m.

Board Members Present	Staff Members Present
Roberta Abdul-Salaam	Jeffrey Parker
Robert Ashe	Collie Greenwood
Jim Durrett	Rhonda Allen
Roderick Frierson, Chair	Luz Borrero
Freda Hardage	Elizabeth O'Neill
Al Pond	Raj Srinath
Rita Scott	Manjeet Ranu
Christopher Tomilson ¹	
Thomas Worthy	

Also in attendance: Board General Counsel Justice Leah Ward Sears of Smith, Gambrell & Russell, LLP, MARTA Police Officer, Amy Shumate and; other staff members: Kirk Talbott, Dean Mallis, Paula Nash, Scott M. Kreher, Jacqueline Holland, Kenya Hammond, Keri Lee, Tyrene Huff and Board Techs, LaTonya Pope, Courtne Middlebrooks, Jonathan Brathwaite, Andre Pendleton, Kristina Jones and Abebe Girmay.

Approval of the June 24, 2021 Business Management Committee Meeting Minutes

Committee Chair Frierson called for a motion to approve the June 24, 2021 meeting minutes. Board Member Hardage made a motion to approve, seconded by Board Member Abdul-Salaam.. The minutes were approved unanimously by a vote of 8 to 0 with 9 members present.¹

Resolution Authorizing the Award of a Contract for the Procurement of Cyber Threat Intelligence Platform Services, IFB B48474 [Presentation attached]

Dean Mallis, AGM Information Security, presented the above resolution for approval. On a motion by Board Member Ashe, seconded by Board Member Abdul-Salaam, the resolution was approved unanimously by a vote of 8 to 0 with 9 members present.¹

- Board Member Pond had concerns about receiving one bidder and Dean Mallis advised this RFP is a specialized service. Ms. Holland stated 83 people downloaded the bid from the website. She also stated a survey is sent out after every procurement requesting

¹Christopher Tomlinson is the Executive Director of Georgia Regional Transportation Authority (GRTA). Per the MARTA Act, he is a non-voting member of the Board of Directors.

feedback on why vendors may have downloaded the bid but did not respond. Board Member Hardage stated this resolution expounds on the presentation that was given last month as it relates to Cybersecurity. Board Member Tomilson had a few questions. Ms. Holland advised due to the procurement being an IFB, the Contract Specialists are unable to open bids received late. Board Member Abdul-Salaam asked about the zero percent DBE goal. Paula Nash, Executive Director of D&I, stated due to the specialized nature of this software service, there isn't any secondary work that needs to be done; therefore, a goal was not assigned.

Resolution Authorizing the Award of a Contract for the Procurement of the Renewal of Maintenance Support for the Cisco Smartnet Devices, IFB B47511 [Presentation attached]

Kirk Talbott, AGM Technology/CIO, presented the above resolution for approval. On a motion by Board Member Pond, seconded by Board Member Hardage, the resolution was approved unanimously by a vote of 8 to 0 with 9 members present.¹

Resolution Authorizing a Single Source Renewal of the Maintenance and Support for Oracle Database, ERP, and ID Management Licenses, RFP P27978 [Presentation attached]

Kirk Talbott, AGM Technology/CIO, presented the above resolution for approval. On a motion by Committee Vice Chair, Mr. Durrett, seconded by Board member Abdul-Salaam, the resolution was approved by a vote of 8 to 0 with 9 members present.¹

- Board Member Pond had questions about the contract being extended for three years and asked if there is a second provider. Kirk Talbott advised there is no other provider for the Oracle software. Once you select Oracle as your ERP system, you are connected, but there are other providers of ERP software. The Technology department is consistently evaluating other providers.

Briefing – Contracts, Procurement & Materials

Jacqueline Holland, Director Contracts and Procurement, presented a briefing on the Office of Contracts, Procurement & Materials. [Presentation attached]

- Board Member Pond advised great presentation and excellent job on the new changes related to the Office of Contracts & Procurement. Board Member Abdul-Salaam asked how Board Members can review contracts regarding status and DBE goals. Paula Nash advised we have the B2G Now system which tracks contract status and the DBE goal achievement.

Other Matters

(a) FY 2021 May Financial Highlights and Financial Performance Indicators (Informational Only)

(b) Summary – Utilization of GSA and State Contracts

- Business Management Committee Chair Frierson advised the Committee to review the FY 2021 May Financial Highlights and Financial Performance Indicators and the utilization of GSA and State Contracts Summary listed as information only in their packet.

Adjournment

The Committee meeting adjourned at 11:26 a.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Tyrene L. Huff". The signature is written in a cursive style with a large initial 'T'.

Tyrene L. Huff
Assistant Secretary to the Board

YouTube Link: <https://youtu.be/Nii7-LcxiGE>



Resolution Authorizing the Award of a Contract for
the Procurement of Cyber Threat Intelligence
Platform Services, IFB B48474

marta 

Cyber Threat Intelligence: Recorded Future

- Cyber threat intelligence is near real-time actionable information about threats and threat actors that help proactively mitigate harmful events against MARTA.
- Cyber threat intelligence sources include open-source intelligence, social media intelligence, human intelligence, and intelligence from the deep and dark web.
- Cyber Threat Intelligence provide MARTA with the same view of vulnerabilities and risk that a hacker or group of hackers might find and know about the authority.

Cyber Threat Intelligence: Recorded Future cont'd

Recorded Future provides MARTA with the following:

- A team of cyber security analysts to scan the internet for actionable cyber threats freeing MARTA's cyber analyst for other cyber security task.
- Automatically generated, vetted, prioritized and actionable cyber threat intelligence alerts.

