

MINUTES
MEETING OF THE BOARD OF DIRECTORS
OPERATIONS & SAFETY COMMITTEE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
October 25, 2018

The Board of Directors Operations & Safety Committee met on October 25, 2018 at 10:05 a.m. in the Board Room on the 6th Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

Board Members Present

Robert F. Dallas
Frederick L. Daniels, Jr.
Jim Durrett
Roderick E. Edmond, Chair
Jerry Griffin
Freda B. Hardage
John 'Al' Pond

MARTA officials in attendance were: General Manager/ CEO Jeffrey A. Parker; C-Suite Team Members Chief of System Safety, Security & Emergency Management/Police Wanda Dunham, Chief Financial Officer Gordon L. Hutchinson and Chief Counsel Elizabeth O'Neill; AGMs Sherrie Johnson (Acting), Benjamin Limmer, Gena Major (Acting), Kirk Talbott, Emil Tzanov and Thomas Young (Interim); Chief Information Security Officer Dean Mallis; Executive Director Shelton Goode; Directors Rhonda Allen, John Cochran (Acting), Lisa DeGrace, Pat Minnucci, Remy Saintil and William Taylor; Managers Davis Allen and Niki Hester; Sr. Executive Administrators Ashanti Boothe and Keri Lee; Department Administrators Tracy Kincaid. Others in attendance Adrien Carter and Alfose Eugene and Abebe Girmay.

Also in attendance William Chambers of CERM.

Approval of the September 28, 2018 Operations & Safety Committee Meeting Minutes

On motion by Mr. Durrett seconded by Mr. Pond the minutes were unanimously approved by a vote of 7 to 0, with 7 members present.

Resolution Authorizing Award of a Contract for the Procurement of Construction Management Services for Indefinite Quantity Construction Contracts (CMIQCC), RFP P40987

Mr. Saintil presented this resolution authorizing the General Manager/CEO or his delegate to enter into a Contract for the Procurement of Construction Management Services for Indefinite Quantity Construction Contracts (CMIQCC), RFP P40987.

The recommendation is to enter a contract with The Gordian Group in the amount of \$1,095,000,000. The contract is a two (2) year base term with three (3) one (1) year options and will not exceed \$2,000,000,000. The contract is also a performance based contract, which means the construction management company will not be compensated until the construction services are complete.

Indefinite Quantity Construction (IQC) Timeline

- Authorization for solicitation approved by MARTA Board – 1/2018
- RFP Solicitation date – 5/2018
- Pre-proposal conference with contractors – 6/2018
- Today, seeking O&S Committee approval for IQC Construction Management Services portion of RFP – 10/2018 and subsequent Board Approval
- Indefinite Quantity Construction Contractor approval – 2/2019

The IQC Program coincides with MARTA's organizational goals and strategic objectives which is to:

- Approve and enhance station appearances
- Develop and implement an action plan to better serve MARTA's jurisdictions

The main objective of the program is to enable MARTA to rapidly engage contractors to perform construction and construction related services as well as the Agency needs a variety of construction tools in order to meet the needs of employees and patrons.

Key Benefits

- Smaller, medium priority projects
- Projects that do not require 100% design

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- Quicker mobilization
- Projects supplementing in-house staff
- Replacement-in-kind projects

Office of Facilities Maintenance

- Program Development
- Document Preparation
- Procurement Support
- Automated IQC System
- Training
- Technical Support

Mr. Durrett said after reading the Agenda Report, it showed no basis as to why The Gordian Group was selected over Pond & CRM and asked what was the determining factor.

Mr. Saintil said MARTA utilized a Baffle Project where four (4) firms were qualified. Based upon technical qualifications two (2) of the four (4) firms presented and went through a Baffle Project. The Gordian Group was found to be the least expensive for the Authority.

Mr. Durrett clarified that both firms were qualified and that The Gordian presented a better offer which made them the selected firm.

Mr. Saintil said the decision was based upon the percentage of the work being competed and The Gordian Group ended up being approximately 10.2% off the construction work which was slightly lower than Pond/ CRM.

Mr. Dallas asked if the Gordian Group was multiple companies.

Mr. Saintil said no. The Gordian Group is a single company.

Mr. Dallas asked what happens if the award exceeds \$200,000 threshold.

Mr. Saintil said one management company will complete the work and will not be compensated until the job has been completed. This means that one firm will be paid for the work. However, the firm can hire multiple suppliers.

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Mr. Daniels asked if the construction management company is not compensated until the work is completed how would they maintain their business, especially if they have multiple projects.

Mr. Saintil said the funds are not due to the construction management company until the work is complete.

Mr. Daniels said the construction projects can last for several years and asked how does the management company maintain their business if MARTA does not pay prior to the job being completed.

Mr. Saintil said it is part of the contract between MARTA and the construction company to ensure that it's a win for all parties involved.

