

MINUTES
WORK SESSION OF THE BOARD OF DIRECTORS
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

April 11, 2019

12:06 p.m.

Board Members Present

Robert L. Ashe III
Jim Durrett
Roderick E. Edmond
William 'Bill' Floyd
Roderick A. Frierson
Ryan Carter Glover
Jerry Griffin
Freda B. Hardage
Alicia M. Ivey
Russell McMurry*
John 'Al' Pond
Rita A. Scott
Christopher Sean Tomlinson*

Staff Members Present

Jeffrey A. Parker
Luz Borrero
Wanda Dunham
Gordon L. Hutchinson
Elizabeth O'Neill
Franklin Rucker
David Springstead
LaShanda Dawkins
Virgil Fludd
Kirk Talbott
Emil Tzanov
Don Williams (Acting)
Tom Young (Interim)

Also in attendance Robert Highsmith and LaToya Brisbane of Holland & Knight, LLP; Sr. Chief Information Security Officer Dean Mallis; Executive Director Paula Nash; Senior Directors Donna DeJesus (Acting), Pia Forbes, Lyle Harris (Contract); Directors John Cochran (Acting), Jonathan Hunt, Erica Pines; Managers Stephany Fisher, Justin Kirnon; Manager Executive Office Administration; Sr. Executive Administrator Tonya Gantt, Kenya Hammond and Keri Lee. Others in attendance Ed Bishop, Adrien Carter, Abebe Girmay, Courtne Middlebrooks and Terry Ponder.

Also in attendance Rhonda Briggins; Scott Haggard of ATL; Paul Jones; Safiya A. Khalid; Jennifer LaRosa of SRTA; Keith Parker of CCCAG; Jon Ravenelle of ATL; Danica Thompson of McGuire Woods Consulting; David Wickert of *The AJC*; Sherry B. Williams of Georgia Stand Up.

* 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

Chair's Report

Upcoming Meetings

Thursday, April 25, 2019

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

Friday, April 19, 2019

- Audit Committee – 10:00am

Friday, April 26, 2019

- Board Retreat – 9:00am

Thursday, May 9, 2019

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

Wednesday, May 22, 2019

- Council for Quality Growth

Approval of the March 14, 2019 Work Session Minutes

On motion by Mr. Durrett seconded by Ms. Ivey, the minutes were unanimously approved by a vote of 9 to 0, with 11* members present.

* * *

Chair Hardage, on behalf of the Board and staff extended a warm welcome to new Board members Rita A. Scott and Roderick A. Frierson. Both members represent DeKalb County.

Board members were reminded of the Board Retreat scheduled for Friday, April 26, 2019.

* * *

General Manager/CEO Report

ATL Proposed Changes to Grant Formula Funds

Mr. Parker presented a summary of proposed changes The ATL and ARC is asking the local transit agencies to consider. This will be a change in the way the FTA Formula Fund Program is shared among the transit operators.

Proposed Changes

5307 Funds.

- The region receives approximately \$73M per year. 100% of the funds was distributed to subrecipients by MARTA. MARTA was not taking any administrative funds to administer. The proposed change by The ATL and ARC would be to take 1% of the funds (approx. \$700K) for administrative purposes as well as allowing the designated recipient and the NPO to elect to set aside and reserve a portion of the remaining 99% for other regional purposes. The concern is the 1% less funds and how the decision would be made to remove more funds for specific regional purposes

5337 Funds (Fixed Guideway and High Intensity Motor Bus)

- Fixed Guideway is largely the miles MARTA gets for the rail service. MARTA is the only operator of fixed service. There are no proposed changes
- High-Intensity Motor Bus - Cobb, Gwinnett and MARTA would receive less money with those funds going to SRTA

Mr. Tomlinson noted that ½% of 5307 funds already currently goes to ARC. What this proposal is looking at is whether the regional projects would look at going from ½% up to 1% - with ¾% going to The ATL and ¼% going to ARC. The reason for this breakdown is there are counties that ARC is providing services for that are not within the 13 counties. This money will be used for regional purposes. The documents have been distributed to all the ARC memberships. We are currently trying to meet one-on-one to find how folks feel about the policy changes, the numbers and answer any questions. The plan for any of the policy changes to be looked at by the The ATL would be in August. In terms of what these numbers would mean for MARTA; the 5307 set aside if we went with this – the net impact on MARTA would be approximately a little over \$200K.