Cyber Threat Intelligence: Recorded Future cont'd

- Notifies MARTA's security team when MARTA email address, data or information systems are mentioned on the Darkweb or hacker chatrooms e.g. (C-level staff and Board members emails addresses)
- Notifies MARTA security team when new attack methods are used against networks, equipment and software, that are similar to MARTA's infrastructure and provides protection and remediation recommendation.
- Near real time cyber security news and situational awareness of cyber threats happening in Atlanta, Georgia, State, local and Federal Governments, and other transportation agencies.



Thank You





**Resolution Authorizing the Award
of a Contract for the Procurement
of the Renewal of Maintenance
Support for the Cisco Smartnet
Devices, IFB B47511**

Kirk Talbott, AGM

Department of Technology



Resolution Authorizing the Award of a Contract for the Procurement of the Renewal of Maintenance Support for the Cisco Smartnet Devices, IFB B47511

An Invitation for Bid (IFB) was completed to procure a one-year contract for software and hardware maintenance support for all Cisco products (switches, routers, wireless controller, servers, voice gateways, ISE, access points, firewalls) and power supplies (fiber optic, ethernet and DAC). This software and maintenance support ensures Cisco products are providing 24x7 functioning connections for voice and data communications equipment utilized by external customers, internal daily operations, life safety and revenue systems with minimal risk of failure and/or impact to MARTA's core business.

The IFB was sent to six (6) vendors. It was advertised in the Atlanta Journal-Constitution (AJC), MARTA's website, Georgia Procurement Registry, and Georgia Local Government Access Marketplace from 2/26/2021-5/26/2021.

- 102 firms retrieved the online solicitation and/or purchased the CD.
- On the bid opening date and time 5/27/2021 at 2:00 p.m. four (4) bids were received.

Netsync Network Solutions submitted the lowest bid in the amount of \$436,602.72 and was determined to be a responsive and responsible bidder. The bid price reflects an approximate one (1) year 6.93% decrease in cost below the current contract price adjusted for inflation.

Department of Technology recommends Netsync Network Solutions be awarded. The contract will be funded 100% from the FY22 operating budget.



Thank You





Resolution Authorizing a Single Source Renewal of the Maintenance and Support for Oracle Database, ERP, and ID Management Licenses, RFP P27978

Kirk Talbott, AGM
Department of Technology

Renewal of the Maintenance and Support for Oracle Database, ERP, and ID Management Licenses, RFP P27978

This approval request will extend the support and maintenance for Oracle software which ensures that all Oracle systems that support MARTA's Financials modules for Accounting and Budget as well as Human Resources, Payroll, Inventory and Procurement are on current database applications to receive upgrades and security patch releases for any vulnerabilities that are identified. Oracle technology is providing a cloud solution that enables resilience and growth. Technical support is also included to troubleshoot Oracle production issues and failures.

Below are key initiatives that Oracle software and Oracle Cloud technology is currently enabling:

- Oracle Enterprise Performance Management Enterprise (EPM) Cloud Service from Oracle gives the Budget & Planning Office the ability to align enterprise planning processes and develop collaborative budget proposals. It has modeling and analytical capabilities that enable robust dashboards and reports.
- Oracle Identity Cloud Service (IDCS) manages user access and privileges across the Authority for both cloud and on-premise applications and services. IDCS will be utilized to aid in the administration of user accounts roles and enforce access security. This includes the implementation of two-factor authentication for Oracle login as an additional layer of security.
- Oracle Cloud technology is currently being used to build a disaster recovery system for the Enterprise Business Suite that supports various efforts such as off-site disaster recovery. This allows the infrastructure to be upgraded in the cloud without the need to procure hardware to be placed in an on-premise data center.

Renewal of the Maintenance and Support for Oracle Database, ERP, and ID Management Licenses, RFP P27978

This contract was originally awarded on December 2, 2012. Contract amount \$2,520,000.00 for a four (4) year term. The contract was extended with funds added and will be expiring October 31, 2021. The current contract value is \$13,692,769.05.

- The request is to extend the contract three (3) years.
- The extended term date will be October 31, 2024.
- The requested additional funds is \$7,219,680.00
- Increasing the contract value to \$20,912,449.05.
- Annual cost for each year is \$2,406,560.
- Funded 100% from the Department of Technology's annual operating budgets.

Three Year Cost Summary

Oracle Product Description	Year 1	Year 2	Year 3
Oracle Maintenance & Support	\$1,351,061	\$1,351,061	\$1,351,061
Oracle Cloud Service	\$747,662	\$747,662	\$747,662
Oracle FastConnect	\$2,846	\$2,846	\$2,846
Oracle Identity Cloud Service (IDCS)	\$173,145	\$173,145	\$173,145
Oracle Enterprise Performance Management Enterprise Cloud Service	\$131,846	\$131,846	\$131,846
Total Cost Per Year	\$2,406,560	\$2,406,560	\$2,406,560
Grand Total			\$7,219,680



Thank You



CONTRACTS & PROCUREMENT AND MATERIALS BUSINESS MANAGEMENT COMMITTEE BRIEFING

JULY 29, 2021



Jacqueline Holland
Director of CPM

AGENDA

1. Contract & Procurement and Materials (CPM) Overview
2. Contracts Team
3. Authority Wide Active Contracts and Contract Spend
4. Formal and Informal Procurement
5. Procurement Planning
6. Purchasing Team
7. Materials Team
8. GSA/State Contracts
9. Changes to Business Processes
10. Automation of Business Processes

CONTRACTS & PROCUREMENT AND MATERIALS OVERVIEW

The Office of Contracts & Procurement and Materials (CPM) is the central procurement arm of the Authority and is responsible for procurement from the project inception through administration and closeout.

