



*Denton County Transportation Authority
1660 S. Stemmons., Suite 250
Lewisville, Texas 75067
(972) 221-4600
dcta.net*

**Board of Directors
Work Session**

August 28, 2014

1:30 p.m.

1. Routine Briefing Items
 - a. Financial Reports
 - i. Financial Statements
 - ii. Capital Projects Fund
 - iii. Sales Tax Report
 - iv. Procurement Report
 - b. Communications and Marketing
 - i. Marketing and Communications Initiatives
 - ii. Media Coverage
 - iii. Customer Service
 - c. Capital Projects Update
 - i. GTW Integration (Including discussion with Herzog Technologies Staff)
 - ii. Where's My Ride
 - iii. Bus Operations and Maintenance Facility (O&M)
 - iv. Community Enhancements
 - v. Lewisville Bike Trail
 - vi. Positive Train Control (PTC)
 - vii. Station Improvements
 - d. Transit Operations
 - i. Rail Operations
 - ii. Bus Operations
2. Committee Reports
 - a. Finance – Chairman Dave Kovatch
 - b. Legislative Committee – Chairman Charles Emery
3. Discussion of Regular Board Meeting Agenda Items (August 28, 2014)
4. Executive Session
 - a. As Authorized by Section 551.071(2) of the Texas Government Code, the Work Session or the Regular Board Meeting may be Convened into

Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein.

- b. As authorized by Texas Government Code section 551.071 consultation with General Counsel regarding pending litigation Cause No 2011-30066-211; URS Corporation v. Denton County Transportation Authority; 211th District Court, Denton County, Texas.
 - c. Texas Government Code Section 551.072 Deliberation regarding Real Property: Discussion of Option to Lease and/or Sale of Surplus DCTA Property Adjacent to DCTA Operations and Maintenance Facility in Lewisville, Texas
 - d. As Authorized by Section 551.074 the Texas Government Code, the Meeting may be Convened into Closed Executive Session for the Purpose of Discussion regarding Annual President's Performance Review.
5. Reconvene Open Session
 - a. Reconvene and Take Necessary Action on Items Discussed during Executive Session.
 6. Discussion of Future Agenda Items
 - a. Board Member Requests

Board of Directors

Regular Meeting

August 28, 2014

3:00 p.m.*

**or immediately following Board Work Session*

CALL TO ORDER

PLEDGE OF ALLEGIANCE TO US AND TEXAS FLAGS

INVOCATION

WELCOME AND INTRODUCTION OF VISITORS

1. CONSENT AGENDA
 - a. Approval of Minutes
 - i. June 26, 2014
 - ii. July 24, 2014
 - b. Acceptance of Financial Reports
2. REGULAR AGENDA
 - a. Presentation and Discussion of Proposed FY2015 Capital & Operating Budget
 - b. Conduct Public Hearing on Proposed FY2015 Capital & Operating Budget
 - c. Discussion / Approval of Capital Project Budget revision for Lewisville Recreational Parking Lot in the amount of \$25,429.
 - d. Discussion / Approval of Contract Award for Lewisville Hike & Bike Trail construction – Phase: Old Town Station south to Hebron Station.

- e. Discussion / Approval of Capital Project for Wheel and Brake System Maintenance for Rail Vehicles
 - f. Discussion / Approval to Authorize President to Negotiate and Enter into an Agreement with Stadler Bussnang AG for an option to Lease and/or Purchase Surplus DCTA-owned Property Adjacent to DCTA Rail Operations and Maintenance Facility in Lewisville, Texas.
 - g. Discussion / Approval of Legislative Committee Recommended DCTA Legislative Agenda
3. CHAIR REPORT
 - a. Discussion of Regional Transportation Issues
 4. PRESIDENT'S REPORT
 - a. Regional Transportation Update
 - b. Budget Transfers
 5. REPORT ON ITEMS OF COMMUNITY INTEREST – Presentation 5 year Service Award – Shana O'Gilvie
 - a. Pursuant to Texas Government Section 551.0415 the Board of Directors may report on following items: (1) expression of thanks, congratulations, or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming DCTA and Member City events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.
 6. CONVENE EXECUTIVE SESSION
 - a. As Authorized by Section 551.071(2) of the Texas Government Code, the Board Meeting may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein.
 7. RECONVENE OPEN SESSION
 - a. Reconvene and Take Necessary Action on Items Discussed during Executive Session.
 8. ADJOURN

Chair – Charles Emery
Vice Chair – Paul Pomeroy

Secretary – Richard Huckaby
Treasurer – Dave Kovatch

**Members – Skip Kalb, Doug Peach, Jim Robertson, Bill Walker, Daniel Peugh,
 Don Hartman, George A. Campbell, Allen Harris, Carter Wilson
 President – Jim Cline**

The Denton County Transportation Authority meeting rooms are wheelchair accessible. Access to the building and special parking are available at the east entrance. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling Leslee Bachus at 972-221-4600 or e.mail lbachus@dcta.net

This notice was posted at 1660 S. Stemmons, Lewisville, Texas 75067 at a place convenient and readily accessible to the public at all times. Said notice was posted on 8/22/2014 at 2:32 PM.

Leslee Bachus, Executive Assistant



Board of Directors Memo

August 28, 2014

Subject: Work Session 1ai) Monthly Financial Reports

Background

The financial statements are presented to the Board of Directors on a monthly basis for acceptance. The reports presented for the period ending July 31, 2014 include the Statement of Change in Net Assets, Statement of Net Assets, and Capital Projects Fund. These reports provide a comparison of budget vs. actual for the fiscal year as of the current month.

The following are major variances which are annotated on the Statement of Change in Net Assets, Statement of Net Assets, and Capital Projects Fund:

Statement of Changes in Net Assets:

- **Note A:** Passenger Revenues – YTD favorable by \$66k because the average passenger fare for Connect and Access passengers is higher than anticipated in the budget, offset by lower than budgeted ridership. Total YTD ridership of 2.2 million is 17% less than budgeted YTD ridership of 2.7 million.
- **Note B:** Contract Service Revenue – YTD unfavorable by (\$330k) because actual YTD revenue hours were 40,254 compared to budgeted 43,937. For the month of July, UNT revenue hours were unfavorable to budget by 188 hours (Budgeted 2,149; Actual 1,961). In addition, actual YTD fuel usage was 125,941 gallons compared to budget 141,193 gallons, down 11%. In FY14 fuel was budgeted at \$4.15/gallon. In July fuel was \$3.24/gallon.
- **Note C:** Sales Tax Revenue – July sales tax revenue is not yet received and is accrued for the month based on budget. Sales tax generated in July will be received in September. The Sales Tax Report included in this agenda packet provides a more detailed Budget to Actual comparison of sales tax receipts for FY 14.
- **Note D:** Federal/State Grants – YTD favorable by \$1.7 million is the net of delays in capital project activities and drawdowns of FY13 formula grant funds for operating activities. The final FY13 apportionment was available in March 2014 for draw down. FTA grant revenue is recognized as reimbursements for expenditures as they occur. Changes in project timelines from what was originally anticipated in the budget results in a timing variance.
- **Note E:** Services – YTD favorable by \$868k due to a delay in expenses and cost savings of certain projects. Budgeted funds of \$322k are remaining from FY13 for pending litigation. The cost savings of \$74k for external audit, trial PR, employer outreach direct mail and Where's My Ride are realized as these expenses were not needed. The remaining project expenses for DBE compliance (\$24k), website redesign (\$36k), passenger information (\$32k), landscaping at rail stations (\$24k), third party maintenance and vanpool costs (\$52k), and Rail O&M support (\$15k) will be expended in August and September.
- **Note F:** Materials and Supplies – YTD favorable by \$844k mainly because fuel usage and price are below budget. Rail operations fuel is \$396k under budget because of a timing variance in the billing by DART and because actual fuel prices have averaged \$3.08/gallon compared to the budgeted price of \$4.15/gallon. Bus operations fuel is \$279k under budget primarily because YTD fuel prices have averaged \$3.29/gallon compared to \$4.15/gallon budgeted. In addition, actual fuel usage of 296k gallons is 2% lower than the 302k gallons budgeted.

Capital Projects Fund

- The Capital Projects Fund schedule provides budget to actual comparisons for DCTA bus and rail capital projects. It provides information on a life-to-date basis for approved projects.

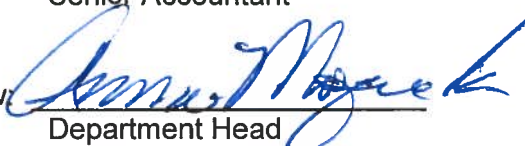
Identified Need


Provides the Board a review of DCTA's financial position and performance to budget.