Chair Hardage asked what would the money be used for.

Mr. Tomlinson explained there are certain things that happen in the region that are regional costs such as the GTFS or the onboard study – things that cut across multiple operators, multiple jurisdictions. Again, we are looking for feedback from the region. ARC provided some of the funding for the Fulton County Transit Plan. Some think that it is ARC money, but the money came through as 5307 dollars. The cities in Fulton County contributed to the local match piece.

Mr. Durrett said the case needs to be made – very clearly, succinctly, the purpose, why the funds are needed and what will be done with them. That will help me to think it through.

Mr. Tomlinson said he can get this information and provide to the Board and individual jurisdictions. Additionally, Mr. Tomlinson said he will come back to the Board at the May 9th Work Session for a complete ATL update.

Mr. Floyd said DeKalb was a recipient of \$1M for an expansion plan through ARC. He asked if these funds were 5307.

Mr. Tomlinson said in the case of DeKalb, those were LCI funds. When we have regional matters, we pull from a number of sources, i.e., 5307, Livable Communities Grant, block grant funding, etc. What is being proposed here is the first and primary source would be the set aside money. It is limited to be used for things that are regional in nature. We are proposing that some of the funds come through The ATL and through an open, transparent process, we are proposing that this could be a source. We are asking everyone in the region to take a look at the policy and provide feedback. Mr. Parker mentioned 5337 funds. That is what is called shared segments. On our highways/HOV/Hot Lanes, the region receives 5337 funds. Under the current policy, we do not apportion those funds based on the amount of service being provided. Today, whoever was the first to file a National Transit Database (NTD) report on those miles, gets to claim them. The proposed policy change says the equitable way to go is based on the level or amount of service being provided. Long term, as MARTA expands with More MARTA the amount they would receive would go up. Today, MARTA's allotment of 5337 funds would go down approximately \$36K. Going forward, anyone in the region as we add service, the apportionment would go up. And even that change which only affects MARTA about \$36K has a bigger effect on Cobb and Gwinnett. We are looking at phasing that in over two years. It regionally, makes more sense - you add more service, you should receive more of the money that flows into the region.

Mr. Durrett asked who ultimately makes the decision to change the policy.

Chair Hardage explained that the MARTA Board wants to be clear on the allocation of these funds. As it stands, MARTA has more projects than it has money for.

Mr. Parker explained that The ATL has asked MARTA to provide comments by April 26th. This is potentially the first turn in the flow of funds (by MARTA not being the designated recipient) and it is important to receive the Board's comments.

Mr. Tomlinson said the update will have the correct numbers – the numbers presented today are too high.

Review of Efforts of the Gwinnett Referendum

Mr. Fludd presented an update on the Gwinnett Referendum that focused on education, lessons learned, initiatives and take aways.

Today, Gwinnett have 920,000 residents. By 2040 the number will increase to 1.5M. When Governor Deal signed HB 930 last year, the Board of Commissioners decided to call for a special initiative to join MARTA. If successful, MARTA would have implemented the Connect Gwinnett Transit Plan which included short-term, medium-term and long-term projects that included heavy rail. The Plan would have been implementable by any Operator. The big challenge was the date. Historically, transit referendums are much more likely to pass during a general or midterm election. In special elections voter turnout is usually lower and demographics are usually not well represented. MARTA's job was to make sure the educational campaign presented a comprehensive education-based approach, i.e., the case for transit, MARTA's successes, emphasis on safety & security and share the aspects of the Connect Gwinnett Transit Plan as well as the Gwinnett/MARTA Contract.

