

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

May 31, 2011

The Board of Directors Business Management Committee met on May 31, 2011 at 11:22 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.
Wendy Butler
Frederick L. Daniels, Jr., Chair
Jim Durrett
Roderick E. Edmond
Barbara Babbit Kaufman
Jannine Miller*
Adam Orkin

MARTA officials in attendance were: General Manager/CEO Beverly A. Scott; Deputy General Manager/COO Dwight Ferrell; Chief Business Support Services Theodore Basta, Jr.; AGMs Davis Allen, Deborah Dawson, Joseph Dorsey (Acting), Ben Graham, Rod Hembree (Acting), Mary Ann Jackson, Jonnie Keith, Cheryl King, Rich Krisak, Ryland McClendon, Elizabeth O'Neill and Gary Pritchett; Sr. Directors Rhonda Briggins, Johnny Dunning, Jr., Kevin Hurley and David Springstead; Directors Lisa DeGrace, Lowell "Rip" Detamore, Reginald Diamond, Scott Haggard, Lyle Harris, Donna Jennings, Walter Jones, Barbara Kirkland, Carol Smith and Tim White; Managers Donna DeJesus, Cara Hodgson, Roosevelt Stripling and Marvin Toliver; Sr. Executive Administrator Renee Willis; Finance Administrative Analyst Tracy Kincaid; Others in attendance Shika Carter, Tim Carvana, Laura Heard, Don Lawrence, Cynthia McCall, Eulethia McLin, Joy Thompson, Elvin Tobin, Dansby Wade and Beverly Williams.

Also in attendance Helen McSwain of MATC; Lisa Gordon and Nate Conable of Atlanta Beltline; Jim Brown-URS; Brian Walter-Georgia General Assembly; Rod Mullice of Newmark Knight Frank.

***Jannine Miller is Executive Director of Georgia Regional Transportation Authority (GRTA) and is therefore a non-voting member of the MARTA Board of Directors**

Business Management Committee

5/31/11

Page 2

Approval of the April 26, 2011 Business Management Committee Meeting Minutes

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

Resolution Authorizing Award of a Contract for Financial Advisory Services, Request for Proposals Number P12680

Mr. Hurley presented this resolution for Board of Directors' approval authorizing the General Manager/CEO or her delegate to enter into a contact with Public Financial Management, Inc. (PFM Group)/Pinnacle Investment Advisors, Inc. for Financial Advisory Services.

The Financial Advisor will assist MARTA in evaluating capital funding alternatives, development and implementing strategies to meet its short and long-range capital and operating financial needs. The Financial Advisor will also serve as an intermediary between MARTA and bond underwriters, rating agencies, investment bankers, lawyers, auditors and trustees who will be assembled to successfully complete financing at the best possible terms for MARTA.

Ms. Miller asked for clarification on the last line item, Exhibit A – "Total Pricing Estimates".

Mr. Hurley said staff provided this as an example to the proponents. The Contract actually locks in the price when the Authority issues bonds. The Contract itself only pays for the day-to-day care of the program. In the future when MARTA issues bonds, the resolution will come back to the Board and will include the actual payment to the financial advisors, the rating agencies and other components of a bond issue.

Ms. Miller asked what went into the proponent's scores.

Mr. Hurley said Public Resources Advisory Group have done a lot of large transactions, but were not as experienced with transit and transportation type transactions. They also did not have a local presence. The selected vendor has local offices and personnel with a tremendous amount of transit experience.

Business Management Committee

5/31/11

Page 3

Mrs. Butler referenced the second to last line item of Exhibit A – “Proposed Cost to the Authority ...”. She asked why the award was higher than the estimate of \$300,000.

Mr. Hurley stated the \$300,000 was based on a cost per hour from the prior Contract. The PFM Group increased the cost by \$60 per hour which makes up the difference of MARTA’s estimate and their cost.

Mr. Durrett asked if The PFM Group cost is below what was paid in the past fiscal year.

Mr. Hurley said the Letter of Agreement in place now is \$75,000 for the fiscal year. The new proposal comes in at an average of \$68,000 for the fiscal year, although it may be up one year and down another depending on when the Authority does a Letter of Credit replacement.

On motion by Mr. Durrett seconded by Mrs. Abernathy, the resolution was unanimously approved by a vote of 8 to 0, with 9* members present.

