



BOARD OF DIRECTORS

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

BUSINESS MANAGEMENT COMMITTEE

THURSDAY, AUGUST 22, 2024

ATLANTA, GEORGIA

MEETING SUMMARY

1. CALL TO ORDER AND ROLL CALL

Committee Chair James Durrett called the meeting to order at 9:30 A.M.

Board Members Present:

Al Pond
Freda Hardage
James Durrett
Kathryn Powers
Roderick Frierson
Stacy Blakley
Rita Scott
William Floyd
Valencia Williamson
Jacob Tzegaegbe
Sagirah Jones

Board Members Absent:

Russell McMurry
Thomas Worthy
Jennifer Ide
Jannine Miller

Staff Members Present:

Collie Greenwood
Rhonda Allen
Ralph McKinney
Peter Andrews
Carrie Rocha
George Wright
Kevin Hurley

Also in Attendance:

Justice Leah Ward Sears, Phyllis Bryant, Chinnette Cannida, Stephany Fisher, Kenya Hammond, Jacqueline Holland, Jonathan Hunt, Tyrene Huff, Donna Jennings and Tyson Morris

2. APPROVAL OF THE MINUTES

Minutes from July 25, 2024 Business Management Committee Meeting.

Approval of the minutes from July 25, 2024. On a motion by Board Member Hardage, seconded by Board Member Williamson, the motion passed by a vote of 9 to 0 with 9 members present.

3. RESOLUTIONS

Resolution Authorizing the Award of a Contract for VMware vSphere Foundation Maintenance and Support Services, IFB B50525

Approval of the Resolution Authorizing the Award of a Contract for VMware vSphere Foundation Maintenance and Support Services, IFB B50525. On a motion by Board Member Hardage, seconded by Board Member Durrett, the resolution passed by a vote of 9 to 0 with 9 members present.

Resolution Authorizing a Modification in Contractual Authorization for Maintenance and Support for Oracle Database, ERP and ID Management Licenses, P27978

Approval of the Resolution Authorizing a Modification in Contractual Authorization for Maintenance and Support for Oracle Database, ERP and ID Management Licenses, P27978. On a motion by Board Member Durrett, seconded by Board Member Blakley, the resolution passed by a vote of 9 to 0 with 9 members present.

Resolution Authorizing the Renewal of Privacy and Network Security “Cyber” Liability Insurance for Policy Period October 1, 2024-2025

Approval of the Resolution Authorizing the Renewal of Privacy and Network Security “Cyber” Liability Insurance for Policy Period October 1, 2024-2025. On a motion by Board Member Durrett, seconded by Board Member Pond, the resolution passed by a vote of 10 to 0 with 10 members present.

Resolution Authorizing a Modification in Contractual Authorization for Transit and Digital Advertising Services, RFP P48265

Approval of the Resolution Authorizing a Modification in Contractual Authorization for Transit and Digital Advertising Services, RFP P48265. On a motion by Board Member Hardage, seconded by Board Member Williamson, the resolution passed by a vote of 11 to 0 with 11 members present.

4. OTHER MATTERS

None

5. ADJOURNMENT

The Committee Meeting adjourned at 10:13 A.M.

YouTube link: <https://www.youtube.com/live/5-89NloiY?feature=shared>



Resolution Authorizing the Award of a Contract for VMware vSphere Foundation Maintenance and Support Services, IFB B50525.