- Responsible for contract development, procurement and related administrative functions in accordance with applicable federal and state requirements
- Responsible for Maintaining the integrity of the procurement process
- Maintain the threshold levels of the Board of Directors and Management Approvals
 - Delegation of Authority
- Manage the Authority's inventory of parts and consumables
- The office of Contracts & Procurement and Materials reports to the Department of the Chief Counsel
- The Office of CPM has direct oversight of three branches:
 - Contracts
 - Purchasing
 - Materials

CONTRACTS TEAM

Business Support Manager, Nicholas Waters

- Professional Service Contracts

The Office of the General Manager, Human Resource, Information Technology, Police, Chief Counsel, Finance, Transit Oriented Development, External Affairs

- 251 Active Contracts
- Excess of \$ 2.1 Billion

Operations Manager, Jacquelyn Bentley

- MARTA's Operations

Rail Maintenance, Maintenance of Way, Bus Operations & Maintenance, Bus Transportation and Facilities

- 101 Active Contracts
- Approx. \$175 million

Capital Programs (A/E and Construction) Manager, Djuana Herron

- Construction and Architectural and Engineering A/E

Capital Programs & Delivery, Planning, Infrastructure, Systems & Electrical Engineering and Architecture

- 64 Active Contracts
- Approx. \$1.4 Billion

AUTHORITY WIDE ACTIVE CONTRACTS

CPM currently administers approx. four hundred (400) active contracts with a value over the term of the contracts in excess of \$3.6 Billion dollars, excluding Real Estate and Intergovernmental Agreements (IGA).

Capital Funds	113 Contracts	Approx. \$2.4 Billion
Operating Funds	231 Contracts	Approx. \$1 Billion
Planning	27 Contracts	Approx. \$174 Million
Revenue Generating (Transit Advertising, Onboard Audio Advertising, Beverage and Snack Vending)	14 Contracts	Approx. \$35 Million
No-Cost, No-Compensation (Employee Voluntary Benefits, Employee Vending Services and the Art Program)	12 Contracts	
(Pension, Energy Savings Company (ESCO), Bond Counsel)	5 Contracts	Approx. \$42 Million

FORMAL PROCUREMENTS

200k (Board approval required)

Procurement Type	Typical Advertising Time
Request for Proposals (RFP)	45 days
Request for Expressions of Interest (REI)	45 days
Invitation for Bid (IFB)	30 days
Letters of Agreement (LOA), Single/Sole Source, State and GSA Contracts	

INFORMAL PROCUREMENTS

Under 200k (solicit at minimum of 3 quotes)

Procurement Type	Typical Posting Time
Request for Quotations (RFQ) -	2 to 3 weeks
Small / Micro Purchases – less than 10K	
Letters of Agreement (LOA), Single/Sole Source, State and GSA Contracts	

PROCUREMENT PLANNING

Procurement Type	Requirements
Request for Proposals (RFP)	<ul style="list-style-type: none">• Board of Director's approval required to solicit• 45 days street time• Evaluation of proposals may include presentations and interviews of proponents and Best and Final Offers (BAFO)• Board of Director's approval required to award
Request for Expressions of Interests (REI)	<ul style="list-style-type: none">• Board of Directors is briefed prior to soliciting• 45 days street time• Evaluation of proposals may include presentations and interviews of proponents• Board of Director's approval required to award
Invitation for Bids (IFB)	<ul style="list-style-type: none">• 30 days street time• Board approval required to award
Request for Quotations (RFQ)	<ul style="list-style-type: none">• 2 to 3 weeks street time

PURCHASING TEAM

Manager, Roger Mahler

Buyers

- Responsible for Stock and Non-Stock Purchases

Stock Purchase

- Inventory Management System, Automated process via Oracle
- Responsible for replenishment of stock for all six (6) store rooms to include: Bus, Rail, Maintenance of Way, and Facilities

Non-Stock Purchase

- Responsible for Informal purchase of under \$200K
- One time Purchases for the Authority
- Request for Quotations (RFQ) solicit at minimum of three (3) quotes
- Small/Micro-purchases of \$10K or less

MATERIALS TEAM

Manager, Roderick Lyles

Material Controllers

- Physically receive goods and issue parts from MARTA's storerooms
- Responsible for approximately 17 thousand transactions per month

Six (6) Store Rooms

- Hamilton – Bus
- Browns Mill – Bus
- Laredo – Bus
- Perry – Bus
- Avondale – Rail
- Armour Yard - Rail

GSA AND STATE-WIDE CONTRACTS

- Limited the use of GSA and Statewide Contracts
- Notify the Board of Directors at least 30 days prior to the request to award
- Collaborated with requesters to utilize the competitive bidding process and consolidated the authority wide GCPS contracts from 31 GSA Contractors to 8 contracting firms by utilizing the RFP process
- Reduced the 5 year spend for GCPS consultants from approximately 83 million to approximately 43 million dollars

CHANGES TO BUSINESS PROCESSES

Updated Work Order Procedures

- Created an ease of processing work orders
- Allowed multiple year work orders

Project Manager's Responsibilities moved from CPM

- PM is responsible for Directive Change requests on Construction Contracts
- PM is responsible for substantial completion of construction contracts
- PM is responsible for issuing Site Notice to Proceed to Contractors

Provided System access to Project Managers

- Provided access to look up Purchase Order information
- Provided access to look up account balances and funding balances on projects

AUTOMATION OF BUSINESS PROCESSES

Encumbrance Process

- Reserves funds at the Requisition and Obligate funds with the Purchase Order and Payment

Oracle Contract Management

Module in Oracle that integrates iSupplier, Purchasing and Accounts Payable

Depository created to store contract data

- Go Live July 1, 2021
- Faster access to Contract information
- Ease of reports on Contracts and Purchase Orders
- Reduces the manual procurement process
- Sends notifications to internal and external customers regarding contract deliverables

THANK YOU!





