

MINUTES

WORK SESSION OF THE BOARD OF DIRECTORS

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

March 14, 2019

12:04 p.m.

Board Members Present

Roberta Abdul-Salaam
Robert L. Ashe III
Robert F. Dallas
Frederick L. Daniels, Jr.
Jim Durrett
Roderick E. Edmond
William 'Bill' Floyd
Ryan Carter Glover
Jerry Griffin
Freda B. Hardage
Alicia M. Ivey
Russell McMurry*
Christopher Sean Tomlinson*

Staff Members Present

Jeffrey A. Parker
Luz Borrero
Wanda Dunham
Gordon Hutchinson
Melissa Mullinax
Elizabeth O'Neill
Franklin Rucker
LaShanda Dawkins
Kirk Talbott
Emil Tzanov
Dean Mallis
Paula Nash (Interim)
Lyle Harris
Jennifer Jinadu-Wright
Colleen Kiernan
Rhonda Allen
John Cochran
Jonathan Hunt
Stephany Fisher

Also in attendance Robert Highsmith and LaToya Brisbane of Holland & Knight, LLP; Joe Beasley-Gresham Transportation; Jonathan Crumy of GTS; Eric Fisher of GTS; Stephan Gresham of GTS; Rhonda Johnson of Friends of Clayton Transit; Jennifer Larosa of SRTA; Trey Paris of T.E. Decisions; Keith Parker of Clayton County Citizen Advisory Group; Russ Pennington of McGuire Woods Consulting; Willie Powell of F.D. Solutions; Scheree Rawles of ATL; Jerome Russell of GTS; D. Stule of GTS; Danica Thompson of McGuire Woods Consulting; Steve Trinkle of MV Transportation; Kay Wallace; S. Weber of GTS; Sherry B. Williams of Georgia Stand Up; Rica Wright of Friends of Clayton Transit.

* Christopher Tomlinson is Executive Director of Georgia Regional Transportation Authority (GRTA); Russell McMurry, P.E. is GDOT Commissioner; and are therefore non-voting members of the MARTA Board of Directors

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Others in attendance Manager Executive Office Administration Tyrene Huff; Sr. Executive Administrators Tonya Gantt, Kenya Hammond and Keri Lee; Adrien Carter; Abebe Girmay; Tamara Hunte; Courtne Middlebrooks; LaTonya Pope; Saba Long; Terry Ponder.

Chair's Report

Upcoming Meetings

Thursday, March 28, 2019

- Planning & External Relations Committee – 9:30am
- Operations & Safety Committee – (immediately following Planning)
- Business Management Committee – (immediately following Operations)

Thursday, April 11, 2019

- Work Session – 12:00noon
- Board – 1:30pm

Approval of the February 14, 2019 Work Session Minutes

On motion by Mr. Durrett seconded by Mr. Ashe, the minutes were unanimously approved by a vote of 11 to 0, with 13* members present.

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Chair Hardage asked Board members to submit possible topics for the upcoming Board Retreat.

Chair Hardage asked Board members to mark their calendars for the upcoming MARTA Police Awards Luncheon that will be held on May 10, 2019.

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General Manager/CEO Report

Mr. Parker announced MARTA's AGM Planning & External Relations Ben Limmer will be moving to Tampa, Florida. He was hired as the new CEO of Hillsborough Transit Agency. Mr. Limmer was wished much success in his new career.

Other announcements:

- The citizens of Gwinnett County will vote next Tuesday to levy a 1¢ sales tax to join the MARTA district. Mr. Parker thanked the MARTA team for a job well done. Special thanks to Chief of Staff Melissa Mullinax for her work on this effort
- Welcome to Franklin Rucker, Chief Capital Programs, Planning & Innovation

Centralized Program Management Organization (CPMO)

Mr. Rucker presented a briefing on developing a Capital Program Management Organization.

Over fifty personnel attended a CPMO workshop this past Friday. Everyone was very engaged in the process. One of the main take-a-ways was the vision of what would MARTA look like ten years down the road ...

MARTA celebrates 50 years of delivering mobility services to the country's fastest-growing region, with record ridership ...