Business Management Committee

August 22, 2024

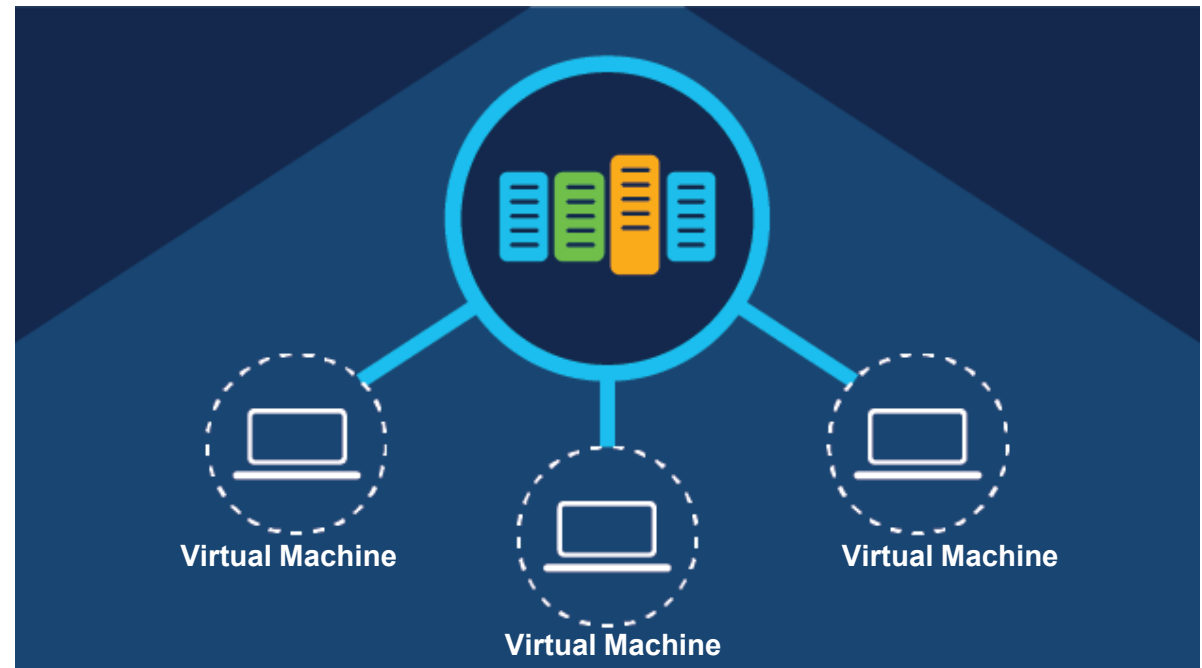
Tyson Morris, AGM Technology / CIO
Department of Technology

Background

The VMware vSphere Foundation Maintenance and Support Services contract will ensure the proper functioning of our virtual machines, which support applications and databases within our data centers.

The VMware vSphere maintenance and support contract will include the following services:

- Technical Support
- Troubleshooting
- Maintenance
- Security



Procurement/Financial/DBE Considerations

Procurement

Notice to Bidders was sent to 47 vendors

- 5 bids were received
- The lowest responsive and responsible bid was received by Presidio Networked Solutions, LLC in the amount of \$516,824.43.

