

MINUTES
MEETING OF THE BOARD OF DIRECTORS
PLANNING & EXTERNAL RELATIONS COMMITTEE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

April 17, 2014

The Board of Directors Planning & External Relations Committee met on April 17, 2014 at 10:36 a.m. in the Board Room on the 6th Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

Board Members Present

Juanita Jones Abernathy
Harold Buckley, Sr.
Frederick L. Daniels, Jr.
Jim Durrett
Roderick E. Edmond
Noni Ellison-Southall, *Chair*
Kirk Fjelstul*
Freda B. Hardage

MARTA officials in attendance were: General Manager/ CEO Keith T. Parker, AICP; Chief Operating Officer Rich Krisak; Chief of Staff Rukiya Eaddy; Chief Administrative Officer Edward L. Johnson; Chief Counsel Elizabeth O'Neill; AGMs LaShanda Dawkins (Interim), Wanda Dunham, Rod Hembree (Acting), Ming Hsi, Cheryl King, Ryland McClendon and Terry Thompson; Executive Director Ferdinand Risco; Sr. Director Bernard Guida; Director Lyle Harris; Manager Robert H. Thomas; Executive Manager to the Board Rebbie Ellisor-Taylor; Manager, Executive Office Administration Tyrene L. Huff; Finance Administrative Analyst Tracy Kincaid. Others in attendance Negesha Boyd, Anthony Pines, Srinath Remala and Tuan Vo.

Also in attendance Charles, Pursley, Jr. of Pursley Friese Torgrimson.

Consent Agenda

Mrs. Southall requested a motion to approve the following item on the Consent Agenda:

- a) Approval of the March 6, 2014 Planning & External Relations Committee Meeting Minutes

* Kirk Fjelstul is Acting Director of Georgia Regional Transportation Authority (GRTA) and is therefore a non-voting member of the MARTA Board of Directors.

On motion by Mr. Buckley seconded by Mr. Durrett, the minutes were unanimously approved by a vote of 6 to 0, with 6* members present.

Individual Agenda

Briefing – Three Year DBE Goal

Mr. Risco briefed the Committee on the Three Year Disadvantaged Business Enterprise (DBE) Goal.

DBE Program is a Federal Mandate [49 CFR Part 26.21(a) (2)]:

- FTA recipients receiving planning capital or operating assistance who will award prime contracts exceeding \$250,000 in FTA funds in a Federal fiscal year

Four Elements of the DBE Program

- Program Document
- Goal Setting Methodology
- Monitoring and Oversight
- Semi-Annual Reporting

DBE Coverage

- Small business-owned and controlled by a socially and economically disadvantaged individual; including women-owned

Current DBE Program Goals FY12 – FY14

- DBE Goal – 27.75%
 - Race conscious 22.75% (contract only)
 - Race neutral 5%
- Based on contracts greater than \$100,000
 - Race conscious – a measure or program that is focused specifically on assisting only DBEs includes women owned
 - Race Neutral – a measure or program that is, or can be, used to assist all small businesses

Program Purpose

- No discrimination in award of contracts
- Level playing field to compete
- Remove barriers to participation
- Provide flexibility in providing opportunities

Program Misconceptions

- Quotas
- Set Asides
- Guarantees
- Minimum Participation

DBE Goal Methodology – Key Points

- Weighted based on demonstrable evidence of “ready, willing and able” DBE firms relative to all firms available to perform on MARTA contracts
- Currently certified DBEs with the Georgia Unified Certification Program
- DBEs certified in North American Industry Classification System (NAICS) Code(s) for work to be performed
- Accurately account for all contracting opportunities based on the scope of work

Procurement Types and How Goals Are Set

- Request for Proposals (RFPs) and Architecture and Engineering Contracts over \$100,000; Request for Quotations (RFQs); Seal Bids (IFB)-Task Order over \$100,000
 - Examine scope of work
 - Identify certified DBEs
 - Calculate goal using methodology
 - Assign DBE participation goal
 - Develop tailored listing of DBEs
- General Services Administration (GSA) – State of Georgia Procurements
 - Federal Acquisition Regulation (FAR) requirements are established
 - Bidders/proponents are prequalified