Resolution Authorizing Award of a Contract for Insurance Brokerage Services, Request for Proposals Number P21523

Mrs. Jennings presented this resolution authorizing the General Manager/CEO or her delegate to enter into a Contract with Marsh USA, Inc. for insurance brokerage services. The contract term is two (2) base years, with three (3) one-year options.

On motion by Mr. Durrett seconded by Mrs. Kaufman, the resolution was approved by a vote of 7 to 0, with 9* members present.

Mr. Orkin abstained based on his company’s business relationship with March USA, Inc.

Resolution Authorizing the Award of a Contract for Employee Assistance Program (EAP), Request for Proposals P21522

Mrs. Kirkland presented this resolution authorizing the General Manager/CEO or her delegate to enter into a Contract with Cameron & Associates, Inc. for an Employee Assistance Program.

Business Management Committee

5/31/11

Page 4

The EAP provides confidential counseling and training services which promote the mental, social and physical well being of all MARTA employees and their family members. EAP also serves as an adjunct in supporting MARTA's Drug & Alcohol Program. EAP provides a critical benefit to employees who voluntarily disclose a substance abuse problem before a disciplinary problem and/or notification of required drug and alcohol testing.

Employees and family members are eligible to receive up to three (3) free sessions per problem in a year to assist in the resolution of the problem. The services under the Contract include, but are not limited to, confidential counseling, critical incident stress debriefings for traumatic workplace events, quarterly mental wellness seminars/training, substance abuse professionals, on-line support and management consultants.

On motion by Mr. Buckley seconded by Mrs. Abernathy, the resolution was unanimously approved by a vote of 8 to 0, with 9* members present.

Resolution to Award an Authority-Wide Wireless Communication Device Contract, Contract Proposal Number B22688

Mr. Detamore presented this resolution authorizing the General Manager/CEO or her delegate to enter into Contracts with Georgia Technology Authority (GTA), State of Georgia Vendors: Sprint Spectrum L.P (GTA000187-008) and AT&T Mobility National Accounts LLC (GTA000187-002).

The term of the Contract is two (2) years and consist of providing MARTA with wireless devices, including voice mail, caller identification, call waiting, three-way calling, free mobile to mobile, free off peak minutes, data and other features for authorized Authority users.

On motion by Mr. Durrett seconded by Mrs. Abernathy, the resolution was unanimously approved by a vote of 8 to 0, with 9* members present.

Resolution Authorizing the General Manger/CEO to Enter Into a Transit Services Cooperative Agreement With the City of Atlanta, the Atlanta Development Authority and the Atlanta Beltline, Inc.

Ms. King presented this resolution authorizing the General Manager/CEO to enter into a Transit Services Cooperative Agreement with the City of Atlanta, the Atlanta Development Authority and the Atlanta BeltLine, Inc. This would be a

Business Management Committee

5/31/11

Page 5

cooperative agreement whereby MARTA would govern the transit relationship as it relates to the transit elements of the Atlanta BeltLine and a series of streetcar projects within the City that have been identified as "Connect Atlanta Transit Projects. The intent of the parties is to enter into an agreement describing the mutually acceptable transit relationship and to provide deliverables on business models and financial, legislative and other matters supportive of the relationship.

The City of Atlanta will be the owner of the assets and along with the Atlanta Development Authority and Atlanta BeltLine will be responsible and liable for all risks associated with the design and construction of the projects. The primary role that MARTA will fill is that of the Managing Partner for transit operations, including the maintenance responsibilities associated with operations. MARTA will assist ADA and ABI in serving as the Federal grant recipient for certain environmental work subject to appropriate agreements whereby MARTA is indemnified for any liabilities resulting from such work. The City has acknowledged that, in its role as asset and project owner, it will seek Federal grant recipient status in the future.

The Agreement acknowledges that there will be numerous future agreements needed to address various segments of the project as it is developed and specifically that the financial obligations will be determined through future agreements (all to be approved by the MARTA Board of Directors), although the roles of the parties as outlined in this Agreement will remain consistent. These roles are different from what is specified in the Rapid Transit Contract Assistance Agreement (RTCAA). This Agreement does not obligate MARTA sales tax funds for any portion of the Connect Atlanta Projects and will require future cost allocation models and agreements among the parties.

The term of the Agreement is for a minimum of five years from the first day of revenue service operations. It is anticipated that the first project to begin operations will be the Atlanta Streetcar and service for that project will commence in early 2013.

In addition to approval by the MARTA Board of Directors, this Agreement will also be presented to the Board of ABI and ADA and to City Council within the upcoming months.