Financial Consideration

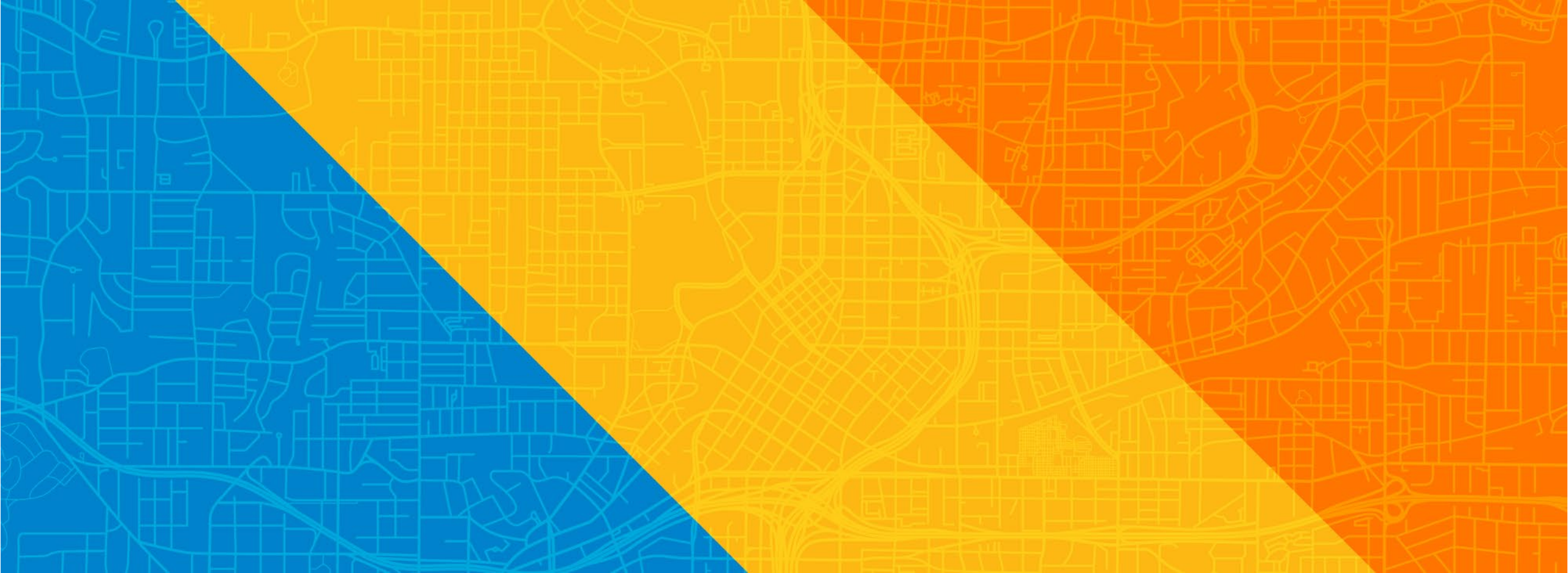
This 3-year contract is funded with local capital funds.

DBE Consideration

The DBE goal is set as zero because there are no known subcontracting opportunities.

Board Request

The Department of Technology requests the Business Management Committee recommend approval of the Resolution Authorizing the Award of a Contract for VMware vSphere Foundation Maintenance and Support Services, IFB B50525, to Presidio Networked Solutions, LLC. in the amount of \$516,824.23



Thank You



**RESOLUTION AUTHORIZING AWARD OF A CONTRACT FOR
VMWARE VSPHERE FOUNDATION MAINTNEANCE AND SUPPORT SERVICES, IFB
B50525**

WHEREAS, the Authority's Department of Information Technology has identified the need for the Procurement of VMware vSphere Foundation Maintenance and Support Services, Invitation for Bids Number B50525; and

WHEREAS, on May 28, 2024, the Metropolitan Atlanta Rapid Transit Authority duly sent Notice of the Invitation for Bids to potential Bidders; and

WHEREAS, notice of the said Invitation for Bids was advertised in the local newspaper of the largest circulation in the Atlanta metropolitan area, once in each of the two weeks prior to opening bids; and

WHEREAS, all Bidders were given an opportunity to protest the bid instructions, specifications, and/or procedures; and

WHEREAS, on July 11, 2024, at 10:00 a.m., local time, five (5) bids were publicly opened and read aloud; and

WHEREAS, the lowest bid submitted by Presidio Networked Solutions, LLC., is responsive and responsible and the bidder is capable of performing the Contract.

RESOLVED THEREFORE, by the Board of Directors of the Metropolitan Atlanta Rapid Transit Authority that the General Manager/CEO or his delegate be, and hereby is, authorized to execute a Contract on substantially the same terms and conditions as contained in the Invitation for Bids Number B50525, VMware vSphere Foundation Maintenance and Support Services between the Authority and Presidio Networked Solutions, LLC., in the amount of \$516,824.43.

Approved as to Legal Form:

DocuSigned by:

Peter J. Andrews

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**Chief Counsel, Metropolitan Atlanta
Rapid Transit Authority**



Resolution Authorizing a Modification in Contractual
Authorization for Maintenance and Support for Oracle
Database, ERP and ID Management Licenses,
P27978

Business Management Committee

August 22, 2024

Tyson Morris, AGM Technology / CIO
Department of Technology

Background & Purpose

Background

Oracle is MARTA's "book of record" for financial, HR, and supply chain operations.

