

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

July 26, 2018

The Board of Directors Business Management Committee met on July 26, 2018 at 10:05 a.m. in the Board Room on the 6th Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

Board Members Present

Frederick L, Daniels, Chair
Jim Durrett
Jerry Griffin
Freda B. Hardage
John 'Al' Pond
W. Thomas Worthy

MARTA officials in attendance were: General Manager/ CEO Jeffrey A. Parker; Deputy General Manager A. Robert Troup; C-Suite Team Members Chief of Police & Emergency Management Wanda Dunham, Chief Financial Officer Gordon L. Hutchinson, Chief of Staff Melissa Mullinax and Chief Counsel Elizabeth O'Neill; AGMs Perfidia Collier (Acting), Torrey Kirby (Interim), Benjamin Limmer and Emil Tzanov. Chief Information Security Officer Dean Mallis; Executive Director Shelton Goode; Senior Director Amanda Rhein; Directors Rhonda Allen, John Bayalis and Douglas Miller; Managers Davis Allen, John Cochran, Stephany Fisher and Jacqueline Holland; Manager Executive Office Administration Tyrene Huff; Sr. Executive Administrator Keri Lee. Others in attendance Adrien Carter, Abebe Girmay, Courtne Middlebrooks and Jimmy Kim.

Also in attendance Maria Saporta of Saporta Report; Jim Schmidt of HNTB.

Consent Agenda

- a. Approval of the June 28, 2018 Business Management Committee Meeting Minutes
- b. Resolution Authorizing the Procurement of Small AC Motor Overhaul and Repair Services, IFB B41130

On motion by Mr. Durrett seconded by Mr. Griffin, the Consent Agenda was approved by a vote of 4 to 0, with 4 members present.

Individual Agenda

Authorization to Enter into Negotiations with RD Management LLC. And Kelco/FB Winecoff LLC. For the Joint Development of Parcel D3210 at Peachtree Center Station, Entrance #2 RFP P40628

Mrs. Rhein presented approval authorizing the General Manager/CEO or his delegate to enter into Contract Negotiations for the Joint Development of Parcel D3210 at the Peachtree Center Station, Entrance #2, RFP P40628 with RD Management LLC and Kelco/FB Winecoff LLC.

Consistent with MARTA's adopted Transit Oriented Development (TOD) Guidelines, MARTA seeks to generate operating income and increased ridership through the development of MARTA owned facilities.

As the owner of the property located adjacent to Parcel D3210, RD Management LLC and Kelco/FB Winecoff LLC is uniquely positioned to develop a high-quality mixed-use development consisting of residential, retail and hospitality components that will complement the existing Ellis Hotel and incorporate the head house at this entrance to the station.

Approval is being sought from the Board of Directors to enter into negotiations with RD Management LLC and Kelco/FB Winecoff LLC for the lease of D3210.

Mr. Durrett asked was Kelco/FB Winecoff LLC the entity who presented an unsolicited proposal.

Mrs. Rhein said Encore Real Estate responded to the RFP and presented an unsolicited proposal, causing MARTA to select the alternative component.

Mr. Durrett asked what are the dimensions of the floor plan.

Mrs. Rhein said the floor plan is approximately 8,000 square feet.

Mr. Durrett asked how many stories.

Mrs. Rhein said three stories will make up the commercial structure with an additional four to five stories if residential is constructed on the top level.

On motion by Mr. Durrett seconded by Mr. Griffin, the resolution was approved by a vote of 5 to 0, with 5 members present.

Resolution Authorizing the Award of a Contract for the Procurement of Desktop Equipment and Deployment Services, RFP P38567-A

Mr. Kirby presented this resolution authorizing the General Manager/CEO or his delegate to enter into a contract for the procurement of Desktop Equipment and Deployment Services, RFP P38567-A with Dell Marketing, L.P.

The procurement is being funded with local operating funds for a term of three (3) years in the amount of \$3,251,907.30.

