

MINUTES

WORK SESSION OF THE BOARD OF DIRECTORS

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

December 12, 2019

12:07 p.m.

Board Members Present

Roberta Abdul-Salaam
Robert L. Ashe III
Jim Durrett
William 'Bill' Floyd
Roderick A. Frierson
Ryan C. Glover
Jerry Griffin
Freda B. Hardage
Alicia M. Ivey
John 'Al' Pond
Rita A. Scott
Christopher S. Tomlinson*
W. Thomas Worthy

Staff Members Present

Jeffery A. Parker
Luz Borrero
Wanda Dunham
Collie Greenwood
Kevin Hurley
Melissa Mullinax
Elizabeth O'Neill
Franklin Rucker
David Springstead
Heather Alhadef
LaShanda Dawkins
Virgil Fludd
Gena Majors
Kirk Talbott
Emil Tzanov
Tom Young (Interim)

Also in attendance Dean Mallis; Executive Director Paula Nash; Sr. Directors Lyle Harris (Contractor), Jennifer Jinadu-Wright and Colleen Kiernan; Directors David Emory, Jonathan Hunt and Dorinda McCombs; Managers Stephany Fisher and Richard Thomas; Manager MARTA Board of Directors Rebbie Ellisor-Taylor; Manager Executive Office Administration Tyrene Huff; Sr. Executive Administrator Keri Lee. Also in attendance Adrien Carter, Abebe Girmay, Abhay Joshi, Courtne Middlebrooks, LaTonya Pope and Terry Ponder.

Others in attendance were Robert Highsmith of Holland & Knight, Peter Andrews of Greenberg Traurig; SY Borland; Tim Brown of Jacobs; Erik Burton of HNTB; Richard Byrd; Nathaniel Dyer; Vincent Fort; Darrell Groves of NPU-Q; Adam Haplin of Arcadis; Joseph Hudson; Debra James of CDM Smith; Charles Johnson, Sr. of Williams-Russell and Johnson, Inc.; Maggie Lee of Sporta; BJ Martin of Pond & Company; Julie M.T. Walker; Januda Orange of M.L March Committee; Keith Parker of Clayton County Citizen Advisory Group; Jim Schmidt of HNTB; Tim Sorenson of CDM Smith; Danica Thompson of McGuireWoods Consulting; Susan Tong; Cara Vojdani of Arcadis; David Wickert of *the AJC*

* Christopher S. Tomlinson is Executive Director of Georgia Regional Transportation Authority (GRTA); and is therefore, a non-voting member of the MARTA Board of Directors.

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and Sherry B. Williams of Georgia Stand Up.

Approval of the Minutes of the November 14, 2019 Meeting of the MARTA Board of Directors

On motion by Mr. Durrett seconded by Mr. Pond, the minutes were unanimously approved by a vote of 8 to 0, with 9* members present.

Chair's Report

Upcoming Meetings

Thursday, January 9, 2020

- Work Session – 12:00 noon
- Board – 1:30pm

Thursday, January 16, 2020

- External Relations Committee – 10:00 a.m.

Thursday, January 30, 2020

- Planning & Capital Programs Committee – 9:30 a.m.
- Operations & Safety Committee – (immediately following Planning)
- Business Management Committee – (immediately following Operations)

Friday, January 31, 2020

- Audit Committee – 10:00 a.m.

General Manager/CEO Report

Mr. Parker thanked MARTA's staff for participating in the 2019 Holiday Parade. There were approximately fifty (50) employees who marched alongside a decorated MARTA bus. Charity provided candy to children along the way making the parade a successful event.

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Capital Budget & Process

Mr. Rucker presented a detailed briefing on the 2020 Capital Budget.

During the November 2019 Work Session, MARTA Board Members requested additional information to understand the process of allocating and tracking funds authorized by the Board in the annual budget.

A presentation was created to breakdown the necessary components required to allocate and track these funds.

FY20 Funding Sources

- Non-Dedicated \$566.8M
 - FY19 Carry-Over \$25M
 - Sales Tax (Capital Allocation) \$238.3M
 - Federal Funds – CIP \$32M
 - State Funds \$0M
 - Interest Income \$1.5M
 - Debt Insurance – Commercial Paper / Bonds \$270M

- Dedicated (expansion funds) \$228.3M
 - FY19 Reserve Balance – More MARTA (Clayton & Atlanta) \$169.8M
 - More MARTA – Clayton County Sales Tax Escrow \$28.7M
 - More MARTA – City of Atlanta Sales Tax Revenue \$29.8M

FY20 Capital Uses (Adjusted)

- Maintenance of Way
 - 13% / \$53M
- Vehicles
 - 26% / \$101M
- Systems
 - 26% / \$102M
- Facilities & Stations
 - 23% / \$89.2M
- Non-Asset
 - 12% / \$46.5M

More MARTA – FY20 Sources of Funds	Clayton	City of Atlanta	Total
• Reserves (forecast – thru FY19)	\$96.2M	\$73.6M	\$169.8M
• FY20 Sales Tax Revenue	\$28.7M	\$29.8M	\$58.5M
Total Available Sources	\$124.9M	\$103.4	\$228.3M