The County hosted a number of open houses, printed and distributed a FACT Sheet. Chair, Charlotte Nash was an engaged and enthusiastic spokesperson. They held over 30 community meetings, 6 open houses and hosted 10 focus groups. *Go Gwinnett* was an advocacy campaign organized by the Gwinnett Chamber of Commerce. They secured some very important public endorsements from Governor Nathan Deal, Sheriff Conway and District Attorney Danny Porter. Radio and TV ads included an endorsement from Stacey Abrams. The New Georgia Project Action Fund was self-funded and was a robust advocacy campaign. They partnered with other groups such as The Democratic Party of Georgia, the Sierra Club, Asian Americans Advancing Justice, Galeo and the People's Agenda.

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Innovative Tools

- MARTA created a microsite (a website within a website). The focus of the site was education and it gave access to the public for information about the vote itself, frequently asked questions, videos, voting locations and a referendum fact sheet. The site had 13,317 visits. The average user spent 2 minutes and 13 seconds on the site.
- Education of Internal Audience – hosted a Town Hall on February 25. Education materials were passed out to employees. A postcard was sent to over 4,000 MARTA employees. A packet of information was sent to the 425 MARTA employees who live in Gwinnett. Frequent emails were sent Authority-wide by Mr. Parker to keep employees informed about the election.
- Videos. Adam Shumaker created 25 digital videos to reach internal and external audiences across multiple platforms. There were over 37,000 views, with 5,000 likes or comments. A number of elected officials were interviewed.
- The Marketing team cultivated content across all social media platforms. Messages were share on Facebook, Twitter, Instagram and YouTube.
- Fact Sheets were used to give additional details
- Media tours was another way MARTA rolled out new ideas. On March 7th a tour was conducted across the system which started at Lindbergh, went to Dunwoody and then to Five Points. This gave Gwinnett reporters a chance to see key aspects of the MARTA system. During the tour MARTA representatives engaged with reporters and answered questions about MARTA in general and the referendum in particular. Representatives from MARTA included Chair Hardage, GM/CEO Jeff Parker, Chief Dunham and Chief Springstead. The second tour on March 15th targeted TV and radio. Starting at Doraville Station the group took an articulated bus and stopped at the Gwinnett Place Transfer Center. The reporters conducted several interviews. MARTA representatives were Chief Springstead, Chief Dunham and Director Don Williams.
- A Telephone Town Hall was held on March 13th. Staff included GM/CEO Parker, Chief Dunham, Chief Springstead and Director Don Williams. Over 14,000 undecided voters were called using land lines. The vendor, Voice Broadcasting was used. It was simple to use and took approximately 48 hours to set up. MARTA looks forward to using this tool again in communications moving forward.

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Nearly 92,000 people voted during the election on March 19th. 46% said yes and 52% said no. Feedback included comments from:

- Charlotte Nash – ‘the main thing is to choose the right date for the next referendum’
- CEO Thurman – ‘the reputation that MARTA has, real or imagined, continues to be an obstacle’
- Dan Kaufman – ‘this hinders our ability to attract the kind of high tech companies we want here in Gwinnett’

Lesson Learned:

- Misconceptions about MARTA and transit continue to exist in the region – i.e., MARTA will increase crime, MARTA will decrease our property values, MARTA will mismanage its tax dollars, more buses equal more traffic. We must debunk those misconceptions. As *The AJC* noted, we should highlight our budget surpluses that have existed for the past six years, three major credit agencies rate our financial outlook as stable, citing the region’s strong economy and MARTA’s budget reserves. Multiples studies have refuted the idea that transit increases crime. Also, it is known that transit referendums during special elections are much more likely to fail. According to APTA, 85% of referendums for public transit projects are won during midterm or general elections. We now know that transit planning should be a collaborative effort. Gwinnett can now call another referendum as early as November 2020.

