

MINUTES

BUSINESS MANAGEMENT COMMITTEE

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

October 31, 2019

The Board of Directors Business Management Committee met on October 31, 2019 at 11:39 a.m. in the Board Room on the 6th Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

Board Members Present

Jim Durrett, **Chair**
Roderick E. Edmond
William F. Floyd
Roderick A. Frierson
Jerry Griffin
Freda B. Hardage
Alicia M. Ivey
Rita A. Scott

MARTA officials in attendance were: General Manager/ CEO Jeffrey A. Parker; C-Suite Team Members Chief Administrative Officer Luz Borrero; Chief of System Safety, Security & Emergency Management/Police Wanda Dunham, Chief of Bus Collie Greenwood, Chief Financial Officer Gordon L. Hutchinson, Chief Counsel Elizabeth O'Neill, Chief of Capital Programs Expansion & Innovation Franklin Rucker and Chief of Rail Operations David Springstead; AGMs Marsha Anderson Bomar, LaShanda Dawkins, Kirk Talbott, Emil Tzanov and Tom Young (Interim); Chief Information Security Officer Dean Mallis; Executive Director Paula Nash; Senior Director Kevin Hurley; Directors Jacqueline Holland (Acting) and Donna Jennings; Manager Phyllis Walker; Manager MARTA Board of Directors Rebbie Ellisor-Taylor; Manager Executive Office Administration Tyrene Huff ; Sr Executive Administrator Keri Lee. Others in attendance Adrien Carter, Alphonso Eugene, Ariana Johnson, Courtne Middlebrooks and LaTonya Pope.

Approval of the September 26, 2019 Business Management Committee Meeting Minutes

On motion by Ms. Hardage seconded by Dr. Edmond, the minutes were unanimously approved by a vote of 8 to 0, with 8 members present.

Resolution Authorizing the Solicitation of Proposals for Transit Oriented Development Projects at Seven (7) MARTA Stations in Opportunity Zones

Mr. Vallo presented a resolution authorizing the solicitation of proposals for Transit Oriented Development projects at seven (7) MARTA Stations in Opportunity Zones.

The MARTA Board of Directors has indicated a desire to pursue joint development proposals through the sale and lease of MARTA land and air-rights.

Staff recommends that seven (7) stations in Federal Qualified Opportunity Zones be released through a competitive joint development process in accordance with the Transit Oriented Development (TOD) Guidelines. The development of these seven (7) stations will occur within 945,863 square feet of land and air-rights.

These stations (Ashby, Bankhead, Five Points, H.E. Holmes, Lakewood-Ft. McPherson, Vine City and West End) are recommended for the following reasons:

- Approximately \$6.5 trillion of investment capital is currently available for real estate projects and/or businesses in Opportunity Zones
- Development within air-rights will provide an opportunity for station enhancements;
 - o Implementation of TOD will generate new non-farebox revenue for MARTA through ground leases
- There is an opportunity for MARTA to help the City of Atlanta meet the demand for affordable housing

On motion by Mrs. Hardage seconded by Dr. Edmond, the resolution was unanimously approved by a vote of 8 to 0, with 8 members present.

Resolution Authorizing the Disposal of MARTA Parcel C32141, Permanent and Temporary Easement Rights for a Streetscape Project at 5200 New Peachtree Road, Chamblee, DeKalb County, Georgia

On behalf of Ms. Boyd, Mrs. Frank presented a resolution for the MARTA Board to approve disposal of parcel C3217J.

The City of Chamblee is constructing a streetscape project in front of and around the Chamblee transit station on New Peachtree Road. The project includes ADA and traffic signal improvements which will require permanent easements, as well as temporary easements needed for laydown areas for projects on their own property (new landscaping installations, widening sidewalks, creating bike lanes and other pedestrian improvements related to the Chamblee Rails Trail project).

The project will enhance aesthetics and connectivity to the Station.