Financial Highlights May 2021

Year-To-Date (YTD) Operations Performance

May 31, 2021

(\$ in Millions)

	Actual	Budget	Variance	
	\$	\$	\$	%
Net Revenues	577.4	570.8	6.6	1.2%
Net Expenses	453.3	494.4	41.1	8.3%
Net Surplus	124.1	76.4	47.7	

COMMENTS

- Net Revenues are favorable to budget by \$6.6M through May 2021
- Net Expenses are favorable to budget by \$41.1M through May 2021
- The net surplus from July 2020 through May 2021 is \$124.1M as compared to a \$76.4M YTD budgeted surplus
- Please note that CARES Act Revenue of \$167M is a key driver in performance of the revenues

Year-To-Date (YTD) Operating Revenues and Expenses

May 31, 2021

(\$ in Millions)

	Actual	Budget	Variance	
	\$	\$	\$	%
REVENUES				
Sales Tax	239.3	221.0	18.3	8.3%
Title Ad Valorem Tax	30.7	22.7	8.0	35.2%
Federal Assistance	75.9	75.8	0.1	0.1%
Federal Assistance-CARES Act	167.0	137.5	29.5	21.5%
Passenger Revenue	39.7	94.6	(54.9)	-58.0%
Lease Income	9.0	8.4	0.6	7.1%
Station Parking	0.4	2.3	(1.9)	-82.6%
Other Revenues	15.4	8.5	6.9	81.2%
Net Operating Revenues	577.4	570.8	6.6	1.2%
EXPENSES				
Salaries and Wages	226.3	238.5	12.2	5.1%
Overtime	25.6	26.5	0.9	3.4%
Total Benefits	109.2	134.0	24.8	18.5%
Contractual Services	67.2	84.7	17.5	20.7%
Total Materials and Supplies	38.0	41.2	3.2	7.8%
Other Non-Labor	35.1	33.2	(1.9)	-5.7%
Gross Operating Expenses	501.4	558.1	56.7	10.2%
Less: Capital Charges	48.1	63.7	(15.6)	-24.5%
Net Operating Expenses	453.3	494.4	41.1	8.3%

REVENUE COMMENTS – YTD revenues were \$6.6M above budget

- Sales tax performance is \$18.3M above budget. MARTA Budget estimates are a 6.4% reduction from the GSUEFC forecast
- CARES Act Revenue year-to-date is \$29.5M greater than budget due to expenses eligible for reimbursement being higher than initially budgeted
- Passenger Revenue is \$54.9M below budget primarily due to the impact of COVID-19
- Other Revenues are \$6.9M higher than budget due to receiving multiple years of the Natural Gas tax credit in FY21

EXPENSE COMMENTS – YTD expenses were \$41.1M under budget

- Salaries and wages are below budget by \$12.2M primarily due to vacancies (approximately 418 Vacant Positions)
- Total benefits are a combined \$24.8M below budget for the year due to a large number of vacancies coupled with a reduction in healthcare pricing in the new contract with Anthem
- Contractual services are \$17.5M below budget largely due to the COVID-19 driven reduction in ridership resulting in lower contractual service costs for paratransit operations
- Other Non-Labor includes an increase in reserves for Uninsured Personal Liability / Property Damage Settlements

Current Month Operations Performance

May 31, 2021

(\$ in Millions)

	Actual	Budget	Variance	
	\$	\$	\$	%
Net Revenues	56.1	53.4	2.7	5.1%
Net Expenses	51.8	45.6	(6.2)	-13.6%
Net Surplus/(Deficit)	4.3	7.8	(3.5)	

COMMENTS

- Revenues are \$2.7M above budget for the month
- Expenses are \$6.2M above budget for the month
- The net surplus is \$4.3M which is \$3.5M lower than the budgeted surplus of \$7.8M for the month

Current Month Operating Revenues and Expenses

May 31, 2021

(\$ in Millions)

	Actual	Budget	Variance	
	\$	\$	\$	%
REVENUES				
Sales Tax	23.8	20.7	3.1	15.0%
Title Ad Valorem Tax	2.8	2.4	0.4	16.7%
Federal Assistance	6.1	6.1	0.0	0.0%
Federal Assistance-CARES Act	17.5	12.5	5.0	40.0%
Passenger Revenue	4.4	10.0	(5.6)	-56.0%
Lease Income	0.8	0.8	0.0	0.0%
Station Parking	0.1	0.2	(0.1)	-50.0%
Other Revenues	0.6	0.7	(0.1)	-14.3%
Net Operating Revenues	56.1	53.4	2.7	5.1%
EXPENSES				
Salaries and Wages	30.4	22.0	(8.4)	-38.2%
Overtime	2.2	2.4	0.2	8.3%
Total Benefits	11.3	12.4	1.1	8.9%
Contractual Services	6.7	7.9	1.2	15.2%
Total Materials and Supplies	3.4	3.7	0.3	8.1%
Other Non-Labor	1.9	3.0	1.1	36.7%
Gross Operating Expenses	55.9	51.4	(4.5)	-8.8%
Less: Capital Charges	4.1	5.8	(1.7)	-29.3%
Net Operating Expenses	51.8	45.6	(6.2)	-13.6%