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- MARTA “piggyback” on contracts awarded by Federal and State agencies
- NO MARTA DBE goals assigned
- Emergency and Sole Source Procurements
 - No MARTA DBE goals assigned
 - Justification approved for sole source procurement

Top 10 Contracts with DBE Goals

- General Engineering Consultants
 - Contract Amount - \$192,553,721
 - DBE Goal Assigned – 25%
- Fire Protections System Upgrade
 - Contract Amount - \$39,662,912
 - DBE Goal Assigned – 25%
- Design-Build Brady Mobility Services
 - Contract Amount - \$38,206,066
 - DBE Goal Assigned – 20%
- Job Order Contract
 - Contract Amount - \$20,000,000
 - DBE Goal Assigned – 25%
- Escalator Rehabilitation
 - Contract Amount - \$18,686,874
 - DBE Goal Assigned – 3%
- Buckhead Station North Entrance and Pedestrian Bridge Entrance
 - Contract Amount - \$18,282,259
 - DBE Goal Assigned – 28%
- Track Renovation Phase II – Running Rail and Switch Tie Replacement
 - Contract Amount - \$16,835,003
 - DBE Goal Assigned – 10%
- General Planning and Technical Services
 - Contract Amount - \$16,600,000

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- DBE Goal Assigned – 30%, 15%
- **Vehicle Security Camera System**
 - Contract Amount - \$16,060, 451
 - DBE Goal Assigned – 20%
- **Environmental Engineering Consulting Services**
 - Contract Amount - \$14,000,000
 - DBE Goal Assigned – 25%

DBE Success Stories

- **Tunnel Lighting Upgrades – Vine City Station to West Lake and Bankhead Stations**
 - DBE Goal Assigned – 15%
 - DBE Goal Achieved – 27%
- **Bus Supervisor Booths**
 - DBE Goal Assigned – 12%
 - DBE Goal Achieved – 13%
- **West Lake Station TCR Waterproofing and Renovations**
 - DBE Goal Assigned – 25%
 - DBE Goal Achieved – 46%
- **Design-Build Solar Canopies at the Laredo Bus Maintenance Facility (TIGER grant)**
 - DBE Goal Assigned – 20%
 - DBE Goal Achieved – 35%
- **Station Vending Services**
 - DBE Goal Assigned – 30%
 - DBE Goal Achieved – 100%
- **HVAC Building Maintenance**
 - DBE Goal Assigned – 25%
 - DBE Goal Achieved – 100%
- **General Professional Services – Information Technology (IT)**
 - DBE Goal Assigned – 35%
 - DBE Goal Achieved – 62%

- Concrete Girder Renovation
 - DBE Goal Assigned – 10%
 - DBE Goal Achieved – 11%

Education and Outreach

- DBE Orientation
- Procurement Readiness Workshop
- Small Business Information Day
- South DeKalb Economic Development – Buyer's Tour
- Small Business Veterans Day Program
- Women's Economic Opportunity Project
- Greater Atlanta Economic Alliance – The Sky's the Limit
- Atlanta Business League Super Tuesday
- Regional Small and Minority Business Summit
- Fulton County Vendor Opportunity Fair
- Georgia Minority Supplier Development Council – Procurement Expo
- MARTA Tunnel Ventilation Industry Day
- City of Atlanta – Partnering for Progress
- DeKalb County – Passport to Business
- City of Atlanta – Back to Business
- Atlanta Business League – The Secrets to Doing Business with MARTA
- Operation & Maintenance of the Atlanta Street Car Industry Day
- Georgia Unified Certification Program – Statewide DBE Outreach

Dr. Edmond asked staff to put parameters in place that will ensure the EEO statistics are not skewed. He stated that everyone needs a fair chance.

Mr. Daniels asked about race-neutral contracts.