Purpose

- Maintenance
- Software upgrades
- "Hotfixes"
- Security patches

Financial / Procurement / DBE Considerations

Financial Considerations

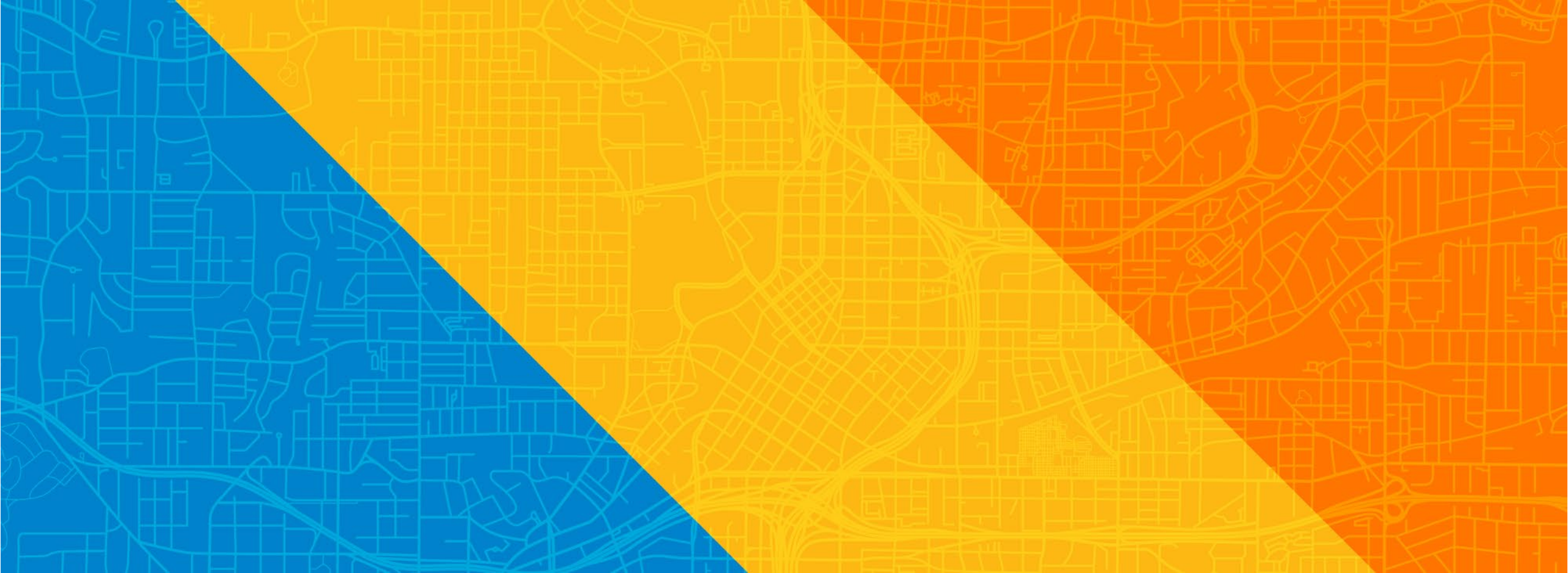
- This 5-year contract is funded with 100% local operating funds.
- This modification would increase the contract value by \$12,514,079 from \$22,938,274 to \$35,452,353
- Internal audit found the price to be fair and reasonable.

DBE Considerations

The Office of Diversity and Inclusion did not assign a DBE goal for this single-source procurement.

Board Request

The Department of Technology is seeking your approval authorizing the modification of the existing contract for maintenance and support of Oracle Database, ERP, and ID Management Licenses P27978, with Oracle America, Inc. by \$12,514,079 to a maximum contract value of \$35,452,353.