Recommendation

Staff recommends acceptance.

Submitted by: Chriissy Nguyen
Senior Accountant

Final Review: 
Department Head

Approval: 
James C. Cline, Jr., P.E.,
President

Denton County Transportation Authority
Change in Net Assets
Month and Year to Date July 31, 2014
(Unaudited)

WS1ai

Description	Month Ended July 31, 2014			Year to Date July 31, 2014			Annual Budget	
	Actual	Budget	Variance	Actual	Budget	Variance		
Revenue and Other Income								
Passenger Revenues	110,218	98,785	11,433	1,190,111	1,124,491	65,620	1,375,663	Note A
Contract Service Revenue	172,481	142,829	29,652	2,384,899	2,714,643	(329,745)	3,298,781	Note B
Sales Tax Revenue	1,770,632	1,638,850	131,782	17,389,803	17,044,864	344,939	20,725,320	Note C
Federal/State Grants and Reimbursements	387,990	269,423	118,566	6,615,257	4,945,594	1,669,663	7,079,358	Note D
Total Revenue and Other Income	<u>2,441,320</u>	<u>2,149,887</u>	<u>291,433</u>	<u>27,580,070</u>	<u>25,829,593</u>	<u>1,750,477</u>	<u>32,479,122</u>	
Operating Expenses								
Salary, Wages and Benefits	585,457	676,371	90,914	6,484,008	6,918,873	434,866	8,329,943	
Services	114,595	171,490	56,895	1,548,897	2,416,770	867,873	2,731,636	Note E
Materials and Supplies	239,469	285,045	45,575	2,275,722	3,119,808	844,086	3,736,224	Note F
Utilities	33,459	43,368	9,908	303,849	385,279	81,430	472,015	
Insurance, Casualties and Losses	64,212	67,222	3,011	647,563	663,717	16,154	798,162	
Purchased Transportation Services	858,588	778,058	(80,529)	7,646,692	7,744,584	97,892	9,300,701	
Miscellaneous	4,186	44,107	39,921	94,935	212,887	117,952	236,085	
Leases and Rentals	37,340	12,919	(24,422)	198,926	258,778	59,852	427,615	
Depreciation	722,394	722,050	(343)	7,222,212	7,225,354	3,142	8,668,090	
Total Operating Expenses	<u>2,659,701</u>	<u>2,800,631</u>	<u>140,930</u>	<u>26,422,803</u>	<u>28,946,049</u>	<u>2,523,247</u>	<u>34,700,470</u>	
Income Before Non-operating Revenue and Expense	(218,381)	(650,744)	432,363	1,157,267	(3,116,457)	4,273,724	(2,221,348)	
Non-Operating Revenues / (Expense)								
Investment Income	1,704	2,750	(1,046)	17,800	27,500	(9,700)	33,000	
Gain (Loss) Disposal of Assets	16,550	-	16,550	22,795	-	22,795	-	
Fare Evasion Fee	375	-	375	3,300	-	3,300	-	
Other Income - Miscellaneous	52	375	(323)	44,970	6,000	38,970	7,125	
Long Term Debt Interest/Expense	<u>(137,034)</u>	<u>(234,970)</u>	<u>97,936</u>	<u>(1,179,799)</u>	<u>(2,157,909)</u>	<u>978,110</u>	<u>(2,627,850)</u>	
Total Non-Operating Revenue / (Expense)	(118,352)	(231,845)	113,493	(1,090,934)	(2,124,409)	1,033,475	(2,587,725)	
Change in Net Assets	<u>(336,733)</u>	<u>(882,589)</u>	<u>545,856</u>	<u>66,334</u>	<u>(5,240,865)</u>	<u>5,307,199</u>	<u>(4,809,073)</u>	

Denton County Transportation Authority
Statement of Net Assets
As of July 31, 2014
(Unaudited)

	<u>July 31, 2014</u>	<u>June 30, 2014</u>	<u>Change</u>
Current Assets			
Cash & Cash Equivalents	10,082,027	7,566,432	2,515,595
Investments	4,906,890	7,409,587	(2,502,698)
Accounts & Notes Receivable	4,457,344	4,570,315	(112,971)
Prepaid Expenses	449,482	513,694	(64,212)
Inventory	31,555	26,917	4,637
Restricted Asset-Cash and Equivalents	5,010,630	4,482,188	528,442
Total Current Assets	<u>24,937,927</u>	<u>24,569,133</u>	<u>368,794</u>
Property, Plant and Equipment			
Land	16,228,337	16,228,337	-
Land Improvements	5,386,734	5,386,734	-
Machinery & Equipment	1,695,752	1,695,752	-
Leasehold Improvements	55,506	55,506	-
Vehicles	88,584,258	88,584,258	-
Computers & Software	262,676	262,676	-
Accumulated Depreciation	(28,082,518)	(27,360,124)	(722,394)
Total Property, Plant and Equipment	<u>84,130,746</u>	<u>84,853,139</u>	<u>(722,394)</u>
Other Non Current Assets			
Bond Fees	65,966	98,949	(32,983)
Total Other Non Current Assets	<u>65,966</u>	<u>98,949</u>	<u>(32,983)</u>
Capital Assets			
Intangible Assets	16,997,155	16,997,155	-
Other Capital Assets, Net	216,226,592	216,226,592	-
Construction in Progress	23,083,640	22,859,265	224,376
Total Capital Assets	<u>256,307,387</u>	<u>256,083,012</u>	<u>224,376</u>
Total Assets	<u>365,442,026</u>	<u>365,604,234</u>	<u>(162,207)</u>
Liabilities			
Current Liabilities			
Accounts Payable	907,402	964,937	(57,535)
Salary, Wages, and Benefits Payable	392,096	364,435	27,662
Accrued Expenses Payable	3,009,141	2,886,193	122,948
Deferred Revenues	165,875	199,223	(33,348)
Interest Payable	416,202	312,152	104,051
Total Current Liabilities	<u>4,890,717</u>	<u>4,726,938</u>	<u>163,778</u>
Non-Current Liabilities			
Rail Easement Payable	1,500,000	1,500,000	-
Retainage Payable	1,943,884	1,933,137	10,747
Bonds Payable	34,395,000	34,395,000	-
Total Non-Current Liabilities	<u>37,838,884</u>	<u>37,828,137</u>	<u>10,747</u>
Total Liabilities	<u>42,729,600</u>	<u>42,555,075</u>	<u>174,525</u>
Net Assets			
Invested in Capital Assets	305,306,546	305,306,546	-
Unrestricted Retained Earnings	17,339,546	17,339,546	-
Change in Net Assets	66,334	403,066	(336,733)
Total Equity	<u>322,712,426</u>	<u>323,049,159</u>	<u>(336,733)</u>
Total Liabilities and Equity	<u>365,442,026</u>	<u>365,604,234</u>	<u>(162,207)</u>

Budget vs. Actual

As of July 31, 2014

(Cash Basis)

	Original Budget	Revised Budget	July 2014 Expenses Booked	Life To Date	\$ Under/(Over) Budget	% of Budget (As of July 2014 Close)
ASSETS						
Fixed Assets						
1660 - Construction Work in Progress						
5 - Bus Capital Projects						
50202 - Passenger Amenities (Phase 2)						
5020214 - Acquisition	174,011	229,326		139,063	90,263	61%
5020215 - Survey, Testing & Inspection				2,900	(2,900)	
5020216 - Construction			936	86,787	(86,787)	
5020226 - Furniture Fixtures & Equipment				142	(142)	
5020229 - Project Management				10,283	(10,283)	
Total 50202 - Passenger Amenities (Phase 2)	174,011	229,326	936	239,175	(9,849)	104%
50301 - Bus O&M Facility						
5030113 - Design	590,000	1,294,280		1,161,886	132,395	90%
5030115 - Survey, Testing, Inspection		104,735		112,957	(8,222)	108%
5030114 - Land Acquisition	1,164,310	1,173,451		1,184,450	(10,999)	101%
5030116 - Building Construction	4,745,690	5,648,243	46,096	5,236,508	411,735	93%
5030118 - Canopy Construction		-		-	-	0%
5030120 - Landscaping		542,513	(13,416)	594,369	(51,856)	110%
5030121 - Systems		333,294	37,412	377,034	(43,740)	113%
5030125 - Utilities		1,362,500	48,057	1,638,126	(275,626)	120%
5030126 - Furniture,Fixtures & Equipment	1,642,667	517,865	8,275	698,441	(180,576)	135%
5030128 - Contingency		275,895		-	275,895	0%
5030129 - Project Management	-	205,000	240	52,498	152,502	26%
5030131 - Insurance/Bonds		105,521		105,521	-	100%
5030132 - Mobilization		157,060		165,385	(8,325)	105%
5030133 - Legal Fees		360		1,460	(1,100)	406%
Total 50301 - Bus O&M Facility	8,142,667	11,720,717	126,664	11,328,634	392,083	97%
50303 - DDTC						
5030311 - Engineering	-	-		1,850	(1,850)	
5030314 - Acquisition	373,282	373,282		10,747	362,535	3%
Total 50303 - DDTC	373,282	373,282	-	12,597	360,685	3%
50406 - Where's My Ride						
5040614 - Acquisition	940,485	940,485		548,053	392,432	58%
5040629 - Project Management	-	-		11,816	(11,816)	
Total 50406 - Where's My Ride	940,485	940,485	-	559,869	380,617	60%
50502 - Fleet Replacement						
5050214 - Acquisition	1,968,500	3,411,592		2,982,327	429,265	87%
Total 50502 - Fleet Replacement	1,968,500	3,411,592	-	2,982,327	429,265	87%
50504 - Fleet Replacement (2014)						
5050414 - Acquisition	877,998	877,998		567,565	310,433	65%
Total 50504 - Fleet Replacement (2014)	877,998	877,998	-	567,565	310,433	65%
50408 - Bus Radios						
5040814 - Acquisition	137,457	137,457		-	137,457	0%
Total 50408 - Bus Radios	137,457	137,457	-	-	137,457	0%
Total 5 - Bus Capital Projects	12,614,400	17,690,857	127,600	15,690,167	2,000,690	89%