By flawless execution of capital projects and service delivery ... and being the premier provider and resource in metro Atlanta by leveraging people, processes and systems

Where are we today in terms of Capital Program Delivery? Today, the Authority budgets approximately \$300-\$400M for State of Good Repair. In the future, there will be additional expansion in the existing counties as well as potentially Gwinnett (due to the upcoming vote). The capital project side of the house will then require approximately \$600M on an annual basis.

As different streams of funds come in, the Authority will be subjected to numerous audits. The following article was published by *The AJC* in August 2018:

Audit Findings –

"There is a lack of consistency in the management of projects since no Centralized Project Management Office exists."

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“There is no documented evidence to show that Project Managers and/or other authorized MARTA employees are monitoring project milestones and/or deliverables. Thus, MARTA could potentially be paying for a project and not receiving the appropriate and/or required deliverable for that project.”

MARTA’s Capital Program Delivery Today – State of Good Repair – Diverse Project Types and Management Approaches

- Capital Programs
- Planning
- Technology
- Police
- JOC
- Operations
- Safety

Future Expectations & Delivery Challenges

- Raised Delivery Expectations
- Higher Public Involvement
- No Fall-Off in Service
- Increased Financial Scrutiny

MARTA must be good stewards of each jurisdictions’ allocation!

What do we see as risk in performance of this program?

- Leadership Buy-In
- Resources
- Lack of Consistent Processes and Procedures
- Silos
- Lack of Accountability
- Lack of Trust

Path to Success – Capital Program Management Organization

- Realigned Program Delivery Organizational Structure
- Eliminate Silos within the Organization
- Informed Decision Makers
- Accurate Resource Forecasting/Acquisition
- Enhanced Accountability
- Consistent Project Monitoring & Control
 - Program Management and Project Controls Procedures
 - Proper Definition of Scopes

- Stage Gate Governance
- Integrated Reporting
- Estimating
- Scheduling/Delivery
- Operational Readiness

How Does It Work?

This will be an integrated PMO. We will not have a standalone Project Management Office. We will incorporate resources within our current organization. There will be an AGM of Planning, AGM of Delivery and AGM of Infrastructure – each with specific roles and responsibilities with the staff that they manage.

Mr. Floyd asked about Mr. Rucker's role.

Mr. Rucker responded he is the Chief of Capital Development.

The Planning Team will come up with a definition and the required processes. There will be a lot of work to be done with external stakeholders. MARTA will look at validation and determination of the scope, schedule, budget and risk. This team is also responsible for financial planning, joint development, programmatic strategies, alternatives analysis, NEPA, FTA, ROW.

The State of Good Repair team is responsible for project definition for rail, bus facilities and IT. The team will also be responsible for asset management, quality assurance, safety, FTA oversight and reporting.

Dr. Edmond expressed concern about consultants.

Mr. Rucker explained that the Authority does not have the resources to do it all inhouse. MARTA will supplement its resources with external resources.

Mr. Daniels stated the Authority was in a consultant relationship with MATC. There was elevated cost as it relates to consultants being alongside MARTA staff. There was never any differentiation as to who was managing who. There was a 35-40% additional cost added into projects. There were a lot of projects the Authority could not get done. We, the Board, wants to make sure that costs do not get out of hand.

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Mr. Rucker responded the PMO will manage the cost and schedule component to make sure things stay on track.

Ms. Abdul-Salaam expressed concern as to when staff will get to the projects themselves.

Mr. Rucker said work will start this summer. We will agree on a schedule and drive performance to the schedule. Success will be built upon a circle of integrity – responsibility, clarity of intent, honor the commitment and trust.

Next Steps

- Evaluate and revise process and procedures
- Enhanced MARTA Internal Resources
- Technology that Meets MARTA's Requirements
- RFP Solicitation

Schedule – 2019

MARTA CPMO Alignment Session	March 8
Develop CPMO RFP OS	March 11 – May 1
Committee Presentation	March 28
Develop CPMO Framework/Governance & SOP (continuing)	April 1 – December 31
Board Approval	April 11
Release RFP	May 1
Proposals Due	July 12
Recommendations to Committee	August 29
Board Approval	September 26
NTP	October 2

Mr. Daniels thanked Mr. Rucker for a very thorough presentation. He noted that he would like to hear more information on alignment of the Budget and alignment of Procurement.