Thank You



**RESOLUTION AUTHORIZING THE MODIFICATION IN CONTRACTUAL
AUTHORIZATION FOR MAINTENANCE AND SUPPORT FOR ORACLE DATABASE,
ERP AND ID MANAGEMENT LICENSES, P27978**

WHEREAS, on December 02, 2012 the General Manager entered into a Contract with Oracle America, Inc. for Maintenance and Support for Oracle Database, ERP and ID Management Licenses, Request for Proposals RFP 27978; and

WHEREAS, on April 14, 2015 MARTA's Board of Directors of the Metropolitan Atlanta Rapid Transit Authority authorized the General Manager/CEO or his delegate to increase the contractual authorization to add additional funds for Maintenance and Support for Oracle Database, ERP and ID Management Licenses, Request for Proposals P27978 in the amount of \$1,277,024.50; and

WHEREAS, on December 15, 2016 the General Manager/CEO's contingency of \$189,851.20 was requested and utilized; and

WHEREAS, on April 13, 2017 MARTA's Board of Directors of the Metropolitan Atlanta Rapid Transit Authority authorized the General Manager/CEO or his delegate to increase the contractual authorization to add additional funds for Maintenance and Support for Oracle Database, ERP and ID Management Licenses, Request for Proposals P27978 in the amount of \$1,316,623.05; and

WHEREAS, on April 12, 2018 MARTA's Board of Directors of the Metropolitan Atlanta Rapid Transit Authority authorized the General Manager/CEO or his delegate to increase the contractual authorization to add additional funds for Maintenance and Support for Oracle Database, ERP and ID Management Licenses, Request for Proposals P27978 in the amount of \$684,543.30; and

WHEREAS, on October 6, 2018 MARTA's Board of Directors of the Metropolitan Atlanta Rapid Transit Authority authorized the General Manager/CEO or his delegate to extend the contract term and increase the contractual authorization to add additional funds for Maintenance and Support for Oracle Database, ERP and ID Management Licenses, Request for Proposals P27978 in the amount of \$7,704,727.00; and

WHEREAS, on August 12, 2021 MARTA's Board of Directors of the Metropolitan Atlanta Rapid Transit Authority authorized the General Manager/CEO or his delegate to increase the contractual authorization to add additional funds for Maintenance and Support for Oracle Database, ERP and ID Management Licenses, Request for Proposals P27978 in the amount of \$7,219,680.00; and

WHEREAS, on December 13, 2021 the General Manager/CEO's contingency of \$194,512.00 was requested and utilized; and

WHEREAS, on May 9, 2024 MARTA's Board of Directors of the Metropolitan Atlanta Rapid Transit Authority authorized the General Manager/CEO or his delegate to

increase the contractual authorization to add additional funds for Maintenance and Support for Oracle Database, ERP and ID Management Licenses, Request for Proposals P27978 in the amount of \$1,831,313.17; and

WHEREAS, MARTA staff has determined that it is in the best interest of the Authority to extend the contract term and increase the contract value to provide for known changes and additions to the contract; and

WHEREAS, all contractual changes and additions for this modification will follow the Authority's procurement policies and guidelines; and

WHEREAS, the Department of Internal Audit conducted a price analysis and determined the price to be fair and reasonable; and

RESOLVED THEREFORE, by the Board of Directors of the Metropolitan Atlanta Rapid Transit Authority that the General Manager/CEO or his delegate be, and hereby is, authorized to extend the contract term and increase the authorization for Contract No. P27978 Maintenance and Support for Oracle Database, ERP and ID Management Licenses from \$22,938,274.22 to \$35,452,353.22.

Approved as to Legal Form:

DocuSigned by:

Peter J. Andrews

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**Chief Counsel, Metropolitan Atlanta
Rapid Transit Authority**

Resolution Authorizing Renewal of Privacy and Network Security “Cyber” Liability Insurance for Policy Period October 1, 2024-2025

Business Management Committee, August 22, 2024

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PURPOSE

- Review basics of “cyber” insurance coverage
- Discuss cyber insurance market conditions
- Cost of coverage



“Cyber” Liability Coverage Basics

- Provides both first party and third-party coverage
- First party coverage is for the policy holder
- Covered costs: Credit monitoring services for customers; PR and reputation management campaigns
- Third party coverage is for legal liability of Authority to another entity or individual
- Covered costs: Regulatory defense costs, PCI fines and penalties



