

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

**September 28, 2018**

The Board of Directors Business Management Committee met on September 28, 2018 at 10:06 a.m. in the Board Room on the 6<sup>th</sup> Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

**Board Members Present**

Robert Dallas  
Frederick L, Daniels, Chair  
Jim Durrett  
William 'Bill' Floyd  
Jerry Griffin  
John 'Al' Pond

MARTA officials in attendance were: General Manager/ CEO Jeffrey A. Parker; 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 Jonathan Hunt (Acting); AGMs Elayne Berry, Perfidia Collier (Acting), Torrey Kirby (Acting), Benjamin Limmer, David Springstead, Emil Tzanov and Tom Young (Acting). Chief Information Security Officer Dean Mallis; Sr. Directors Donald Williams and George Wright; Directors Lisa DeGrace, Tim Elsberry, Donna Jennings, Pat Minnucci and William Taylor; Managers Davis Allen, Jacquelyn Bentley and John Cochran. Manager Executive Office Administration Tyrene Huff; Sr. Executive Office Administrator Tonya Gantt (Contract); Sr. Executive Administrator Keri Lee. Others in attendance Stephen Alexander, Adrien Carter, Abebe Girmay, Mark Harclerode, Erik Leach, Courtne Middlebrooks, Ramesh Mullaguru, Terry Ponder and William Thomas.

Also in attendance Jennifer Kirby.

**Approval of the August 30, 2018 Business Management Committee Meeting Minutes**

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

**Resolution Authorizing the Modification of the Maintenance and Support Contract for Oracle Database, EFP and ID Management, RFP P27978**

Mr. Kirby presented this resolution authorizing the General Manager/CEO or his delegate to amend Contract P27978 with Oracle America, Inc. to increase the value of the Contract by the amount of \$7,707,682 and increase the term by three (3) years.

The procurement is being funded with Local Operating Funds (100%). The total contract value is \$13,695,724.05.

A settlement agreement to resolve the license dispute between MARTA and Oracle has been reached. The purpose of this resolution is to request authorization for additional funding for Contract P27978 to secure an Enterprise Unlimited License Agreement (EULA); Cloud licensing and support for Oracle technology software for an additional three (3) year period. This will ensure compliance with Oracle licensing requirements for new projects and system growth. The requested capital and operational funds for this procurement is for the EULA, support for all Oracle software and Oracle Cloud services which includes infrastructure, storage and database systems utilized by the Authority.

The EULA would be in place for a 3-year term, enabling MARTA the opportunity to build and implement systems with an unrestricted license that will free the Authority from restrictions on the use of Oracle databases. EULA licenses also allow MARTA to configure the additional development, test/quality assurance (QA), pre-production and disaster recover environments for all the Oracle databases and applications.

Other benefits to the Authority under the 3-year term:

- Allows MARTA to resolve dispute
- Allows unlimited licensing
- Reduces dependency
- Opportunity to Investigate other areas
- Provides the Authority back-up at no cost

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

Mr. Pond referenced the 3-year cost breakdown and questioned the negative amounts for Oracle Cloud Service under Year 2 and Year 3.

Mr. Kirby explained that those were actually 'Option Years'.

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Mr. Kirby further noted that the calculation that Oracle did was incorrect. MARTA had a third party come in to determine usage. Tureen Consulting was the third party, who spun out of the Audit Department. MARTA was introduced to them by City of Atlanta. Their cost was \$35K. The negotiation started two years ago and MARTA is still in negotiation with Oracle. MARTA's legal team and Oracle's legal team are still working on the terms of the contract.

During the time City of Atlanta's system was hacked, so were their back up files. With the utilization of Data Center Co-Lo, MARTA could split locations, allowing the Authority to switch over and operate from another location.

Mr. Floyd asked if Oracle have ever refused to service MARTA.

Mr. Kirby said there have been points of contention, but at no point have they ever refused MARTA service. Oracle is responsible for security patches, upgrades, etc.

Mr. Floyd asked if the Agreement gives MARTA the confidence that Oracle will not come back and say the Authority owes them more money.

Mr. Kirby said this was a major negotiation factor. MARTA requested an unlimited license agreement. The Authority can now watermark its growth.

Mr. Daniels asked what is the plan to expand the Authority's band width so that data can be moved.

Mr. Kirby said MARTA is looking at an agreement on a fiber ring in order to move data.

Mr. Kirby acknowledged and thanked his project team for a job well done.

**Briefing – FY 2018 Year End Financials and Key Performance Indicators**

Mr. Hutchinson presented this briefing, providing a recap of the 2018 Year End Financials and KPIs.

**Year-to-date Operations Performance as of June 30, 2018**

Net Revenues - \$487.7

Net Expenses - \$466.0

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Year-to-date Operating Revenues and Expenses as of June 30, 2018

Revenues

- Net Operating Revenues - \$487.7

Expenses

- Net Operating Expenses Excluding GASB Adjustments - \$466.0
- Net Operating Expenses Including GASB Adjustments - \$480.5

Current Month Operating Revenues and Expenses as of June 30, 2018

Revenues

- Net Operating Revenue - \$41.3
- Net Operating Expenses Excluding GASB Adjustments - \$51.9
- Net Operating Expenses Including GASB Adjustments - \$66.40

Sales Tax Required to Fund Operating Expenses as of June 30, 2018

- Sales Tax Receipts - \$231.8
- Sales Tax Required to Fund Operating Expenses – \$210.1
- Under(Over) Use of Sales Tax Receipts FY 2018  
(Excluding GASB and IBNR Adjustments) - \$21.7
- GASB 68 and GASB 75 Adjustments – (\$14.5)
- Under(Over) Use of Sales Tax Receipt  
(Including GASB and IBNR Adjustments - \$7.2

FY 18 Year End Performance

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Combined Ridership (millions of unlinked trips; 3 modes combined)

- Ridership has tracked at or below prior year and consistently below projections for the entire year

Bus On-Time Performance

- Improved trend above target and prior year

Bus Mean Distance Between Failures (NTD)

- Improving trend

Mobility On-Time Performance

- Improving trend, above target

Mobility Mean Distance Between Failures

- Experienced poor mechanical performance of the fleet

**Bus Collisions per 100K Miles**

- 11 of 12 months worse than target

**Mobility Collisions per 100K Miles**

- Consistently worse than target; prior year

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**Adjournment**

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The meeting of the Business Management Committee adjourned at 11:21 a.m.