Budget vs. Actual

As of July 31, 2014

(Cash Basis)

	Original Budget	Revised Budget	July 2014 Expenses Booked	Life To Date	\$ Under/(Over) Budget	% of Budget (As of July 2014 Close)
6 - Rail Construction						
61103 - Rail Grinding (2014)						
6110317 - Track & Civil Construction	192,000	192,000		103,987	88,013	54%
Total 61103 - Rail Grinding (2014)	192,000	192,000	-	103,987	88,013	54%
61206 - MedPark Extension	1,000,000	1,000,000	-	1,000,000	-	100%
61401 - Fare Collection Systems						
6140111 - Engineering	-	68,962		68,963	(1)	100%
6140114 - Acquisition	489,000	582,371		477,281	105,090	82%
6140115 - Installation	80,000	81,771		103,699	(21,928)	127%
Total 61401 - Fare Collection Systems	569,000	733,104	-	649,943	83,161	89%
61406 - Positive Train Control						
6140617 - Construction	13,492,026	19,397,536			19,397,536	0%
6140628 - Contingency	728,554	728,554			728,554	0%
6140629 - Project Management	2,097,992	2,097,992		779,920	1,318,072	37%
6140633 - Legal Fees	80,939	80,939			80,939	0%
6140636 - Vehicle Provisions	597,930	597,930		358,758	239,172	60%
6140621 - Systems	-	-		-	-	0%
Total 61406 - Positive Train Control	16,997,441	22,902,951	-	1,138,678	21,764,273	5%
61707 - Community Enhancements						
6170711 - Engineering	22,000	22,000		-	22,000	0%
6170712 - Preliminary Design	12,500	12,500		55,737	(43,237)	446%
6170713 - Final Design	15,000	15,000		66,741	(51,741)	445%
6170715 - Survey, Inspection & Testing	6,000	6,000	325	325	5,675	5%
6170716 - Building Construction	545,000	545,000	33,426	33,426	511,574	6%
6170720 - Landscaping	25,000	25,000		2,500	22,500	10%
6170726 - FF&E	10,000	10,000		-	10,000	0%
6170727 - Environmental Mitigation	4,000	4,000		-	4,000	0%
6170728 - Contingency	15,029	15,029		-	15,029	0%
6170729 - Project Management	85,088	85,088	2,505	4,673	80,415	5%
6170733 - Administration Fees	13,091	13,091		19,637	(6,546)	150%
Total 61707 - Community Enhancements	752,708	752,708	36,256	183,039	569,669	24%
61708 - Lewisville Bike Trail						
6170811 - Engineering	75,000	75,000		332,719	(257,719)	444%
6170812 - Preliminary Design	75,000	75,000		67,835	7,165	90%
6170813 - Final Design	41,000	41,000		-	41,000	0%
6170816 - Building Construction	2,045,991	2,045,991		-	2,045,991	0%
6170820 - Landscaping	21,000	21,000		-	21,000	0%
6170822 - Bridges	55,355	55,355		-	55,355	0%
6170823 - Crossings/Traffic Signals	200,000	200,000		-	200,000	0%
6170825 - Utilities	75,000	75,000		-	75,000	0%
6170826 - FF&E	3,000	3,000		-	3,000	0%
6170827 - Environmental Mitigation	28,800	28,800		-	28,800	0%
6170828 - Contingency	50,000	50,000		-	50,000	0%
6170829 - Project Management	394,454	394,454	225	3,308	391,146	1%
6170833 - Administration Fees	60,685	60,685		60,685	-	100%
Total 61708 - Lewisville Bike Trail	3,125,285	3,125,285	225	464,547	2,660,738	15%
61710 - HV Parking Expansion						
6171011 - Engineering	-	-		33,986	(33,986)	
6171029 - Project Management	-	-	1,950	5,160	(5,160)	
6171017 - Civil Construction	250,000	288,681	55,091	55,091	233,590	19%
Total 61710 - HV Parking Expansion	250,000	288,681	57,041	94,237	194,444	33%

Budget vs. Actual

As of July 31, 2014

(Cash Basis)

	Original Budget	Revised Budget	July 2014 Expenses Booked	Life To Date	\$ Under/(Over) Budget	% of Budget (As of July 2014 Close)
60701 - Passenger Information						
6070114 - Acquisition	56,214	56,214		23,851	32,363	42%
Total 60701 - Passenger Information	56,214	56,214	-	23,851	32,363	42%
61711 - Rail Maintenance of Way (MOW)						
6171136 - Vehicle Provisions	-	-	3,253	23,712	(23,712)	
6171129 - Project Management	-	-		135	(135)	
6171117 - Track & Civil Construction	150,000	150,000		35,358	114,642	24%
Total 61711 - Rail MOW	150,000	150,000	3,253	59,205	90,795	39%
61712 - Rail Maintenance of Equipment (MOE)						
6171215 - Survey, Testing, Inspection	-	-		22,721	(22,721)	
6171217 - Track & Civil Construction	585,000	585,000		8,262	576,738	1%
Total 61712 - Rail MOE	585,000	585,000	-	30,983	554,017	5%
61503 - Rail Single Car Operations						
6150315 - Survey, Testing, Inspection	101,800	101,800		18,417	83,383	18%
Total 61503 - Rail Single Car Operations	101,800	101,800	-	18,417	83,383	18%
61504 - Re-Railing Equipment						
6150415 - Acquisition	121,000	121,000		-	121,000	0%
Total 61504 - Re-Railing Equipment	121,000	121,000	-	-	121,000	0%
Total Rail Construction Projects	23,900,448	30,008,743	96,776	3,766,888	26,241,855	13%
Total 1660 - Construction Work in Progress	36,514,848	47,699,600	224,376	19,457,054	28,242,546	41%

**Board of Directors Memo****August 28, 2014****Item: WS 1(a)iii Sales Tax Report****Background**

Sales tax represents the single largest source of revenue for DCTA, at 54.51% for FY14 budget. The annual Sales Tax budget is \$20,725,320. Because of its importance in funding of DCTA's ongoing operations, the Board adopted a Budget Contingency Plan that outlines the Agency's response when declines in sales tax hit a specific target. This month, receipts were favorable compared to budget.

- Sales tax for sales generated at retail in the month of June and received in August was \$2,008,174.59.
- This represents an increase of 7.02% or \$131,782 compared to budget for the month.
- Receipts are favorable 2.24% year-to-date compared to budget.
- Compared to the same month last year, sales tax receipts were \$184,111 or 10.09% more.

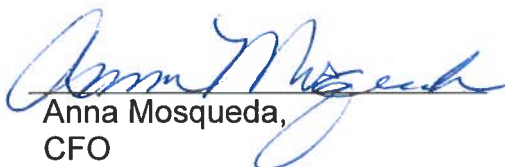
- Member city collections for the month compared to prior year are as follows:
 - City of Lewisville up 7.11%
 - City of Denton up 11.00%
 - Highland Village up 11.88%

Need

Provides the Board of Directors a monthly status on Sales Tax collections.

Recommendation

For information only. No action required.