Cyber Insurance Market Snapshot

Claims and Risk Environment

- **Geopolitical tensions** driving market uncertainty
- **Aggregation exposure** and supply chain risk continue to be top of mind
- **Ransomware severity** and sophistication continues; data encryption and business interruption most impactful
- **Privacy claims & regulatory** claims frequency rising in connection with broader privacy regulations & rights

Pricing

- **Rates stabilizing** & more capacity is now available for clients with favorable cybersecurity controls

2024-25 Policy Renewal

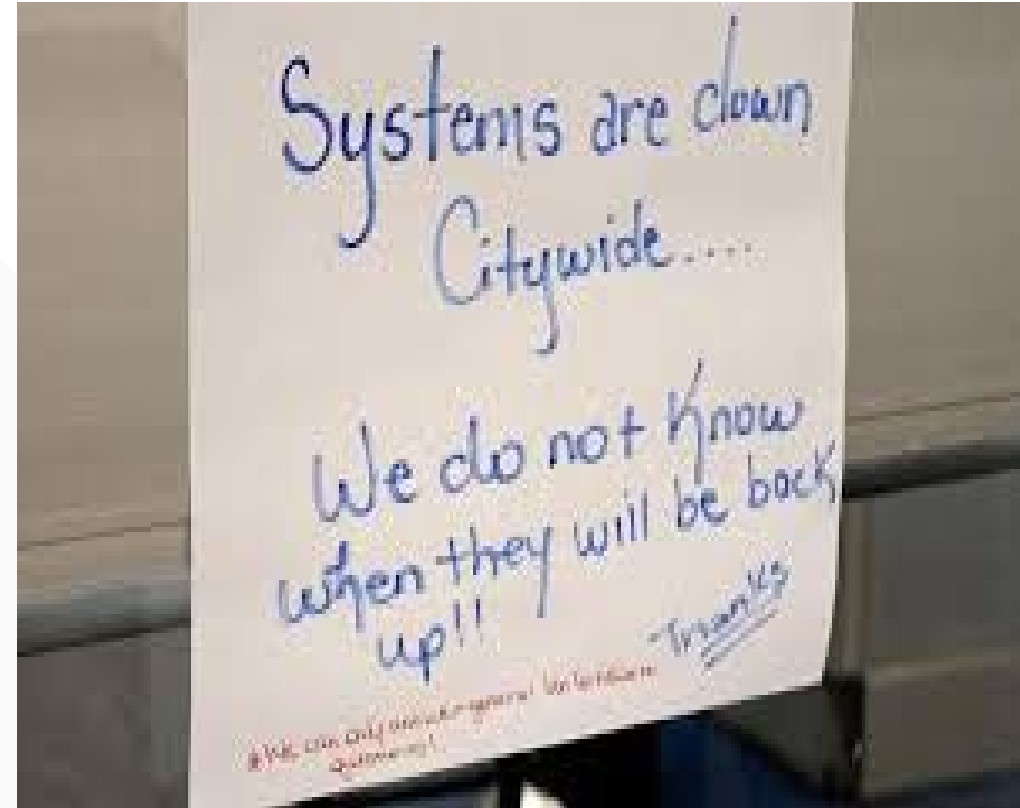
Renewal Strategy

- Start Early- Met with MARSH and MARTA CISO and IT Teams in May
- CISO and IT Teams jointly completed the MARSH Cyber Security self assessment tool
- Results of assessment provide broker with actionable information to take into marketplace



2024-2025 Policy Renewal

- Increase limits from \$ 10M to \$20M
- Maintain \$1 million dollar self-insured retention
- Annual cost = \$ 775,000 (not to exceed)
- Increase in cost for additional limits \$ 207,540





Thank You

**RESOLUTION AUTHORIZING RENEWAL OF PRIVACY AND
NETWORK SECURITY LIABILITY (CYBER) INSURANCE COVERAGE**

WHEREAS, MARTA has privacy and network security liability (cyber) insurance coverage with limits of \$ 10 million dollars with an expiration date of October 1, 2024, and

WHEREAS, negotiations by MARSH have resulted in proposals for replacing this policy, effective October 1, 2024 for one-year, to October 1, 2025, and

WHEREAS, such privacy and network security liability (cyber) insurance coverage is available for a one-year period and includes limits of \$ 20 million dollars excess of a self-insured retention of \$ 1 million dollars at a total not to exceed cost of \$775,000, and

RESOLVED THEREFORE, that the General Manager/CEO or his designee is hereby authorized and directed to affect the placement of privacy and network security liability (cyber) insurance coverage, effective October 1, 2024 to October 1, 2025 at a total not to exceed cost of \$775,000.