On motion by Mr. Durrett seconded by Mrs. Butler, the resolution was unanimously approved by a vote of 7 to 0, with 8* members present.

Business Management Committee

5/31/11

Page 6

Resolution Authorizing the Solicitation of Proposals for Design-Build Services for the Atlanta Streetcar Project

Mr. Pritchett presented this resolution authorizing the General Manager/CEO or her delegate to solicit qualifications and proposals for a Design-Builder on the Atlanta Streetcar Project. The purpose of the Request for Qualifications is to qualify firms or teams and determine their eligibility to receive the subsequent Request for Proposals. The Streetcar project is a joint undertaking between and among the City of Atlanta, the Atlanta Downtown Improvement District and MARTA.

On motion by Mr. Durrett seconded by Dr. Edmond, the resolution was unanimously approved by a vote of 7 to 0, with 8* members present.

Resolution Authorizing Award for the Equipment Purchase to Upgrade MARTA's Voice Communications Infrastructure, CP B22962

Mr. Graham presented this resolution requesting approval to procure the required software and hardware to upgrade MARTA's voice communications infrastructure utilizing the Cisco State of Georgia Contract S 000546-043 and the Cisco General Services Administration (GSA) Schedule GS-35F-0511T. The entire upgrade will be completed in four major phases. This request covers the funding requirements for Phase I of the project.

On motion by Mr. Buckley seconded by Mrs. Abernathy, the resolution was approved by a vote of 6 to 0, with 8* members present.

Mr. Daniels abstained based on his company's business relationship with Cisco.

Resolution Authorizing the Solicitation of Proposals to Generate Revenue Through MARTA Technologies, RFP P22912

Mr. Graham presented this resolution requesting approval by the Board of Directors for the solicitation of proposals to generate new/additional revenue streams, and/or to provide for possible cost containment/cost avoidance opportunities through the creative combination of private investment(s) with public assets.

The selected vendor shall design, build and operate a broadband wireless network within the MARTA system. The services will include, but will not be

limited to designing, furnishing and maintaining a wireless internet, mobile phone and other related services utilizing MARTA's assets including the administrative buildings, train stations, tunnels and right of ways.

There is no impact on funding and no cost to the Authority.

On motion by Mr. Durrett seconded by Mrs. Abernathy, the resolution was unanimously approved by a vote of 7 to 0, with 8* members present.

Resolution Authorizing a Funding Increase for Consulting Services by Bureau Veritas North America, Inc. (BVNA) for the Safety, Health & Industrial Hygiene Contract

Mr. White presented this resolution authorizing a \$500,000 increase in the cost limitation for BVNA Inc. to provide safety and health consulting services through June 30, 2012 supporting on-call system safety related projects to MARTA operating units.

BVNA Inc. is a safety and health consultant based in Kennesaw, Georgia specializing in system safety audits, asbestos and lead investigations, industrial hygiene services and system safety and security planning.

On motion by Mr. Buckley seconded by Dr. Edmond, the resolution was unanimously approved by a vote of 7 to 0, with 8* members present.

Mr. Ferrell announced that this would be Mr. White's last presentation before the Board of Directors. After twenty-three years of service, Mr. White is retiring. MARTA staff has enjoyed working with him over the years. MARTA acknowledges and commends him for a job well done.

Briefing – Contract of Indemnity for the Issuance of a Bid Bond for the Proposal to Provide Transit System Service and Support for Cobb Community Transit – Mary Ann Jackson

Cobb County presently contracts with Viola to operate the Cobb Community Transit (CCT) system. The Contract is currently in its seventh year. Recently the County issued a new Request for Proposals for a 5-year contract scheduled to begin July 1, 2012. MARTA is developing a response to the RFP. The RFP is divided into five components: fixed route operations including Express Service, paratransit operations, maintenance services, safety and training and customer

service. MARTA intends to propose on all five components. Responses are due June 9, 2011. The Contract term is five years with no options.

CCT's service design consists of ten (10) local routes, six reverse commute routes, eight express routes, ADA complimentary paratransit service, special events service and demand response and fixed route service for seniors. Cobb has 56 local fixed route buses, 45 express buses and 30 paratransit buses.

Requirements are many – a bid bond, submittal letter, information about the proposer as a company, certifications (DBE Program, Buy America, etc.), qualifications, evidence of MARTA's financial responsibility, names and resumes of key personnel, details on approach to providing services and support, a cost proposal for each separate component of the service.