Mr. Ashe thanked everyone involved for working so hard to try and make this happen. In terms of dates, another referendum can be called during the Presidential Preference Primary in 2020. We will avoid special elections going forward.

Ms. Ivey thanked everyone for their work. She asked if there have been any post vote sentiments from the community. How do we overcome the challenges of negative things being said about MARTA?

Mr. Fludd said MARTA has heard from individuals in favor or the referendum and opposed to the referendum. MARTA has made two very important hires recently – Ms. Pia Forbes, Sr. Director of Communications and Ms. Erica Pines, Sr. Director of Community Engagement. They will be at the forefront of helping to

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share information on MARTA. We will also ensure that opinion makers and decision makers in the region are being informed and educated.

Mr. Griffin said one of the key things MARTA can do to change perception is the plan that Mr. Rucker laid out in delivering projects on time and on budget.

Mr. Durrett commented this is an environment of social media and people can be swayed by what they read on social media.

Mr. Fludd said moving forward, the Authority will be much more involved in social media to spread MARTA message and address negative comments.

Mr. Ashe said the turnout in the general election was three times what it was in the special election. He indicated there needs to be a reassessment – what Gwinnett wants to do; what MARTA wants to do. It appears the biggest problem was not who, where or why, but when. He commended Charlotte Nash, noting she was an incredible partner to work with.

Mr. Floyd said this appears to be a regional problem. This problem will need to be addressed by The ATL Board to some extent, in cooperation with MARTA. If people are going to be convinced that regional transit is a good thing, it will need to be a regional vision. MARTA will need help from The ATL Board.

Mr. Tomlinson said The ATL has been reaching out to partners in Gwinnett. Starting this summer, The ATL is anticipating a Call for Projects for the first regional transit plan. Gwinnett has a rock-solid transit plan and it is expected that Gwinnett will submit projects from that plan. Gwinnett has transit that is growing and they have short-term and long-term plans. A missing component is how does that connect into the MARTA system. We hope to pick that up and incorporate it into this first regional transit plan.

Legislative Update

The Legislature convened on January 14th of this year and ended on April 2nd. For a variety of reasons, we decided not to pursue all of our Board-approved items.

The year started with a series of changes in new leadership under the gold dome – a new Governor, a new Lt. Governor, a new MARTOC Chair, a new House Rules Chairman and a completely new Government Affairs staff. There is a need to educate.

SB143 Bond Flexibility. Sponsored by Transportation Chairman Brandon Beach. Currently, under Section 10b of the MARTA Act, the only time we can go to the bond market is on the day the Board approves the resolution. This may or may not be the best day to go to the market. Senate Bill 143 would allow the Board to give authority to the CEO or CFO with approximately 30 days to make a decision as long as the interest rates, the principle amounts, the redemption provisions and the timeframe met certain parameters. The bill was presented in the Senate Transportation Committee, where there were questions that could not be addressed. A decision was made to table the item and bring it back next year for consideration.

HB511 was introduced on day 23. This was a comprehensive transit bill that would have provided transit support for rural Georgia and would create a new department of mobility and innovation and create eight more regions (much like The ATL) across the State.

SB131 was entirely rewritten. This was essentially the Burt Jones airport takeover bill

SB 200. Legislators from Gwinnett decided to amend a GDOT bill that would prevent Gwinnett from having another referendum until 2026.

None of these bills passed.

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On motion by Mr. Ashe seconded by Mr. Durrett the Board unanimously agreed by a vote of 11 to 0, with 13* members present to go into Executive Session at 1:05 p.m. to discuss litigation.

On motion by Dr. Edmond seconded by Ms. Ivey the Board unanimously agreed by a vote of 11 to 0, with 13* members present to adjourn the Executive Session at 1:33 p.m.

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Adjournment

The meeting of the MARTA Board of Directors adjourned at 1:34 p.m.