Mr. Rucker stated the Authority does procurement in accordance with the schedule. Every procurement has to be tracked. With dedicated resources and scheduling, the norm for procurements is now approximately 6 months. MARTA will have a dedicated finance team to budget projects. Staff will come to the Board on a regular schedule to report status.

Mr. Daniels asked what will be included in the RFP that Mr. Rucker will bring to the Board in approximately one month.

Mr. Rucker said staff will be looking for supplemental and construction management staff. It will be a combined PM/CM. A major company with several subs. There must be diversity. As MARTA needs the resources, we will bring in the staff. This will control costs.

Dr. Edmond thanked Mr. Rucker for an excellent presentation. He spoke to the importance of focusing on honesty and transparency with the jurisdictions. They need to know the details and the data before MARTA lays out a plan. More specifically, they need to know what the jurisdictions have contributed, what the jurisdictions have gotten as a result of their contribution (whether they have gotten more than they contributed or less) and they need to know what is best for MARTA, i.e., sometimes there is a jurisdiction that is not prioritized based upon what is best for MARTA, but there needs to be an explanation for that. People need to understand why we are doing what we do. Again, transparency and honesty is most important. Dr. Edmond asked that these points be kept in the forefront.

Ms. Abdul-Salaam asked about the projected timeline of bringing a third party in by September. She asked whether there will be multiple third parties.

Mr. Rucker responded there will be one third party. They will not take over management; they will be supplemental.

Mr. Durrett referenced procurement and requirements that are laid on top of the execution of projects. He said he wants to ensure MARTA also look at practices that drives the cost of project up.

Mr. Parker said by having a CPMO, led by Mr. Rucker, is where we will get the rational conversation about taking away the layers of bureaucracy and streamlining process. He asked that everyone keep in mind these are public dollars and this must be done in a rational way.

Mr. Floyd asked what are expected costs associated with proposals from contractors.

Mr. Rucker said when he talks of 20-22% soft costs, that is in relationship to actual construction. The PMO normally operates around the 5% range of actual

construction cost. 4-5% is typical of what you would expect the PMO to actually do. There are general and administrative cost that are not charged to a particular project and are not accounted for.

Mr. Floyd said when he looks at performance, he is looking to see when a project is deliverable. There is a lot of work that goes into planning and design. People don't see this work. Any management project must be strictly scheduled so that we understand all the deliverables so that we know when the first shovel goes into the ground. I would hope the Board will get those dates. I will need something simple (as a lay person) that will be understandable; so that we as a Board can reflect the confidence that the MARTA staff have, that a project will be delivered on time.

Mr. Rucker said the first thing that the Board should receive is a Master Program which accounts for planning, design, anticipated procurement and construction so that you can see where each program fits within a certain timeframe.

Mr. Ashe said one of the things the Board gets questioned about is how much money is being spent on consultants. He requested, as we move forward, one of the benchmarks that would be helpful for the Board is how does our spend on consultants compare to other major transit agencies which are doing expansion projects. We will spend a lot of money in a relatively short period of time. For external stakeholders, as well as the Board, we need know is that below what we should expect or above what we should expect – are we tracking the soft costs estimates appropriately, given what we are doing. Additionally, as a City of Atlanta appointee, what are we doing between now and October in terms of planning prioritization on the ½ penny.

Mr. Rucker said there has been a reduction from seventy-five (75) to sixteen (16) projects. Staff is preparing a presentation on recommended prioritization. This should come to the Board in in the form of a Master Project list.

Other Matters

Mr. Parker announced National Transit Driver Appreciation Day is being recognized on Monday, March 18, 2019. He invited Board members to pick up Thank You cards to hand out to operators.

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On motion by Mr. Dallas seconded by Mr. Ashe the Board unanimously agreed by a vote of 11 to 0, with 13* members present to go into Executive Session at 1:08 p.m. to discuss a legal matter.

On motion by Dr. Edmond seconded by Mr. Floyd the Board unanimously agreed by a vote of 12 to 0, with 14* members present to adjourn the Executive Session at 1:40 p.m.

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Adjournment

The meeting of the MARTA Board of Directors adjourned at 1:40 p.m.