As part of the desktop equipment refresh initiative which will take place in FY19, FY20 and FY21, a total amount of 3,000 PC's (2,100 laptops and 900 desktops) will be deployed. The desktop equipment that will be replaced have reached their end of life. The last desktop refresh started in FY12 and was completed in FY15, and most equipment is between three (3) to four (4) years old. The Authority desktops should be refreshed every three (3) years per best practice guidelines and is considered the optimal window by industry standards as it:

- Reduces the number of PC failures
- Reduces the risk (security and failure)
- Decreases support costs

The Office of Diversity and Inclusion assigned a 10% Disadvantage Business Enterprise (DBE) goal on this contract and the recommended vendor exceeded the DBE goal requirements by 52.3%.

Consistent with the MARTA Act it is in the best interest of the Authority to enter into a contract with Dell Marketing, L.P.

Mr. Pond asked does MARTA have desktop equipment on one platform.

Mr. Kirby said yes. MARTA has standardized with the decision of utilizing Dell equipment.

Mr. Daniels asked for an update regarding communication between technology and cyber security collaboration.

Mr. Kirby said MARTA has standardized desktop and access to MARTA's software.

On motion by Mr. Durrett seconded by Mrs. Hardage the resolution was approved by a vote of 5 to 0, with 5 members present.

Resolution for Authorizing a Letter of Agreement for Professional Services for the Redesign of MARTA's on the Go Application, LOA L42210

Mr. Kirby presented this resolution authorizing the General Manager/CEO of his delegate to enter into a contract with Charter Global, Inc. for professional services for the redesign of MARTA's on the go application.

The agreement will provide on-going support and upgrades for the application. In addition, MARTA Marketing Department will execute a targeted marketing campaign to announce the re-launch of the mobile application.

These new features are necessary to enhance usability and improve overall performance of the application and to make the mobile application of choice for regional transit.

The new and improved application will also allow partnership with rideshares including Uber, Lyft and bike share programs, improving MARTA's customer service.

Mr. Durrett asked why was Charter Global selected as the provider.

Mr. Kirby said during the initial design, MARTA distributed proposals to several mobile application vendors and selected the provider who provided one platform for Apple, Android and IOS phones at the lowest cost.

Mr. Durrett asked where is Charter Global located.

Mr. Kirby said the Charter Global is located in Atlanta, Georgia.

Mr. Durrett asked if MARTA is engaged with the City in the attempt to regulate dockless connectivity devices.

Mrs. Rhein said yes. MARTA is currently awaiting the City to finalize their policy on the dockless mobility devices before creating one of MARTA's own.

Mr. Durrett asked if MARTA can incorporate their internal thoughts with the City.

Mrs. Rhein said yes, MARTA has worked on this and was able to produce a draft policy.

On motion by Mr. Durrett seconded by Mr. Pond the resolution was approved by a vote of 5 to 0, with 5 members present.

Resolution Authorizing the Award of a Contract for the Procurement of Colocation of Technology Data Center and Services, RFP P40188

Mr. Kirby presented this resolution authorizing the General Manager/CEO or his delegate to enter into a contract for the procurement of colocation of Technology Data Center and Services, RFP P40188, with DC Blox, Inc.

The procurement is being funded with local capital funds and local operating funds for a term of five (5) years in the amount of \$1,853,660.00.

The new contract will improve

- Network liability
- Recovery time
- Address opportunities identified in previous health reports

Consistent with the MARTA Act it is in the best interest of the Authority to enter into a contract with DC Blox, Inc.

Mr. Daniels said he noticed that DC Blox was not the lowest contractor and asked why was DC Blox the choice for MARTA.

Mr. Kirby said DC Blox provides data service as a primary business and the lowest component would have outsourced MARTA's requested service to a non-disclosed third-party business.

Mr. Daniels asked where is DC Blox located.

Mr. Kirby said DC Blox is located in Peachtree City, Georgia.

Mr. Daniels said data centers and cloud based disaster recovery should be located within a 50-mile radius of the business core and asked if Peachtree Center meets the 50-mile threshold for MARTA.

Mr. Kirby said DC Blox Headquarters is located in Peachtree Center and MARTA's requirements are 250-mile radius outside of the City of Atlanta.

Mr. Daniels asked where would MARTA's data be stored.

Mr. Kirby said MARTA's proposal indicated that MARTA's data would be stored in Charlotte, North Carolina.

Mr. Pond asked what is the timeframe of execution.

Mr. Kirby said MARTA is expected to execute by December 2019.