REVENUE COMMENTS – Monthly revenues were \$2.7M above budget

- Sales tax performance is \$3.1M above budget
- Passenger Revenue is \$5.6M below budget primarily due to the impact of COVID-19
- CARES Act Revenue is \$5M greater than budget due to expenses eligible for reimbursement being higher than initially budgeted

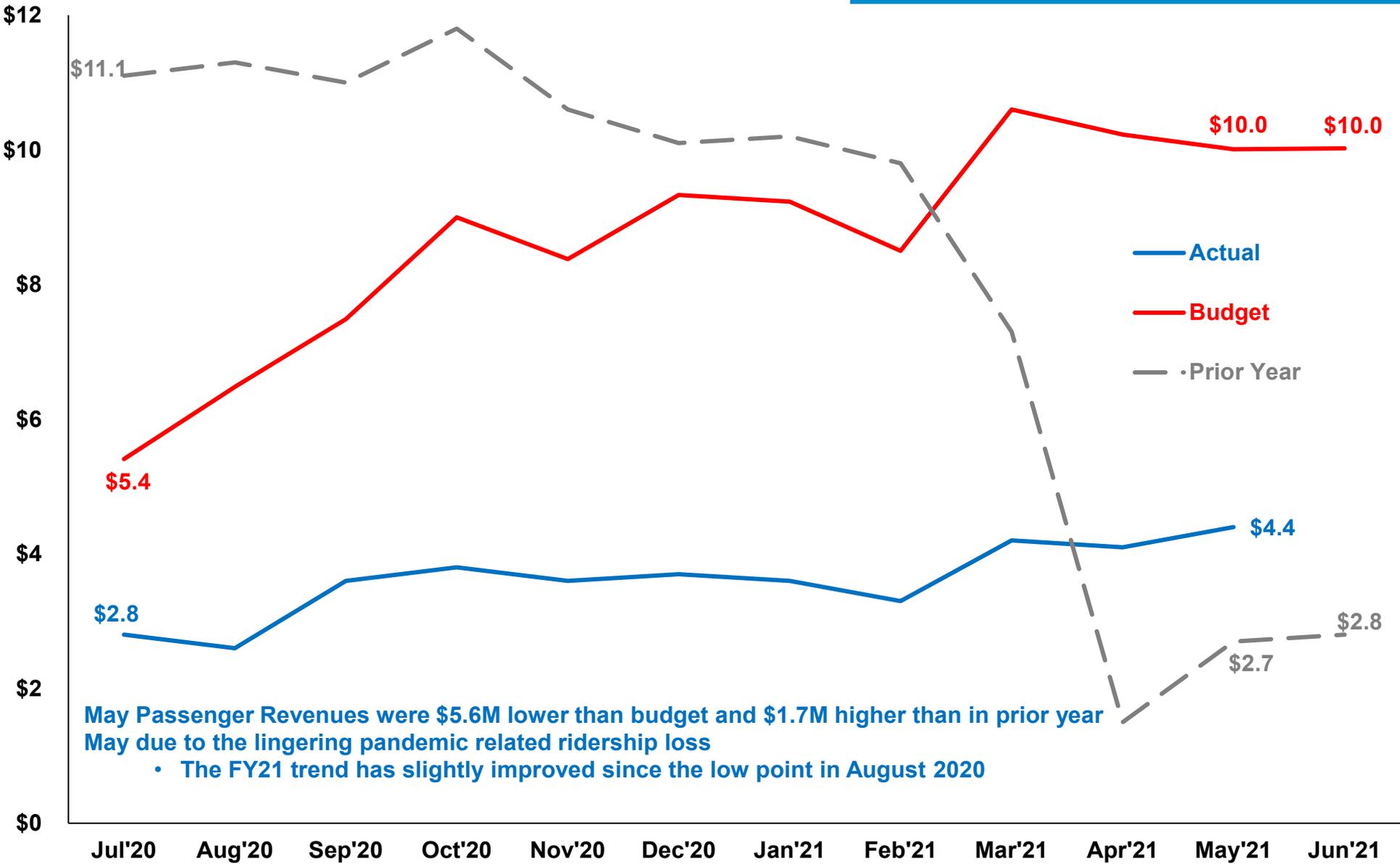
EXPENSE COMMENTS – Monthly expenses were \$6.2M above budget

- Salaries and wages are above budget by \$8.4M. Hazard Pay bonuses of \$11.8M were paid to approximately 3,500 Rep and Non-Rep employees.
- Total benefits costs are a combined \$1.1M below budget
- Contractual services are \$1.2M below budget largely due to the COVID-19 driven reduction in ridership resulting in lower contractual service costs for paratransit operations

