



**WORK SESSION OF THE BOARD OF DIRECTORS**

**METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY**

**Wednesday, September 17, 2014**

**MEETING SUMMARY**

A Work Session of the MARTA Board of Directors was held on Wednesday, September 17, 2014 at 12:23 p.m. in the MARTA Board Lounge, 6<sup>th</sup> Floor, MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia 30324

**Board Members Present**

Robert L. Ashe III  
Harold Buckley, Sr.  
Frederick L. Daniels, Jr.  
Jim Durrett  
Roderick E. Edmond  
Noni Ellison-Southall  
Kirk Fjelstul\*  
Freda Hardage  
Barbara Babbit Kaufman

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Approval of the Minutes of the August 7, 2014 Work Session of the MARTA Board of Directors

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On motion by Mr. Durrett seconded by Mr. Daniels, the Minutes were unanimously approved by a vote of 7 to 0, with 8\* members present.

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Upcoming Meetings of the Board:

Thursday, September 18, 2014

- Audit Committee

Thursday, September 25, 2014

- Operations & Safety Committee – 10:00 a.m.
- Business Management Committee (immediately following)

Thursday, October 2, 2014

- 10:30 a.m. Planning and External Relations Committee
- 12:00 Work Session
- 1:30 Board Meeting

\* Kirk Fjelstul 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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Atlanta Streetcar Intergovernmental Agreement (IGA)

The MARTA Board received an update on the Intergovernmental Agreement between MARTA and the City of Atlanta. As of now, daily control is in MARTA's purview. It is quantified by FTA Regulatory Capacity Review. MARTA will provide technical support. The City of Atlanta is owner of tracks and responsible for management of the budget. It is estimated that MARTA will have this role for approximately one year.

Update – Trapeze

There are over thirty (30) products that support bus, rail and mobility. Technology would like to consolidate into one master maintenance contract.

Resolution Authorizing the Conversion of the MARTA 2000B Series Bonds to Floating Rate Note Mode

A Floating Rate Note will allow MARTA to eliminate Line of Credit. The transaction is \$9.7M. It is rated AAA by Standard & Poors and AA by Moodys. MARTA will save 40%

Sales Tax Legislative Concerns

MARTA will place an item on its 2015 Legislative Agenda to deal with the State of Georgia Ad Valorem Tax change and the 1% Administrative Fee. During March 2013, the Legislature instituted Ad Valorem Tax to include private transactions. It was structured as waterfall and left MARTA a residual recipient. If not changed, MARTA stands to lose \$46M over the next five years.

MARTA Bond Counsel

Staff requested approval of a Bond Counsel Services contract at the July 21, 2014 Business Management Committee meeting. The MARTA Board asked that final approval be delayed until the September full Board in order to give staff time to address DBE concerns.

- The Office of Diversity and Equal Opportunity set a 10% DBE Rate based on knowledge at the time the RFP was issued.
- Holland and Knight has identified Townsend and Lockett, a well-qualified and certified minority owned DBE finance law firm that they can mentor into the bond counsel space
- Holland and Knight has committed to a 15% DBE participation rate

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- The scope of the DBE engagement will provide Townsend and Lockett with participation that offers a challenge while providing mentorship and exposure to the bond finance community
- Staff recommends MARTA move forward with the award of Bond Counsel to Holland and Knight with Townsend and Lockett as DBE

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**Adjournment**

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The Work Session of the MARTA Board of Directors adjourned at 1:55 p.m.