The evaluation criteria are heavily weighted towards qualifications and experience; with cost only being 20%. For fixed service and express service, CCT is requesting cost per revenue hour, for paratransit they are requesting cost per passenger, for maintenance and safety they are requesting cost per revenue hour and for customer service, per hour of operation of the customer service function.

Failure to meet Performance Standards will result at minimum in a monetary penalty and at maximum termination of the Contract. The proposed cost model being developed assumes that all MARTA cost will be recovered. Day-to-day operation of the CCT system will be handled by personnel hired exclusively for this Contract and housed on site at the CCT facility.

Mr. Daniels informed the Board that he asked staff to make this presentation so that the Board would clearly understand the parameters of the Contract. It would be to the Board's advantage to understand the risks, liability, potential costs as well as legal issues.

Mr. Daniels asked about profitability in terms of taking on the service.

Ms. Jackson said she will factor this into the discussion of the cost model.

Mr. Daniels asked that the Board be briefed on the MARTA Act in order to set up a separate entity for this transaction.

Business Management Committee

5/31/11

Page 9

Mrs. O'Neill explained that a separate entity is not permissible, but MARTA can establish a separate cost center (same model as the Clayton service). The MARTA Act requires that MARTA recoups all of its cost when it enters into a transportation services contract. To seek a profit is not prohibited by the MARTA Act.

Mr. Orkin asked about the advantages and risks for MARTA to take on the service.

Dr. Scott responded that this is a strategic decision of tremendous importance for MARTA, particularly as we move towards a larger regional entity - to become a super operator. It's not all MARTA will do, but it is a role that is envisioned in the TIA in HB 277 - the footprint points to MARTA becoming a super transit operator.

Mr. Orkin asked that the Board receive information on gross revenues and net revenues.

Dr. Edmond said he would feel more comfortable if he could get more information on how efficient we are in operating the MARTA system in the specific areas where CCT would call for penalties.

Mr. Orkin said he likes the idea of servicing and managing the Cobb system but he wants everyone to be very aware that our house is right here - Fulton and DeKalb counties and the City of Atlanta. We need to make sure we have our house in order before we set out on other ventures.

Mr. Daniels said Mobility is MARTA's fastest growing but most costly service. He asked that staff examine what growth Cobb anticipates in paratransit and the associated costs.

Ms. Jackson said paratransit is the only element that Cobb is proposing to pay on a per passenger basis. As the ridership and demand increases, so would revenue.

Dr. Scott said the employees that are hired under this service will operate under a totally different set of work rules - different pensions, benefit plans, etc.

Business Management Committee

5/31/11

Page 10

Resolution Authorizing the Execution of a General Contract of Indemnity for the Issuance of a Bid Bond for the Proposal to Provide Transit System Service and Support for Cobb Community Transit

Ms. Jackson presented this resolution authorizing the General Manager/CEO and the Assistant Secretary to the Board of Directors to execute on behalf of the Authority a general contract of indemnity for the issuance of a bid bond to accompany the response to the Cobb County request for proposals.

Mr. Durrett recommended that the Board approve the bid bond and have staff move forward with fully developing the proposal.

Mr. Orkin said he needed more time to look at the numbers.

Mr. Buckley stated this would come back before the Board after negotiations and before the contract is executed.

Mr. Ferrell said the proposal would be submitted with the caveat that MARTA cannot enter into Agreement without Board approval.

On motion by Mr. Durrett seconded by Mrs. Butler, the resolution was approved by a vote of 4 to 1, with 7* members present.

Mr. Daniels abstained.

Mr. Orkin voted no.

Resolution Approving the Operating and Capital Budgets for Fiscal Year 2012

Mr. Allen requested Board of Directors' approval of the Fiscal Year 2012 Operating and Capital Funds Budgets. The FY 2012 Operating Budget gross expenditures total \$453,961,658. Of this amount \$40,119,689 will be allocated to capital. This leaves a net operating expense budget of \$413,841,969. The impact to the Reserves will be \$22,730,617. A fare increase is proposed for FY 2012. The proposed base fare is \$2.50. The proposed weekly pass price is \$23.75 with a 9.5 multiple. The proposed monthly pass is \$95 with a 38 multiple. Revenues budgeted for the FY 2012 Operating Budget total \$391,111,354. Within this total amount, a fare increase is projected to generate \$20,312,078. The capital funds budget for FY 2012 total expenditures is \$329,194,969. Included within the total expenditures is \$143,701,316 programmed for

Business Management Committee

5/31/11

Page 11

outstanding and FY 2012 debt service. The total revenue to support the FY 12 capital program is \$330,622,066.