FY21 May

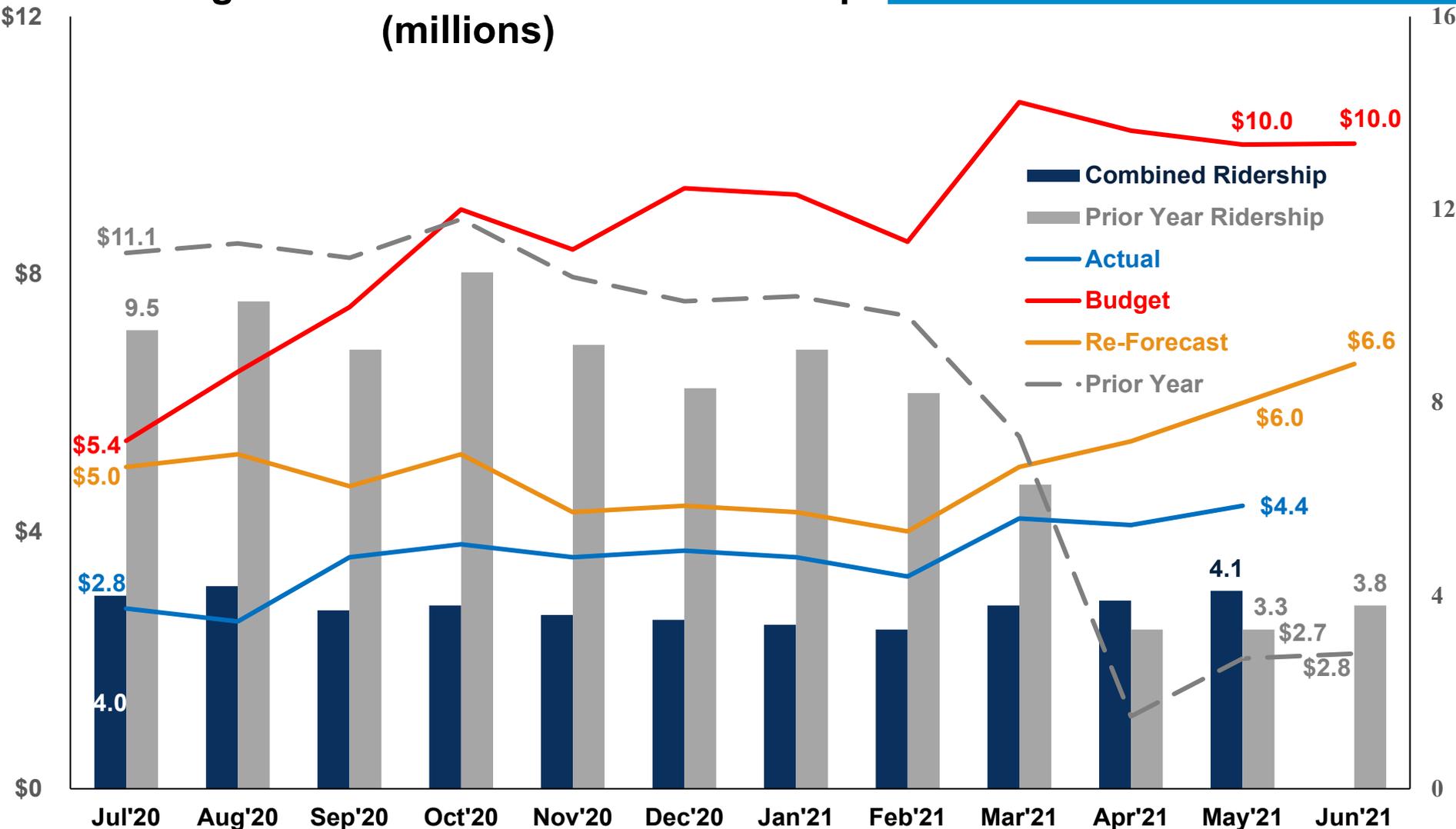
Financial Performance

Passenger Revenues (millions)