Approved as to Legal Form:

DocuSigned by:
Peter J. Andrews
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**Chief Counsel, Metropolitan Atlanta
Rapid Transit Authority**



**Resolution Authorizing a Modification in Contractual Authorization
for Transit and Digital Advertising Services, RFP P48265**

8/22/2024

**Chinnette Cannida
Sr. Director of Marketing & Sales**



IxN Contract Modification - Agenda

- Ad Policy Update & Revenue Impact Overview
- Contract Modification Highlights
- Request for Board Approval



Ad Policy Update & Revenue Impact



- Stopped Restricted Ad sales in late 2023: Legal, Bail Bonds, Alcohol, and Predatory Lenders
- Declined ~\$2M in deals
- 2024 revenue forecast cut to \$6.5-\$7M from \$8.5-\$9M.
- 2025 outlook declines without Restricted Ad revenue.
 - Revenue forecast \$4.7-\$5M

Contract Modification Highlights

| Contract Term | Initial Contract | Modified Contract |
|--------------------------------|--|---|
| Term | 10-year base | Two, one-year options (12-year base) |
| Minimum Annual Guarantee (MAG) | <p>Bus Minimum Annual Guarantee (MAG) separate</p> <ul style="list-style-type: none"> Year 3: (2024): 3,300,000 Year 4: (2025): 3,350,000 <p>Rail Minimum Annual Guarantee (MAG) separate</p> <ul style="list-style-type: none"> Year 4 (2025): 1,650,000 | <ul style="list-style-type: none"> Bus and Rail Minimum Annual Guarantee (MAG) combined <ul style="list-style-type: none"> Year 3 (2024): \$1,300,000 Year 4 (2025): \$1,340,000 Each subsequent year MAG shall be the greater of i) the previous year's MAG +3% or ii) 75% of the previous year's Revenue Share payment |
| Revenue Share | MARTA receives the above MAGs and 70% of the Advertising Revenue for Bus and 50% for Rail | Starting in Year 3, MARTA receives 30% of the first \$5M of Net Advertising Revenue and 70% of all Net Advertising Revenue in excess of \$5M in each Contract Year. |
| Digital Displays | 200 digital displays shall be installed by the end of Q4 2024. | 200 Display digital station deployment to be completed by Q2 2025 |



Thank You



**RESOLUTION AUTHORIZING THE MODIFICATION IN CONTRACTUAL
AUTHORIZATION FOR TRANSIT AND DIGITAL ADVERTISING SERVICES P48265**

WHEREAS, on December 7, 2021, the General Manager entered into a Contract with Intersection Media, LLC., for Transit and Digital Advertising Services, Request for Proposals P48265; and

WHEREAS, MARTA staff has determined that it is in the best interest of the Authority to adjust the contract revenue shares to provide for known changes and additions to the contract; and

WHEREAS, all contractual changes and additions for this modification will follow the Authority's procurement policies and guidelines; and

RESOLVED THEREFORE, by the Board of Directors of the Metropolitan Atlanta Rapid Transit Authority that the General Manager/CEO or his delegate be, and hereby is, authorized to adjust the authorized revenue shares for Contract No. P48265 Transit and Digital Advertising Services for year three (3) and each subsequent year from 70% revenue share of advertising for transit buses and 50% for transit rails to 30% revenue shares for the first \$5,000,000 and 70% revenue shares for all Net Advertising Revenue over \$5,000,000, for transit buses and rails combined.

Approved as to Legal Form:

DocuSigned by:

Peter J. Andrews

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**Chief Counsel, Metropolitan Atlanta
Rapid Transit Authority**