Mrs. Kaufman stated that as much as MARTA needs the revenue, she is opposed to a 25% increase raising the fare to \$2.50. She asked if there is a better alternative.

Mrs. Abernathy concurred.

Mr. Daniels asked what specifically would she like to address.

Mrs. Kaufman said there was another option that actually raised more money and the multiple was slightly different – it went from \$2.00 to \$2.25 then \$2.50. She noted there wasn't as much negative feedback to implement the increase in steps vs. one lump sum.

Mr. Durrett said the big context in which we're working right now is the vote in summer of 2012 where the region will be asked to approve a 1¢ sales tax increase to fund all manner of transportation. He said his concern is what impact raising fares again next summer could have; noting that he talked with many people and is not convinced that the increase should be implemented in steps.

Mr. Buckley stated his major concern is looking at sustainability of the MARTA system. It is critical. We must govern ourselves and take those types of actions to ensure that we are sustainable. With the proposal before us – we are sustainable. Even after 2016 there will be an \$88M surplus. We have to make hard decisions and sustainability is the most important decision at this time.

Mrs. Abernathy said she agrees with Mrs. Kaufman and Mr. Buckley. She said she is opposed to the 50¢ increase, based on the fact that she talked to many dependent riders whose income simply does not support the increase. The poor simply do not have it to pay. She said she is aware that MARTA needs to be sustainable, but many riders have asked if we could do less than 50¢. She further expressed her concern about those that make \$400-\$500 per month. They ride MARTA and have no other means of transportation – even to get to church. She said she is asking the Board's consideration for those riders who may be able to pay an extra 25¢, but 50¢ is a lot for those who have to choose between medication and food.

Business Management Committee

5/31/11

Page 12

Mrs. Butler said this is a very difficult vote under very difficult circumstances, but MARTA must focus on sustainability. It is necessary to increase fares in order to make MARTA sustainable for the future. The best thing we can do for riders who need the system is to make sure MARTA is here to provide them service in the future. We not only have to increase fares, but look at this system in the context of overall regional transportation. It is through success of overall regional transportation that MARTA will be most successful in the future. While it is difficult in a difficult time, in light of all the circumstances, it is the right thing to move forward with a \$2.50 increase.

Mr. Daniels noted that it is always tough to go to our riders and tell them they have to pay more. But looking at expenses, there is nothing where the cost has not increased – water, gas, energy, etc. For the Board not to move forward with this Budget, will put the Authority at a critical juncture from the perspective of our reserves and sustainability. Over the last years, the Budget has eroded Reserves. Going forward, the Board is identifying additional revenue sources, looking at closing the gap on a number of expenses, ordering a management audit to look at Best Practices to reduce cost and better manage the system. A Board has to look at the big picture – it is not popular, but we have to make the difficult decisions one of them being to accept this Budget that gives MARTA the ability to be sustainable into the future.

Mrs. Kaufman said she agrees with being sustainable. She stated what she is proposing brings more revenue to the Budget yet is easier on the people that Mrs. Abernathy referenced that cannot afford it. She asked Mr. Allen to talk about the multiple – what if everyone was charged \$2.25 and there were no monthly passes.

Mr. Allen said he believes there would be a greater outcry if the monthly and weekly passes were eliminated – this would represent about 60% of MARTA's ridership.

Mrs. Kaufman asked if there was an outcry on the changes made to the multiple.

Mr. Allen said there was some dissension. However, once patrons buy the monthly/weekly card the average fare is 52¢ on the weekly card and 85¢ on the monthly card – riders are heavily utilizing the cards.

Business Management Committee

5/31/11

Page 13

Mrs. Kaufman said to go up 25% in one year is a lot. She asked the Board to think about how to balance this, noting that she is in favor of increasing fare in stages, not one lump sum.

Mr. Allen said fares are not expected to go up again until 2014.

Mrs. Miller said if the purpose of the fare increase is to help shore up finances at MARTA and position MARTA for the sales tax then she would suggest that a very solid set of educational materials are put together to bring this to bear for our riders. First to say to our riders this is about keeping the system in place for the long term. The importance of a management audit cannot be understated. Finally, going to the 2012 General Assembly and asking for help on the 50/50.