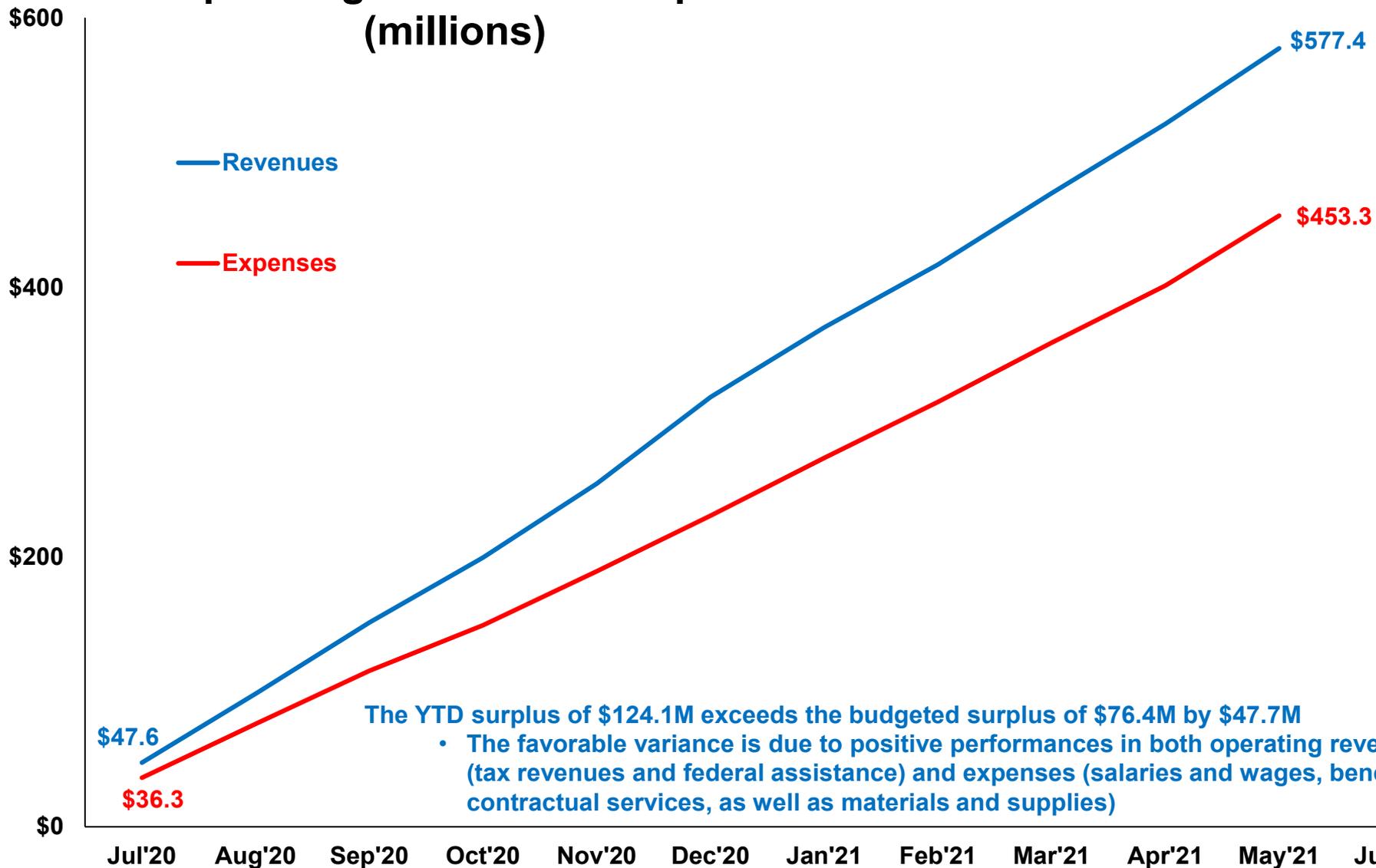
May Passenger Revenues were \$5.6M lower than budget and \$1.7M higher than in prior year
 May due to the lingering pandemic related ridership loss
 • The FY21 trend has slightly improved since the low point in August 2020

Passenger Revenues/Combined Ridership (millions)



- May Ridership has surpassed prior year May by 0.8M unlinked trips
- Ridership maintains positive trend since the Fiscal Year 2021's low point in February

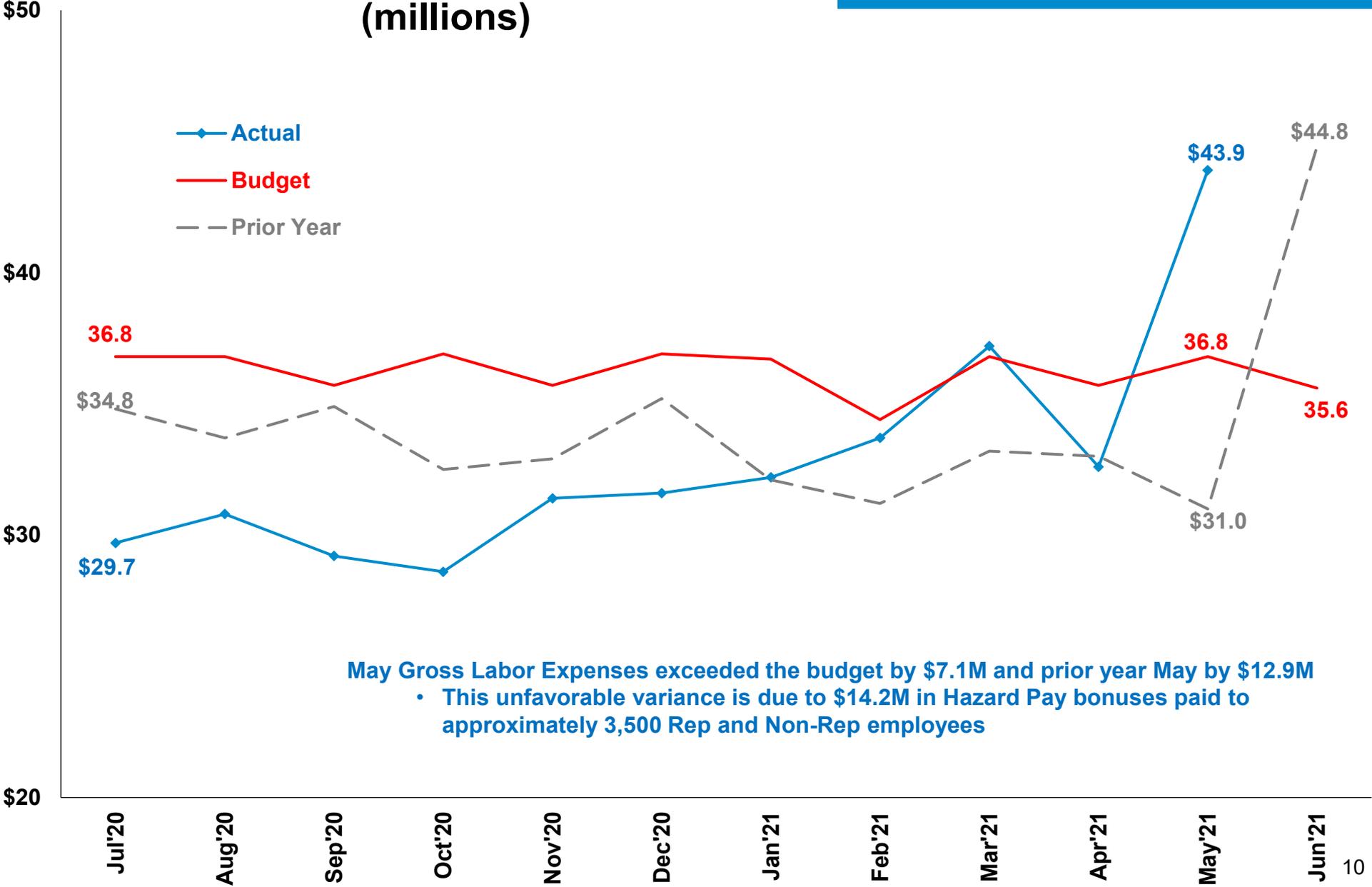
Cumulative Net Operating Revenues & Expenses (millions)