Final Review:

Anna Mosqueda,
CFO

Denton County Transportation Authority (DCTA)
Sales Tax Report
Budget to Actual and Previous Year Comparison

Sales Generated in Month of:	Received in Month of:	2013-2014 Year Budget	2013-2014 Year Actual	Variance Actual to Budget	CY Actual to CY Budget % Variance	2012-2013 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual Variance
October	December	\$ 1,663,294	\$ 1,646,959	\$ (16,336)	-0.98%	\$ 1,637,689	\$ 9,270	0.57%
November	January	\$ 1,460,365	\$ 1,582,022	\$ 121,657	8.33%	\$ 1,437,884	\$ 144,138	10.02%
December	February	\$ 2,161,605	\$ 2,173,929	\$ 12,324	0.57%	\$ 2,128,329	\$ 45,600	2.14%
January	March	\$ 1,545,815	\$ 1,570,510	\$ 24,695	1.60%	\$ 1,501,720	\$ 68,790	4.58%
February	April	\$ 1,538,578	\$ 1,278,211	\$ (260,367)	-16.92%	\$ 1,494,663	\$ (216,452)	-14.48%
March	May	\$ 1,836,424	\$ 1,957,442	\$ 121,018	6.59%	\$ 1,785,090	\$ 172,352	9.66%
April	June	\$ 1,634,166	\$ 1,777,141	\$ 142,976	8.75%	\$ 1,587,871	\$ 189,270	11.92%
May	July	\$ 1,689,374	\$ 1,756,564	\$ 67,190	3.98%	\$ 1,641,703	\$ 114,860	7.00%
June	August	\$ 1,876,393	\$ 2,008,175	\$ 131,782	7.02%	\$ 1,824,064	\$ 184,111	10.09%
July	September	\$ 1,638,850				\$ 1,592,438		
August	October	\$ 1,741,243				\$ 1,692,280		
September	November	\$ 1,939,214				\$ 1,885,320		
YTD Total		\$ 20,725,320	\$ 15,750,953	\$ 344,940	2.24%	\$ 20,209,051	\$ 711,939	4.52%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department
Prepared By: Denton County Transportation Authority Finance Department
August 22, 2014

**Denton County Transportation Authority (DCTA)
Member Cities Sales Tax Report
Month Allocation is Received from Comptroller
Previous Year Comparison**

City of Lewisville					
Sales Generated in Month of:	Received in Month of:	2012-2013 Year Actual	2013-2014 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual Variance
October	December	\$ 2,371,150	\$ 2,412,800	\$ 41,651	1.76%
November	January	\$ 1,965,351	\$ 2,283,269	\$ 317,918	16.18%
December	February	\$ 3,085,264	\$ 3,094,980	\$ 9,716	0.31%
January	March	\$ 2,041,610	\$ 2,250,821	\$ 209,211	10.25%
February	April	\$ 2,102,744	\$ 1,476,738	\$ (626,007)	-29.77%
March	May	\$ 2,507,338	\$ 2,828,191	\$ 320,853	12.80%
April	June	\$ 2,214,494	\$ 2,569,274	\$ 354,780	16.02%
May	July	\$ 2,350,979	\$ 2,570,909	\$ 219,930	9.35%
June	August	\$ 2,611,642	\$ 2,797,425	\$ 185,783	7.11%
July	September	\$ 2,256,113			
August	October	\$ 2,407,746			
September	November	\$ 2,649,874			
YTD Total		\$ 28,564,305	\$ 22,284,408	\$ 1,033,836	4.86%

City of Highland Village					
Sales Generated in Month of:	Received in Month of:	2012-2013 Year Actual	2013-2014 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual Variance
October	December	\$ 250,036	\$ 242,975	\$ (7,061)	-2.82%
November	January	\$ 246,297	\$ 271,909	\$ 25,612	10.40%
December	February	\$ 413,314	\$ 415,312	\$ 1,998	0.48%
January	March	\$ 239,867	\$ 240,189	\$ 321	0.13%
February	April	\$ 215,912	\$ 231,225	\$ 15,313	7.09%
March	May	\$ 310,470	\$ 323,839	\$ 13,369	4.31%
April	June	\$ 240,403	\$ 269,705	\$ 29,302	12.19%
May	July	\$ 240,734	\$ 288,253	\$ 47,519	19.74%
June	August	\$ 318,280	\$ 356,088	\$ 37,808	11.88%
July	September	\$ 244,567			
August	October	\$ 244,339			
September	November	\$ 280,725			
YTD Total		\$ 3,244,944	\$ 2,639,494	\$ 164,181	6.63%

City of Denton					
Sales Generated in Month of:	Received in Month of:	2012-2013 Year Actual	2013-2014 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual Variance
October	December	\$ 1,947,110	\$ 1,858,283	\$ (88,827)	-4.56%
November	January	\$ 1,729,578	\$ 1,802,476	\$ 72,898	4.21%
December	February	\$ 2,521,245	\$ 2,657,999	\$ 136,754	5.42%
January	March	\$ 1,929,590	\$ 1,877,525	\$ (52,064)	-2.70%
February	April	\$ 1,843,927	\$ 1,940,004	\$ 96,078	5.21%
March	May	\$ 2,297,125	\$ 2,488,428	\$ 191,303	8.33%
April	June	\$ 1,940,931	\$ 2,077,345	\$ 136,414	7.03%
May	July	\$ 1,950,564	\$ 2,003,488	\$ 52,924	2.71%
June	August	\$ 2,236,264	\$ 2,482,262	\$ 245,998	11.00%
July	September	\$ 1,936,814			
August	October	\$ 2,091,400			
September	November	\$ 2,529,584			
YTD Total		\$ 24,954,131	\$ 19,187,809	\$ 791,476	4.30%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department
Prepared By: Denton County Transportation Authority Finance Department
August 22, 2014

**All Transit Agencies
Monthly Sales and Use Tax Comparison Summary**

Transit	Current Rate	Net Payment This Period	Comparable Payment Prior Year	% Change	2014 Payments To Date	2013 Payments To Date	% Change
Houston MTA	1.00%	\$ 62,578,079.81	\$ 60,339,183.27	3.71%	\$ 461,375,231.22	\$ 433,776,680.82	6.36%
Dallas MTA	1.00%	\$ 44,667,887.12	\$ 43,026,649.96	3.81%	\$ 322,700,578.00	\$ 306,094,035.21	5.43%
Austin MTA	1.00%	\$ 17,431,844.13	\$ 16,345,828.15	6.64%	\$ 130,020,435.62	\$ 119,225,098.73	9.05%
San Antonio MTA	0.50%	\$ 12,463,906.86	\$ 11,478,537.94	8.58%	\$ 88,334,452.18	\$ 80,143,151.70	10.22%
San Antonio ATD	0.25%	\$ 5,598,580.52	\$ 5,260,855.70	6.42%	\$ 40,013,074.53	\$ 36,374,359.53	10.00%
Fort Worth MTA	0.50%	\$ 5,452,022.24	\$ 5,384,146.01	1.26%	\$ 41,579,162.34	\$ 39,217,391.57	6.02%
El Paso CTD	0.50%	\$ 3,536,225.24	\$ 3,286,826.88	7.59%	\$ 26,404,414.80	\$ 25,537,621.59	3.39%
Corpus Christi MTA	0.50%	\$ 3,153,474.85	\$ 2,906,915.78	8.48%	\$ 22,813,242.12	\$ 22,714,568.31	0.43%
Denton CTA	0.50%	\$ 2,008,174.59	\$ 1,824,063.88	10.09%	\$ 14,103,994.53	\$ 13,401,325.03	5.24%
Laredo CTD	0.25%	\$ 675,877.63	\$ 692,340.40	-2.38%	\$ 5,225,020.86	\$ 5,194,700.05	0.58%
TOTALS		\$ 157,566,072.99	\$ 150,545,347.97	4.66%	\$ 1,152,569,606.20	\$ 1,081,678,932.54	6.55%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department
 Prepared By: Denton County Transportation Authority Finance Department
 August 22, 2014



Board of Directors Memo

August 28, 2014

Item: 1(a)(iv) Procurement Status Report

Tires: New and Recapped

A solicitation is in development to procure tires needed for fleet maintenance. The contract term will be three (3) years with the option to renew for two (2) additional one (1) year terms. Staff anticipates the procurement will be released in September with award at the October meeting.

Administrative Office new location

Working on new agreements in place for electrical services, gas and other required services. Staff is obtaining competitive quotes for these services to obtain the most economical pricing for the agency.