Mr. Daniels stated that transit economics is a little different. Transit economics is farebox recovery. Fares only cover 27¢ of every dollar that MARTA has in expenses. This model relies on Federal and local monies to bridge the gap. Is this model sustainable? This would be a key consideration to include in the educational component. Transit economics is really one that should be addressed in the transit economics piece.

Dr. Scott said staff respects that this is a difficult set of policy decisions. Staff has done a considerable amount of benchmarking and found our fare structure was out of the norm. Currently, we are making the kind of recommendations that positions us with our peers and answers the question of what percentage of the operating cost must be borne by the customer. The average nationally is 31%. Large systems are running in the 40-50% range.

Mrs. Kaufman said MARTA is a retailer because MARTA provides service to the consumer. There is not another retailer in America that can cut services and raise prices and still stay in business. She asked the Board to think about this as they cast their vote.

On motion by Mr. Durrett seconded by Mr. Buckley, the resolution was approved by a vote of 7 to 1, with 9* members present.

Mrs. Kaufman voted no.

Resolution Authorizing Expenditures for Professional Services in Support of the FY 12 Capital Improvement Plan

Mr. Springstead presented this resolution requesting authorization for continuation of General Engineering Consulting Services, Rail Vehicle Engineering Services and General Consulting and Professional Services for furtherance of the Authority's 10-year Capital Program, specifically for FY 2012. This resolution is not requesting new or additional funds but authorization to utilize Board-approved technical and professional consultant contracts to implement the FY 12 Capital Budget. MARTA's FY 12 Capital Budget provides for major investments to renovate and rehabilitate existing transit facilities, life safety and operational critical systems and equipment to ensure our transit system remains in a safe state of good repair. MARTA staff has evaluated the work to be performed in the coming year. The end result is the proposed FY 12 Work Programs.

Ms. Miller asked to what degree has Capital expenditures been reduced and moved funds over to Operations.

Mr. Ferrell said at the Board's direction revenue was reforecast for FY 12 and beyond. The Board made the decision that all excess revenues over the FY 11 base would go to Operating. There are no additional dollars and no surplus revenue. This decision was made earlier in the year.

Mr. Daniels added that staff would present to the Board on a quarterly basis, any Capital items that will affect Operations.

Dr. Scott noted that the Capital Program is now at \$185M compared to the prior ten-year period of running this program at \$325M.

Ms. Miller said this information should be included in conversations going forward, given the fact that the General Assembly has given the 3-year lift of the 50/50.

On motion by Mr. Durrett seconded by Mrs. Kaufman, the resolution was approved by a vote of 8 to 0, with 9* members present.

Business Management Committee

5/31/11

Page 15

DEO Report - Resolution to Award an Authority Wide Wireless Communication Device Contract, Contract Proposal Number B22688

Mr. Diamond presented a DEO Report on Resolution to Award an Authority-Wide Wireless Communication Device Contract, Contract Proposal Number B22688.

DEO Report - Resolution Authorizing Award for the Equipment Purchase to Upgrade MARTA's Voice Communications Infrastructure, CP B22962

Dr. Diamond presented a DEO Report on Resolution Authorizing Award for the Equipment Purchase to Upgrade MARTA's Voice Communications Infrastructure, CP B22962.

DEO Report - Resolution Authorizing Expenditures for Professional Services in Support of the FY 12 Capital Improvement Plan

Mr. Diamond presented a DEO Report on Resolution Authorizing Expenditures for Professional Services in Support of the FY 12 Capital Improvement Plan

Financial Highlights – Davis Allen

Year-to-date, finances are in good condition. Net revenues are roughly \$10M above budget. Net Expenses continue to be favorable at approximately \$4M under budget. A \$69.4M deficit was budgeted for the year. The year will end at a \$45M deficit instead. Additionally, MARTA is looking to bring in \$37M from ARC, ending the year with a \$13M deficit.

Other Matters

Mr. Daniels referenced Tab 18 of the Committee books and asked Board Members to review these items:

- a) List of Future Resolutions and Presentations
- b) Financial Highlights/KPIs (March YTD) (Informational Only)
- c) Ridership Update (March YTD) (Informational Only)
- d) Fiscal Year 2011 – 3rd Quarter Small Purchase Report (Informational Only)

Business Management Committee


5/31/11

Page 16

Adjournment

The meeting of the Business Management Committee adjourned at 1:15 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Rebbie Ellisor-Taylor", is written over a horizontal line.

Rebbie Ellisor-Taylor
Assistant Secretary