The YTD surplus of \$124.1M exceeds the budgeted surplus of \$76.4M by \$47.7M

- The favorable variance is due to positive performances in both operating revenues (tax revenues and federal assistance) and expenses (salaries and wages, benefits, contractual services, as well as materials and supplies)

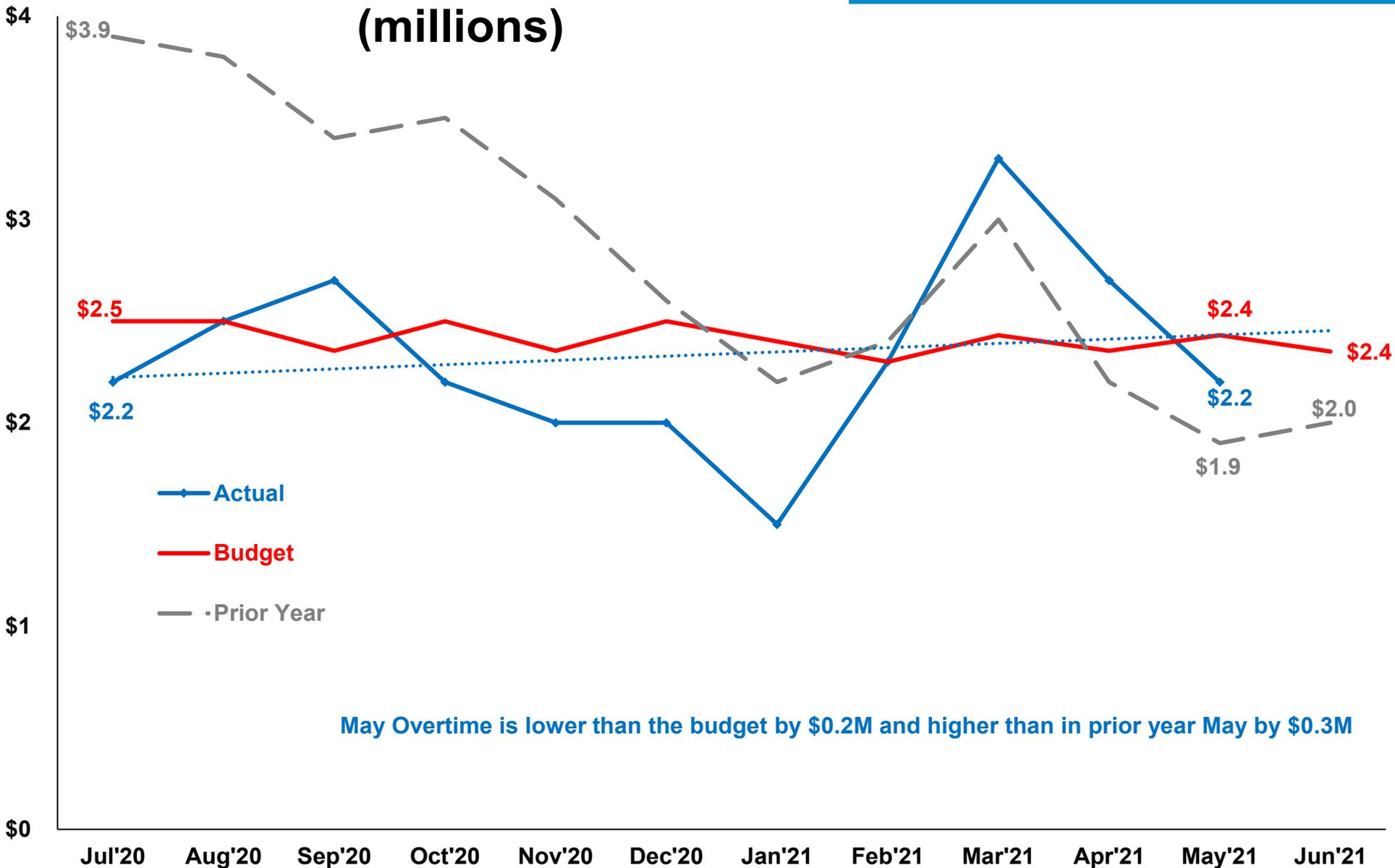
Gross Labor Expenses (millions)



May Gross Labor Expenses exceeded the budget by \$7.1M and prior year May by \$12.9M

- This unfavorable variance is due to \$14.2M in Hazard Pay bonuses paid to approximately 3,500 Rep and Non-Rep employees

Overtime Expenses (millions)



May Overtime is lower than the budget by \$0.2M and higher than in prior year May by \$0.3M



Thank You