Mr. Daniels asked what are the components that MARTA have to complete between now and December 2019.

Mr. Kirby said MARTA has to consolidate physical servers, increase network storage and increase capacity before December 2019.

Mr. Daniels asked would the service increase MARTA's broadband.

Mr. Kirby replied yes.

Mr. Griffin asked if utilizing the data center decreases hacking.

Mr. Kirby said yes, the service would increase MARTA's security.

On motion by Mr. Durrett seconded by Mr. Pond the resolution was approved by a vote of 5 to 0, with 5 members present.

Resolution Authorizing the Award of a Contract for the Procurement of Diverse Fiber Rerouting for Network Infrastructure, RFP P40186

Mr. Kirby presented this resolution authorizing the General Manager/CEO or his delegate to enter into a Contract for the Procurement of Diverse Fiber Routing for Network Infrastructure, RFP P40186, with AT&T.

This procurement is being funded with local capital funds and locating operating funds for a term of five (5) years in the amount of \$4,339,000.00.

Through the implementation of diversified routing, the Technology Department will offer higher bandwidth for existing and future business. The proposed Diverse Fiber Infrastructure will provide the following benefits:

- Enhanced redundancy for the existing fiber infrastructure

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- High speed alternative fiber paths for network traffic
- Improved network reliability and availability for applications and patron facing services
- Improved ability to move services to the "Cloud"
- Provide replacement of our twenty-five-year old fiber infrastructure network
- Increased Disaster Recovery options for major applications and systems
- Improved network resiliency and recovery time in the event of natural disaster

Consistent with MARTA Act it is in the best interest of the Authority to enter into a contract with AT&T.

Mr. Griffin said there's quite a variance between \$4M and \$31.5M and asked did the bidder know the purpose of the bid.

Mr. Kirby said due to large telecom providers, bidders are able to rely on current contracts and existing infrastructure.

Mr. Pond asked what is the timeline to complete the project.

Mr. Kirby said MARTA plan to have majority of the infrastructure completed by July 2019 and completion by December 2020.

Mr. Daniels asked if AT&T bided on pure fiber, copper, or end to end fiber.

Mr. Kirby said AT&T bided on pure end to end fiber, no copper.

On motion by Mr. Durrett seconded by Mr. Pond the resolution was approved by a vote of 5 to 0, with 5 members present.

Resolution to Amend the MARTA Non-Represented Pension Plan

Mrs. O'Neill presented this resolution to request two minor amendments to the Defined Benefit Non-Represented Pension Plan to permit a special lump sum distribution to facilitate Joseph J. Erves, Criminal Case and to recognize qualified domestic relations orders.

Mr. Durrett asked will there be any future intention to remove the one-time payout, being that amendment is designed for a specific situation.

Mrs. O'Neill said the amendment will serve as an option for the Non-Represented Plan.

On motion by Mr. Durrett seconded by Mr. Pond the resolution was approved by a vote of 6 to 0, with 6 members present.

Briefing – FY2018 May Financials and Performance Indicators

Mr. Hutchinson presented the May Financial Highlights and Performance Indicators.

Year-to-date results generate a surplus of \$32.2M which is \$18.8M better than budget.

Tax Receipts Sales and Ad Valorem – combined \$10.9M better than budget.

Passenger Revenue is \$1.1M below budget due to soft ridership all year.

Salary, Wages & Benefits – on a combined basis, the Authority is \$4.4M positive year-to-date.

Net Expenses for the month were negative due to benefit cost running a bit higher.

Mr. Daniels asked if MARTA removes the Breeze Cards, what would the budget look like.

Mr. Hutchinson said the budget would be approximately 6% off.

Mr. Pond said overall the budget looks good and asked if MARTA is budgeting an expectant level regarding overtime.

Mr. Hutchinson said MARTA is addressing the level of staff to meet the scheduled overtime considering that bus run cuts are conducted longer than eight hours.

Mr. Durrett said passenger revenue is down year after year and asked how much is ridership down.

Mr. Hutchinson said ridership is approximately down by 8%.

MARTA is currently using less than 37% of sales tax to fund Operations.

Mobility has slightly increased.

Adjournment

The meeting of the Operations Committee adjourned at 10:59 a.m.