Submitted by: 
Athena Forrester, Procurement Manager

Final Review: 
Anna Mosqueda, CFO

Approval: 
James C. Cline, Jr., President



Board of Directors Memo

August 28, 2014

Item: 1(b) Communications and Marketing Update

Marketing & Communications Initiatives

35Express Construction Campaign
 Where's My Ride Campaign Development
 Main & Mill District Event Partnership Development
 Community Events Calendar Coordination
 Hickory Street Construction Marketing Campaign
 Summer Youth Pass Promotion
 Agency Rebranding Development & Implementation
 August Service Changes Planning & Coordination
 Passenger Information Development (Aug)
 University Orientations Coordination
 2014 Mean Green Game Day Shuttle Partnership
 Agency General Brochure Development

New Chief Operating Officer Announcement
 Agency Fact Sheets Development
 EnRoute News Implementation
 EnRoute News Scavenger Hunt Contest Promotion
 A-train Magazine Planning & Coordination
 Highland Village Balloon Festival Partnership
 Lewisville Western Days Partnership
 Lewisville Holiday Stroll Partnership
 Denton Holiday Lighting Festival Partnership
 State Fair of Texas Planning
 SWTA Spotlight Marketing Awards Development

Regional Initiatives

NCTCOG Air North Texas
 NCTCOG Regional Transit Survey
 Regional Marketing & Communications Committee
 Veteran's Transportation & Community Living Initiative

NCTCOG Casual Carpool App
 GoPass Passenger Tools Enhancement
 State Fair of Texas Planning
 DART-DFW Airport Opening

Recent Events

25-July	UNT Transfer Orientation	500 attendees
29-July	UNT Freshman Orientation	600 attendees
1-Aug	UNT Transfer Orientation	500 attendees
5-Aug	TWU New Student Orientation	450 attendees
7-Aug	TWU New Student Orientation	450 attendees
13-Aug	DISD New Employment Reception	300 attendees
15-Aug	UNT Transfer Orientation	500 attendees
15-17 Aug	Highland Village Lions Balloon Festival	43 passengers and 8,500 event attendees
18-Aug	UNT International Student Orientation	500 attendees
20-Aug	UNT Freshman Orientation	600 attendees
22-Aug	DART GoFest Pop Up Event	
22-Aug	UNT Transfer Orientation	500 attendees
25-Aug	Service Changes Implementation	

Upcoming Events

6-Sept	North Texas Game vs. SMU	26-27 Sept	Lewisville Western Days Festival
11-Sept	North Texas Game vs. Louisiana Tech	18-Oct	North Texas Game vs. Southern Miss
13-Sept	Denton Public Safety Day	25-Oct	Denton Mayor's Mike
20-Sept	North Texas Game vs. Nicholls State		

General DCTA Related Media

Articles Mentioning DCTA	30	Month Total Ad Value	\$12,584
Web Reach Per Million	5,138	YTD Total Ad Value	\$201,091
YTD Web Reach Per Million	457,522		

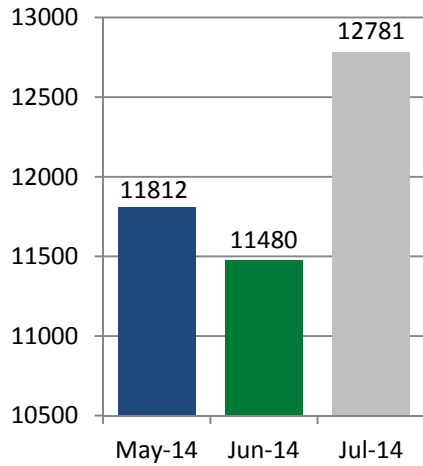
Topic Highlights

DCTA announces Raymond Suarez as new COO
 Mean Green Game Day shuttle to launch on teams first game

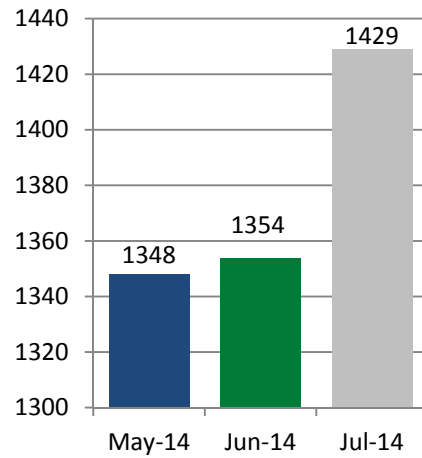
DCTA service changes begin soon
 Trains now roll to planes

GoPass Application

New Downloads



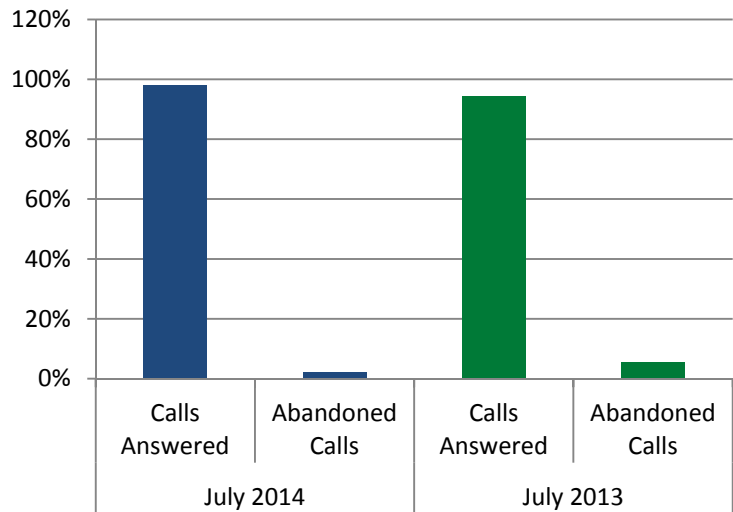
DCTA Tickets Sold



Call Center Statistics

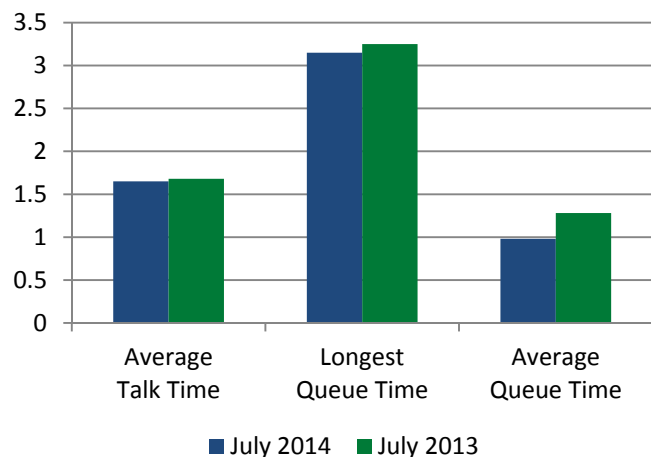
In July, DCTA's call center received 4,205 calls compared to the 4,261 calls that were recorded in the month of June. This is a 1% decrease in call volume from the previous month. 4,118 of the calls recorded in July were answered and 87 were abandoned.

The target for answered calls is 90%. With a 98% rate of calls answered, this target was met this month.



DCTA's target talk time is three minutes. The longest queue time that we would like to see is three minutes. The ideal average queue time is 90 seconds.

Call Center Performance

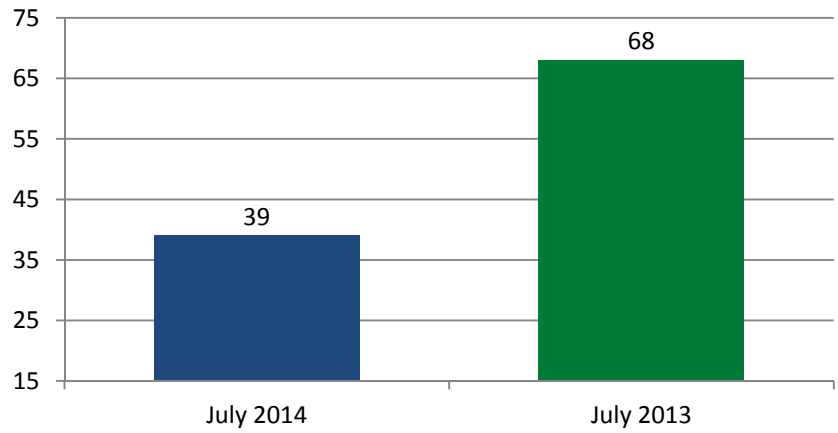


GoRequest Statistics

DCTA had a total of 39 submissions into GoRequest during the month of July. This is the same number of requests that were made in June.