More MARTA – FY20 Uses of Funds	Clayton	City of Atlanta	Total
• High Capacity	\$6M	-	\$6M
• More MARTA (Atlanta)	-	\$16M	\$16M
• Planning PMO Support	\$2M	\$2M	\$4M
• CPMO (More MARTA)	\$2.5M	\$2.5M	\$5M
• Bus Facility Real Estate	\$2M	\$2M	\$4M
• Bus Facility (Planning/Design)	\$2M	-	\$2M
• BRT	\$2M	-	\$2M
• Five Points Master Plan	-	\$3M	\$3M
Total Available Sources	\$16.5M	\$23.5	\$40M

FY20 Capital Fund Allocation

FY20 Vehicle Projects	\$101M
FY20 Facilities Projects	\$89M
FY20 Maintenance of Way Projects	\$53M
FY20 Systems Projects	\$102M
FY20 Non-Asset Projects	\$46M

FY20 CPMO Fund Allocation (Non-Assets)

State of Good Repair (SRG)	\$3.5M
More MARTA	\$4M

Budget vs Expenditures (Monthly)

FY20 Board Authorized Budget	\$391,829,135
YTD Cumulative Total (October)	\$85,174,148
FY20 Remaining Budget	\$306,654,987.54

In the State of Good Repair, Capital Programs will not exceed the Board authorized budget of \$391M. There are some projects that are not performing as anticipated. Therefore, a process to reallocate funding from these projects was created. In doing so, management requests that project sponsors be responsible for the reallocations by signing off on a system generated report.

Mr. Griffin asked how are reallocations of funding tracked and maintained throughout the Authority.

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Mr. Rucker said Oracle generates a report that is maintained by a project manager. If an overage is found on a line item, the project manager will investigate to see who is charging to that project. Capital Programs will make an adjustment to the overall allocation of funds or an adjustment to the department responsible for billing that line item.

Mr. Frierson asked are project managers required to come to an agreement prior to reallocating funds.

Mr. Rucker said yes, project managers are required to request addition funding via an agreement.

Mr. Tomlinson acknowledged a job well done on laying out the budget and projecting the usage for FY20. He asked, are there higher-level benchmarks on major project items.

Mr. Rucker said major projects are forecasted on an annual basis and tracked on a monthly base to measure the progress.

Resolution Approving the Fifteenth Amendment to the RTCAA

Ms. O'Neill provided a revised Fifteenth Amendment to the MARTA Board.

Board members were asked to view Page 8, Section 7. There was an adjustment in the language that is currently in the Rapid Transit Contract. In addition, there are language regarding extensions of the system beyond the Metropolitan area that must be approved by the jurisdictions. Provided that the Authority has determined that no financial advantage over the parties to this Contract and Agreement has occurred or will occur to any local government within such extension.

If the approval to expand the system is granted, as set forth in paragraph 5, which is the provisions regarding amending the Rapid Transit Contract, then they shall have the right within ninety (90) days of the approval to an amendment to the Contract to re-negotiate this Contract, the amendments and the engineering report; provided that any re-negotiation of this Contract, as amended shall not alter, abate or impair the obligation of Fulton, DeKalb, Clayton or Gwinnett to levy a retail Sales and Use Tax for rapid transit purposes at the maximum rate permitted by law.

This language was requested by one of the Authority's jurisdictions that would enable a re-negotiation of certain terms of the Contract. In discussing the terms with corresponding jurisdictions, there are certain obligations that can not be re-negotiated, with one of them being the commitment to collect the penny sales tax.

All parties worked through language, so that the language seen today protects that obligation to have the penny's sales tax protected, even should one of the jurisdictions decide that they wish to re-negotiate other terms of the contract.

Ms. Scott asked would refurbishment of the Indian Creek Train Station begin in 2021.

Mr. Rucker said in accordance to the scheduled Project List, staff will start the Indian Creek Train Station designs during the first quarter of 2020. Once the designs are drafted, it is anticipated to have an eight (8) to nine (9) month design period. Upon finalizing the designs, it is anticipated construction will begin 2021.

Mrs. Hardage asked if the Indian Creek project references calendar or fiscal year.

Mr. Rucker said the Indian Creek project is in reference to calendar year.

Ms. Abdul-Salaam said Exhibit B on page 16 refers to improvements within Fulton County. On the same page near the bottom, there is reference to the Clayton County High Capacity Transit Initiative. She asked why is the Fulton County Plan not included in the Clayton County Exhibit.

Mr. Parker said the Fulton County project is included in the Clayton County High Capacity Commuter Rail on Page 22. Being that the county will assist with property acquisition, the Authority needed to include a piece of that project in the engineering report of Fulton County.

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Other Remarks

Mrs. Hardage said there has been a change to the By-Laws outlining a new Standing Committee – External Relations.

Mr. Ashe asked if the language indicating that the External and Relations Committee will meet seven (7) times a year listed in the revised By-Laws.

Ms. O'Neill said the By-Laws are silent on the number of times a Committee meets for all meetings. She also added that outdated referencing of how notices are sent out have been revised. The By-Laws currently includes telegrams and delivering via telegraph offices. These items have been deleted.

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On motion by Mr. Durrett seconded by Mr. Ashe the Board unanimously agreed by a vote of 12 to 0, with 13* members present to go into Executive Session at 12:45 p.m. to discuss litigation.

On motion by Ms. Abdul-Salaam seconded by Mr. Worthy, the Board unanimously agreed by a vote of 12 to 0, with 13* members present to adjourn the Executive Session at 1:45 p.m.

* * *

Adjournment

The Work Session of the MARTA Board of Directors adjourned at 1:45 p.m.

Respectfully submitted,



Tonya Gantt
Sr. Executive Administrator