Mr. Risco said race-neutral is a SBA (Small Business Administration) standard referring to size only whereas race-conscious is specifically focused on assisting DBEs

Dr. Edmond said as an organization MARTA has to ensure that its program is not skewed.

Mr. Risco commented that MARTA had recently received DBE fraud training.

Mr. Daniels asked is there a method in place for reporting alleged fraud.

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Mr. Risco said calls can be made to MARTA's DEO Office or directly to the Office of the Inspector General.

Mr. Daniels asked what are the size standards.

Mr. Risco said MARTA uses the same size standards as the SBA.

Mr. Daniels asked if MARTA is able to select a minority firm from the GSA list.

Mr. Risco said yes but not be able to use a DBE goal.

Dr. Edmond said that would not count towards MARTA's statistics.

Mr. Risco said that is correct.

Dr. Edmond said that is his concern as a Board Member. It appears that the State does not have any emphasis on DBE participation. Utilizing GSA may be a way for the Authority to save money but it has adversely affected its DBE goals.

Mr. Risco said the Authority is expanding its DBE program knowing that this is very important to MARTA leadership.

Mr. Parker said last month was tough – overall MARTA knows it can do better and is making strides to adjust the trend.

Dr. Edmond thanked staff for the presentation. He added that it is important to know what MARTA is actually doing versus what is required to do. He asked that staff notify the Board when DBE firms are used through GSA.

Mr. Daniels requested periodic updates on the DBE program results.

Briefing – FY 2014 Mid-Year Ridership Report

Mr. Thomas briefed the Committee on the FY 2014 Mid-Year Ridership Report.

- The first six months of FY 2014 had approximately 66.35M passenger boardings, which was 1.35% higher ridership than the same portion of the previous fiscal year; also, this level of ridership was 1.16% above the projected figure

- Passenger revenue directly associated with boardings (i.e., excluding parking, media fees, etc.) fell by 1.14% from the first six months of FY 2013 and was 1.32% less than expected
- The revenue and ridership results do not match because the average fare per boarding – which takes into account free transfers and various forms of discount – for July through December of FY 2014 was about 2.6 cents lower than it was during the same period last year
- For the first six months of FY 2014, Rail ridership was 0.8% higher than the same period a year earlier; Bus ridership rose 2.0%; Mobility ridership showed a 1.0% gain – against projections for the period, Rail ridership was 0.9% high and Bus boardings were 1.5% high but Mobility trips were 2.0% low
- Average weekday ridership increased 1.4% during the period, compared to a year ago and average Sunday ridership rose 1.8%; however, average Saturday boardings declined 0.1%
- Major special event ridership was virtually unchanged compared to last year but more inclement weather this year helped to suppress MARTA passenger boardings, especially in July (-200,000 trips); also, ridership during the Christmas holiday period was notably lower than one year ago (-100,000 trips)
- Stored time period ridership (monthly pass, weekly pass, etc.) has continued its relative decrease in usage during July through December of FY 2014 – its usage declined 5.1% compared to the previous year, while stored trip (+8.3%) and stored value (+5.5%) usage both increased; during this period, stored time passenger boarding's were only about 44% of all ridership while five years ago they made up 62% of all trips

Mr. Daniels asked if average fare related to unlimited rides on Breeze cards.

Mr. Thomas said yes. If more people utilize the cards and ride more, the average fare would be lower.

Mr. Daniels asked is it in MARTA's best interest to offer unlimited rides if it lowers the average fare. He added if the Authority can determine how many times customers ride the system with an unlimited card does it make sense for MARTA to cap the unlimited usage.

Mr. Parker said staff can conduct an analysis and come back to the Board with more information.

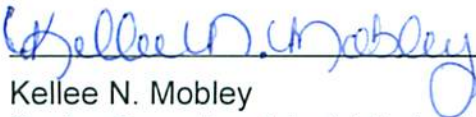
Other Matters

No other matters came before the Committee.

Adjournment

The Planning & External Relations Committee meeting adjourned at 11:31 a.m.

Respectfully submitted,



Kellee N. Mobley
Senior Executive Administrator to the Board