A-train Gates / Signals	1
Customer Service Information	5
Driver Conduct	12
Driving Skills	1
On Time Performance	5
Other	5
Route and Schedule Information	5
Stations / Shelters / Bus Stops	1
Ticket or Ticket Vending Machine Issue	3
UNT Shuttle	1

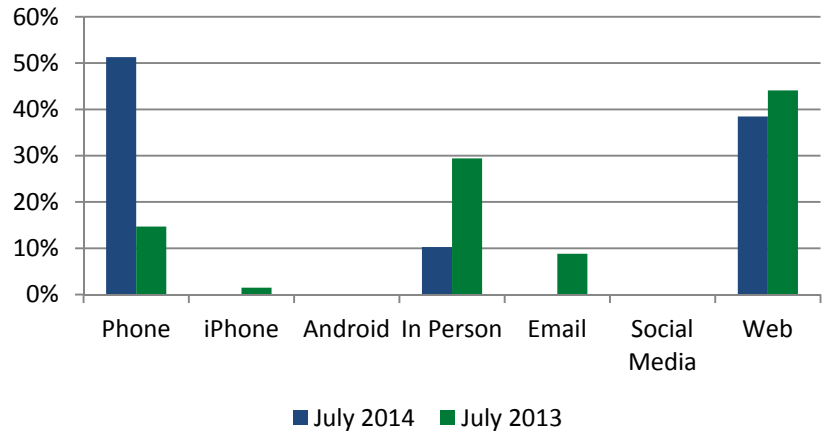
Number of Opened Requests



Types of Submittals Breakout

Complaint	19
Compliment	3
Question	14
Suggestion	3

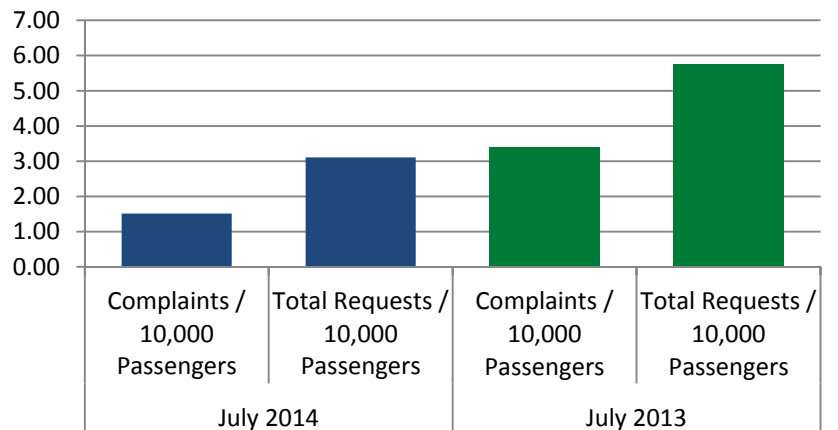
How Requests Are Reported



Complaints Per 10,000 Passengers

1.51	Complaints/10,000 Passengers
3.11	Total Requests / 10,000 Passengers

Requests Per 10,000 Passengers



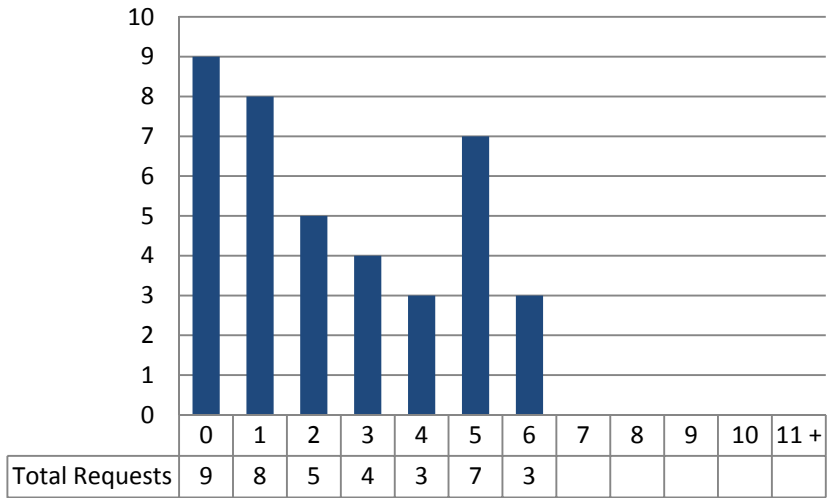
Complaint Topic Breakout

A-train Gates / Signals	1
Driver Conduct	9
Driving Skills	1
On Time Performance	3
Other	1
Route and Schedule Information	1
Stations / Shelters / Bus Stops	1
Ticket or Ticket Vending Machine Issue	2

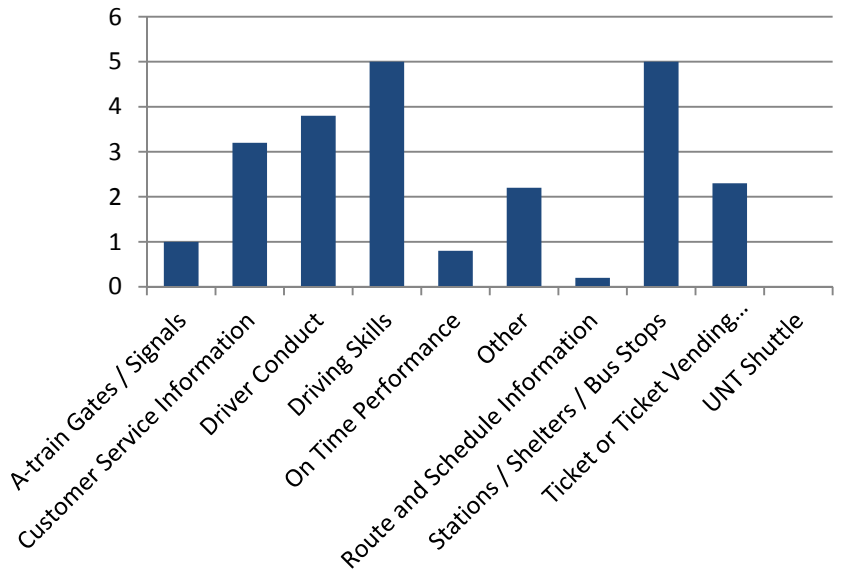
DCTA has a goal to close all requests within seven days. Ten days is the maximum number of days a request is allowed to remain unresolved.

In this reporting period it took, on average, 2.44 days to close out a request.

Number of Days to Close a Request



Average Number of Days to Close a Request



Submitted by: *Rusty Comer*
 Rusty Comer, Marketing Coordinator

Approved by: *Kristina Brevard*
 Kristina Brevard, Vice President,
 Marketing & Communications

Board of Directors Memo

August 28, 2014

Item: 1(c) Capital Projects Update

GTW Implementation

Phase 2 of testing is tentatively scheduled for October. Track circuit modifications will be implemented on 8 miles of track from North Lake to South Med. Herzog continues to monitor shunt levels and results have been positive.

Unipart Rail and Stadler recently visited the DCTA rail facility. Unipart is a technology provider that has installed equipment onboard locomotives to solve shunting issues in other countries. They are working with Stadler to explore the opportunity of applying the technology in the US as an alternative to the wayside technology currently being tested on the A-train ROW. Unipart is currently exploring US demand and FRA requirements before proposing a solution for the US market.

Where's My Ride

The A-train installation of Where's My Ride hardware is waiting for approval of a modified power supply. The power supplies will need to be shipped, modified and reinstalled. The plan is to try to have this work completed in September, 2014.

The fareboxes on Connect buses are on installed and operational as of August 18th.

Training for all user types on the Where's My Ride system is expected to take place in September, 2014. The delay is due to the A-train UPS. Internal bus and train assignments began in late June, 2014.

The release of Phase 2 of the software package was complete on August 18th. Phase 2 includes the Passenger Prediction Portal and SMS/Smart Voice Integration. Phase 2 is expected to be released for passenger use in September, 2014.

Installation new bus stop sign identification is expected in September.

Bus Operations and Maintenance Facility

Contract close-out is in progress. We expect to have all punch-list items complete by the end of August.

Community Enhancements

The contractor has completed clearing for the wood privacy fences and will begin pouring the concrete mow strip this week. Major landscaping has been rescheduled for September or October to avoid heat stress on the new plants and trees.

Lewisville Hike/Bike Trail

Nine bids were received on July 29th with most grouped within 10%. DCTA staff is reviewing the references of the apparent low bidder and will request award approval from TxDOT. An October start date is anticipated with expected complete of Dec 2015.

Positive Train Control (PTC)

The evaluation process is continuing. DART purchasing staff is conducting discussions with two bidders. Staff continues to work on the PTC 220 lease documents and the Interlocal Agreement.

Highland Village/Lewisville Lake Recreational Parking

Construction of the parking lot is nearing completion with stripping underway. Light fixture installation is anticipated to be complete in late September or early October, 2014.