Mr. Daniels asked how it be a win for a construction management company if they're not compensated until the work is completed.

Mr. Saintil said this is the order that construction management companies operate.

Mrs. Hardge asked if the process is usual and customary across the majority of transit agencies.

Mr. Saintil said the state and city operate under the same program. The process is not unique to MARTA.

Dr. Edmond said after being a Board Member for eight (8) years, he has learned a lot and the Board is actually voting on the management contract for the construction. This is not boots on the ground but intellectual property. He noted the management contract is responsible for overseeing the vendors who are working for MARTA and not the physical work.

Mr. Daniels said typically, there are project billings. He asked how can they wait until the end knowing there is only so much cash flow. It does not seem feasible for a company to carry payroll and tangible expenses to the end of the contract.

Mr. Durrett said slide #4 from the presentation indicated that the projects were not long-term projects and the workload will not exceed one year to complete.

Mr. Saintil asked the Board to consider that each work order cannot exceed \$200,000.

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Chief Dunham asked for an example of the type of work that would be considered for a construction management company.

Mr. Saintil said pavers at stations would be a good example. MARTA could mobilize this program to complete the project faster. He also said the use of the program gives MARTA the ability to move quicker on small projects.

Dr. Edmond said MARTA is moving into a new dimension with growth and development and asked if MARTA plans to hire someone full-time to manage construction projects.

Mr. Parker said MARTA is actively recruiting personnel to run a program management office for the overall program which would be critical to MARTA's success.

Mr. Griffin said based upon the information from slide #2 it's approximately a ten (10) month process for the Board to get results back from solicitation of proposals and asked if that is a normal time frame for procurement.

Mrs. O'Neill said internal discussion had an impact on the time frame for this particular contract.

On motion by Mr. Daniels seconded by Mrs. Hardage the resolution was approved by a vote of 6 to 1, with 7 members present.

Mr. Pond abstained.

Resolution Authorizing Award of a Contract for the Procurement of Extended Service Antifreeze, IFB B42074

Mr. Taylor presented this resolution authorizing the General Manager/CEO or his delegate to enter into a Contract for the Procurement of Extended Services Antifreeze, IFB B42074 into a three (3) year base term with one (1) one-year option in the amount of \$585,000.00.

Each MARTA bus contains approximately 16 gallons of antifreeze:

- 11 gallons – engine
- 5 gallons – operator's windshield defroster /heat passenger compartment

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Characteristics of Antifreeze:

- “pre-mixed” antifreeze at a ratio of 50% antifreeze and 50% water.
- This is to avoid over and under dilution of the antifreeze and provide optimum blend for the use in Cummings engines.

Extended Antifreeze Life-Cycle

- Approximately 150,000 miles vs. standard antifreeze life-cycle of 50,000 miles

The average annual expenditure in the base years will be approximately \$145,100.00 for a total contract amount of \$585,000.00.

The department of Audit has conducted a price analysis and the contract award amount reflects the internal audit recommended price.

Advance notices were sent to 19 bidders and the notices of Invitation for Bids were advertised in the:

- Atlanta Journal Constitution
- Georgia Procurement Registry
- Georgia Local Government Marketplace
- MARTA's website

Twenty-two (22) Firms retrieved the online solicitation and/or purchased the CD.

On the bid opening date and time of August 14, 2018 at 3:00pm, MARTA received 7 Bids.

Five Points Service, Inc. was determined the lowest and responsible bidder in the amount of \$585,000.00.

Dr. Edmond said the Agenda Report indicated McPherson Companies submitted a bid in the amount of \$559,200.00 and Five Points Service, Inc submitted a bid for \$585,000.00 and asked how was Five Points Service, Inc. considered to be the lowest bidder.

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Mrs. DeGrace said the two lowest bidders McPherson Companies and Northeast Lubricants, Ltd did not acknowledge the Addendum which is a requirement to be considered by MARTA.

Dr. Edmond asked what is the procedure for the bidding process.

Mrs. DeGrace said McPherson received an invitation to bid and an Addendum was sent to them.

Dr. Edmond asked if the RFP went out first and did the companies respond before the Addendum understanding that they would receive the Addendum after the RFP.

Mrs. DeGrace said an invitation for bid goes out and then an Addendum is sent out. At the time of bid submissions companies acknowledge that they will receive and understand the required Addendum.

Dr. Edmond asked if McPherson and Northeast Lubricants, Ltd. omitted the acknowledgement on their bid forms.

Mrs. DeGrace said yes. Also, MARTA conducted a follow-up to alleviate losing in competition.

Dr. Edmond asked for an explanation of the follow-up.

Mrs. DeGrace said MARTA sent emails and made phone calls reminding potential vendors to acknowledge and submit required information.

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

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Adjournment

The meeting of the Operations Committee adjourned at 10:32 a.m.