The land being used for these easements was purchased with local funds. However, since the FTA contributed to Station improvements, concurrence will be sought

MARTA had the property rights appraised. The appraised value of the easements was \$20,500.00. The City has offered MARTA \$35,585.00 for the property rights and thus MARTA will be compensated at least the fair market value of the property rights

Although MARTA Chamblee Station Renovations are not scheduled to begin until 2022, the funds received from the City for these easements will be applied now to the replacement of one backlit MARTA sign to be placed the New Peachtree Road side of the Station

The resolution will authorize the sale of the easement rights for the construction of the streetscape project.

On motion by Mr. Griffin seconded by Ms. Scott, the resolution was unanimously approved by a vote of 8 to 0, with 8 members present.

Resolution Authorizing the Disposal of MARTA Parcel C3217J, Permanent and Temporary Easement Rights for a Streetscape Project at 6010 New Peachtree Road, Doraville, DeKalb County, Georgia

On behalf of Ms. Boyd, Mrs. Frank presented a resolution for the MARTA Board to approve disposal of parcel C3217J.

The City of Doraville is constructing a streetscape project in front of and around the Doraville transit station on New Peachtree Road. The project will require temporary easements for a laydown area to accommodate ADA upgrades and sidewalk repairs on non-MARTA owned property. In addition, the City is removing old concrete, regrading and pouring new concrete on sidewalks and driveways leading into the Station on land owned by MARTA, work that will require permanent easements and a maintenance agreement.

The project will enhance the aesthetics and connectivity to the Station.

There is a 75% Federal interest under FTA GA-03-0032. FTA concurrence has been requested.

Although MARTA Doraville Station Renovations are not scheduled to begin for several years, the funds received from the City for these easements will be applied now to the replacement of two backlit MARTA signs to be placed one on each side of the station.

On motion by Mr. Floyd seconded by Mr. Griffin, the resolution was unanimously approved by a vote of 8 to 0, with 8 members present.

Resolution Authorizing the Solicitation of Proposals for the Procurement of Bond Counsel Services, RFP P43586-A

Mr. Hurley presented a resolution that the MARTA Board authorize the solicitation of proposals for the procurement of Bond Counsel Services in the amount of \$150,000 for a term of five (5) years with two (2) 1 – year options.

The purpose of this procurement is to provide services typically required of a Bond Counsel to a public body which include, legal opinions and advise on matters related to MARTA's Debt Program, preparation of all documents necessary for the issuance and delivery of bonds, preparation of pleadings and related documents for validation proceedings for such bonds, consultation with MARTA Officials and representatives of underwriters in the negotiation and preparation of underwriting agreements and any preliminary and final official statements.

This procurement also sets the proposed fee schedule for future bond transactions. The payment of actual fees and value of bond transactions are independent of this RFP with payments being approved by the Board when approving the execution of each bond transaction.

On motion by Mr. Griffin seconded by Mrs. Hardage, the resolution was unanimously approved by a vote of 8 to 0, with 8 members present.

FY 2019 Year End Financials and Key Performance Indicators

Mr. Hurley provided an overview of the year end financials and key performance indicators.

Year To Date Operations Performance

- Net Revenues - \$26.3M better than budget
- Net Expenses – \$12.4M under budget

Year To Date Operating Revenues and Expenses
Revenues Budget Variance

- Sales Tax \$7.2M
- Title Ad Valorem Tax \$6.3M
- Federal Assistance \$8.4M
- Passenger Revenue \$0.0M
- Lease Income \$0.5M
- Station Parking \$0.1M
- Other Revenue \$3.8M

Expenses Budget Variance

- Salaries and Wages \$17.6M
- Overtime \$(16.6M)
- Benefits \$5.3M
- Gross Operating Expenses \$16.9M
- Less: Capital Charges \$4.5M

Net Surplus After Adjustments \$3.9M

Current Month Operating Performance

- Net Deficit After Adjustments \$13.1M

Sales Tax Required to Fund Operating Expenses

- Total Actuarial Adjustments \$34.8M

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Adjournment

The meeting of the Operations & Safety Committee adjourned at 11:36 a.m.