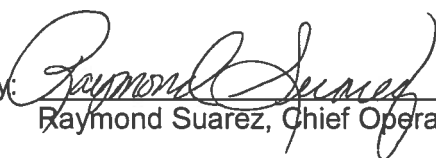
Bus Radios

Bus operations staff is testing radio voice quality on all routes. The radios and associated equipment are out for bid.

Rail Maintenance of Equipment

The first removal of a GTW brake system was completed in mid-June and replaced with a spare unit. The removed brake system was shipped to Europe for Clean, Oil, Test, & Stencil (COT&S) and is expected to be returned in September, 2014.

Approved by:



Raymond Suarez, Chief Operating Officer

Board of Directors Memo

August 28, 2014

Item: 1(d) Transit Operations Report

❖ RIDERSHIP

- DCTA carried 125,550 passengers system wide (rail and bus) in the month of July. Overall ridership increased 6% compared to last July.
- The A-train carried 43,678 passengers during the month of July. This reflects an overall increase in ridership of 9% for the month of July 2014, when compared to July 2013.
- A-train Saturday ridership in July decreased 5% (30 boardings) compared to last year.
- DCTA's bus system carried 81,872 passengers in July which is a 4% increase from July 2013.
- Denton Connect ridership increased 8% when compared to last July.
- Lewisville Connect ridership increased 10% when compared to last July.
- NCTC ridership decreased 46% in July 2014 compared to July 2013. This maintains a downward trend since October 2013. Duplicative classes are offered at the Flower Mound campus, which has attributed to the decrease in students that take the bus at the Corinth campus.
- Ridership on Connect RSVP decreased by 3% (or 8 boardings) in July 2014 relative to that same period in 2013. In general, Connect RSVP ridership has increased over time.
- Access boardings in July decreased 6% in comparison to the previous year.
- UNT Shuttle ridership decreased by 10% in July 2014 as compared to July 2013.

❖ SYSTEM ON-TIME PERFORMANCE

- July "On Time Performance" (OTP) for the A-train was 98.23%
- July "On Time Performance" (OTP) for Connect service was 98.75%.

❖ SAFETY/SECURITY

- DCTA Rail Operations Injury-Free Workdays: 816 days
- DCTA Bus Operations Injury-Free Workdays: 37
- On July 17, there was a vehicle stuck on the tracks at Eagle Point Road. The vehicle was removed and resulted in no train delays.

❖ PLANNING AND CUSTOMER SERVICE

- Hickory Street construction has caused a reroute of several bus routes in Denton.
- Construction on Highland Street has continued to impact bus routes resulting in customer complaints. DCTA is working with to manage the re-routing during construction and communicate detours to minimize disruption to the customer.

❖ MAINTENANCE

- **Right of Way:** Routine daily inspections are being performed by the contractor.
- **Signal/Communications:** There were no signal issues in July.
- **Stations:** DCTA contract operations (HTSI) continues to perform weekly safety inspections, which have not identified any major issues, and any minor aesthetic issues have been resolved (i.e. landscape maintenance, etc.).
- **Rail Mechanical:** DCTA contract operations (HTSI) reported two mechanical issues in the month of July. On July 17, vehicles 105 and 107 gave undesired brake applications while operating in revenue service due to a conduit leak.

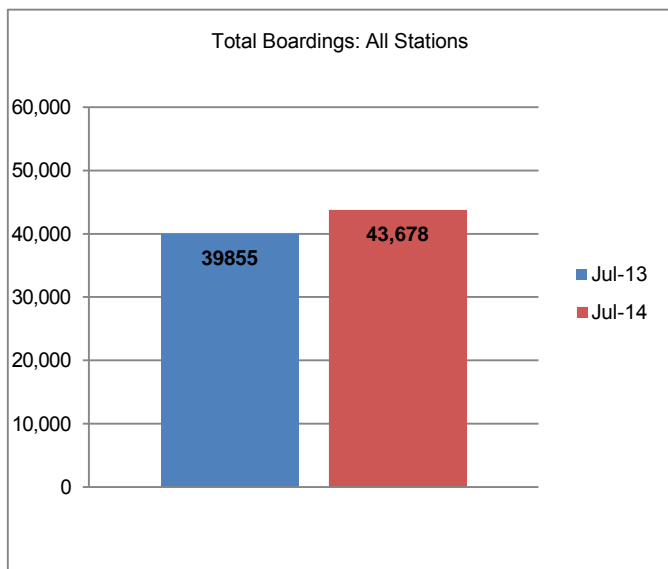
Reviewed By: 
Kristina Brevard, Vice President

Approved By: 
Jim Cline, President

All Stations

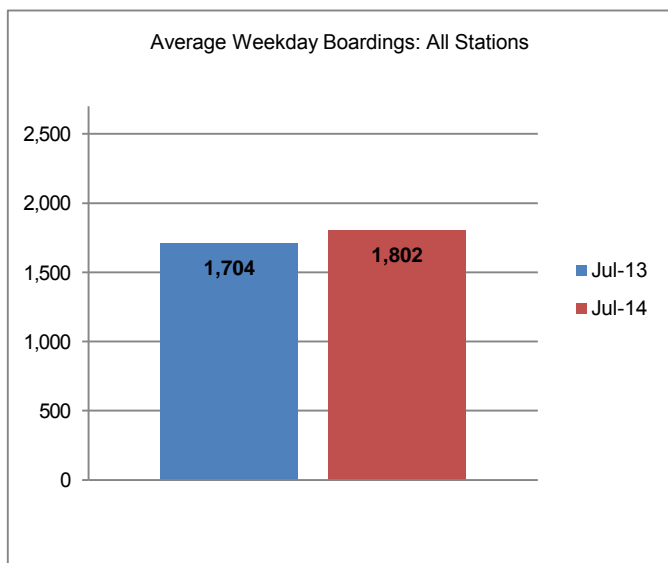
Total Boardings: All Stations

In July 2014, total boardings increased by 9% (or by 3,823 boardings) compared to 2013.



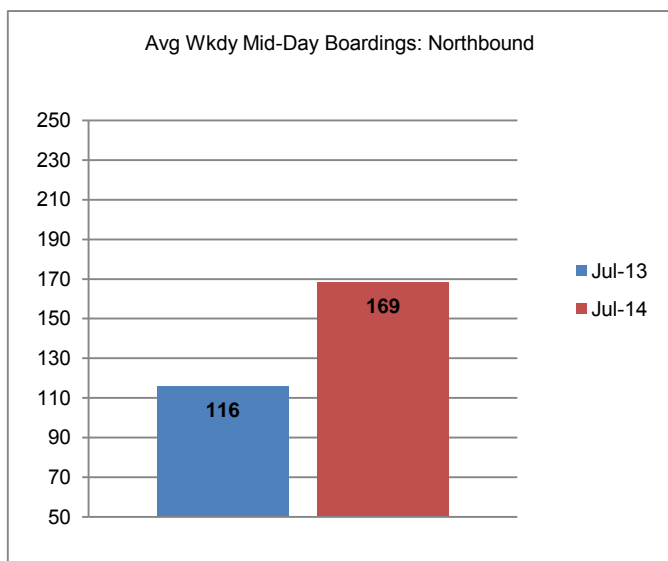
Average Weekday Boardings: All Stations

Average weekday boardings increased by 5% (or by 97 boardings per weekday) from the previous year.

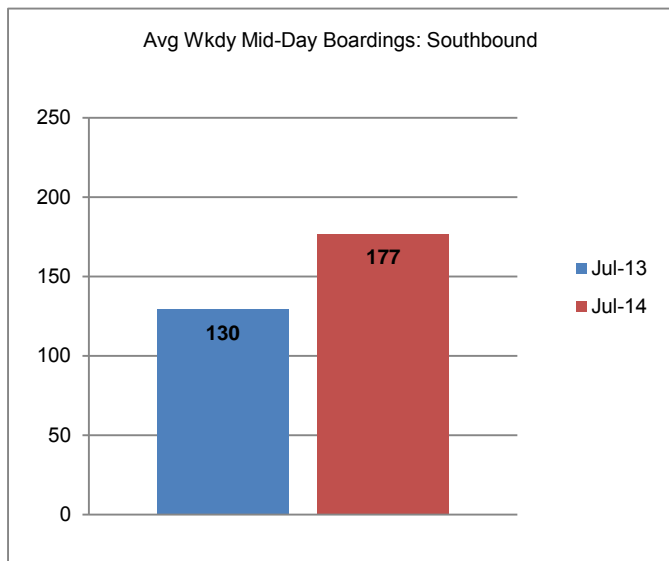


Average Weekday Mid-Day Boardings: Northbound

On an average weekday during the mid-day, boardings increased by 45% (or 52 boardings per day) on northbound trains from July 2013 to July 2014. From August 2013 to January 2014, one northbound train was added.

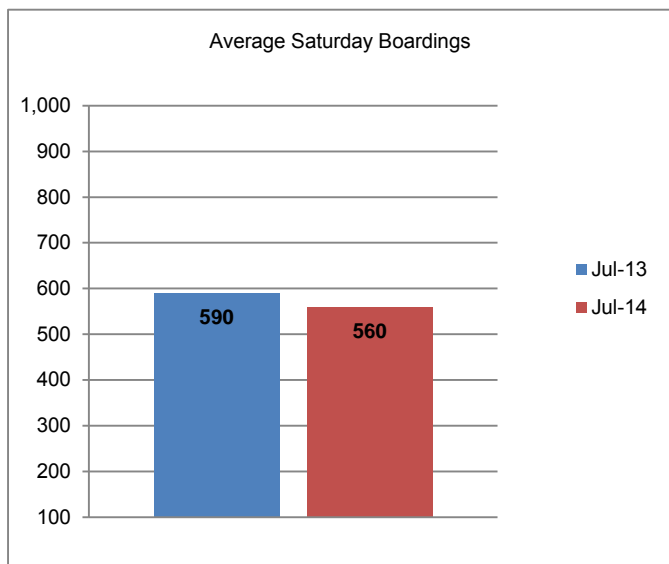


All Stations



Average Weekday Mid-Day Boardings: Southbound

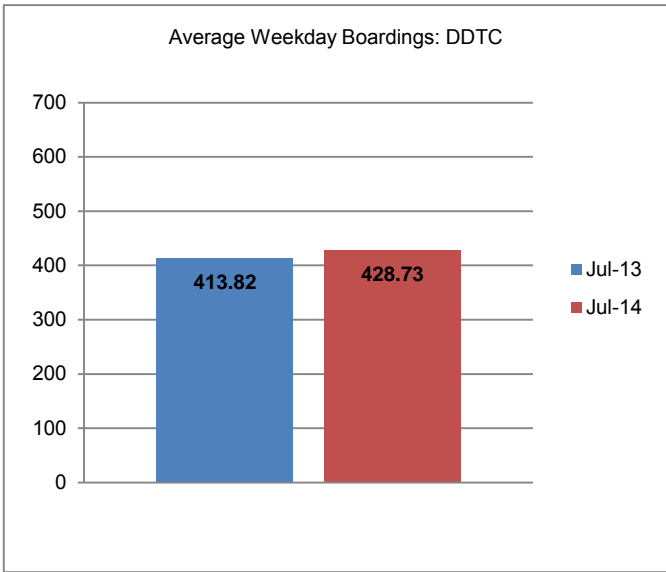
Average daily boardings during mid-day traveling southbound grew by 36% (or by 47 boardings per weekday). Between August 2013 and January 2014, two southbound trips were added during the mid-day.



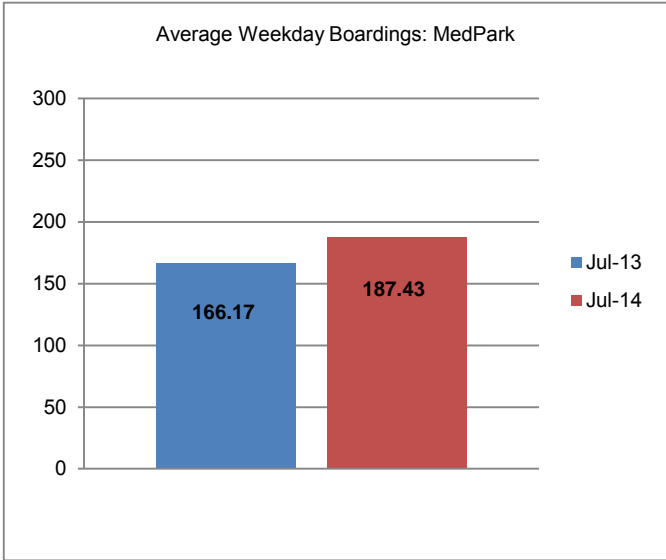
Average Saturday Boardings: All Stations

In July, average Saturday boardings dropped by 5% (or by 30 boardings per Saturday) when compared to the previous year.

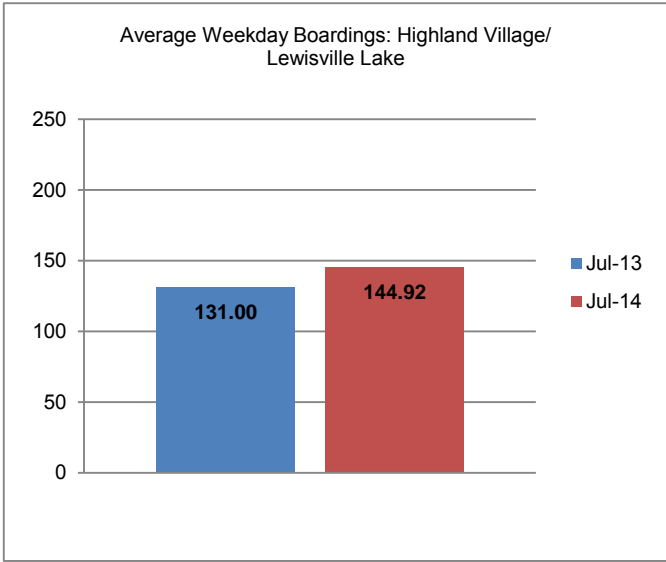
Station by Station



Average Weekday Boardings: DDTC
 In July, average daily boardings at the DDTC increased by 3% (or by 15 boardings per weekday) when compared to the previous year.

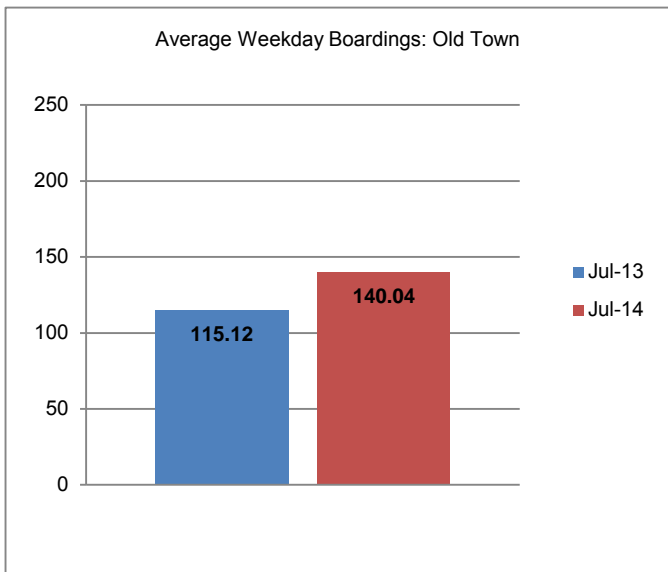


Average Weekday Boardings: MedPark
 In July, average daily boardings at the MedPark Station increased by 12% (or by 21 boardings per day) when compared to the previous year.



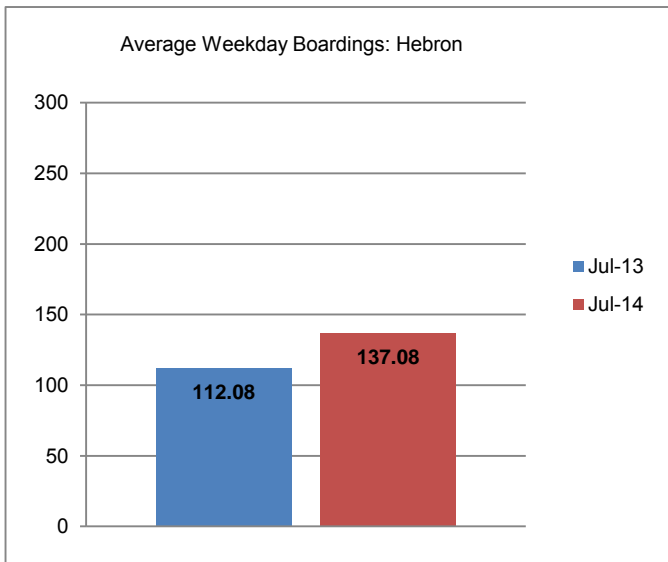
Average Weekday Boardings: Highland Village/ Lewisville Lake
 In July, average daily boardings at the Highland Village/Lewisville Lake Station increased by 10% (or by 14 boardings per day) when compared to last year.

Station by Station



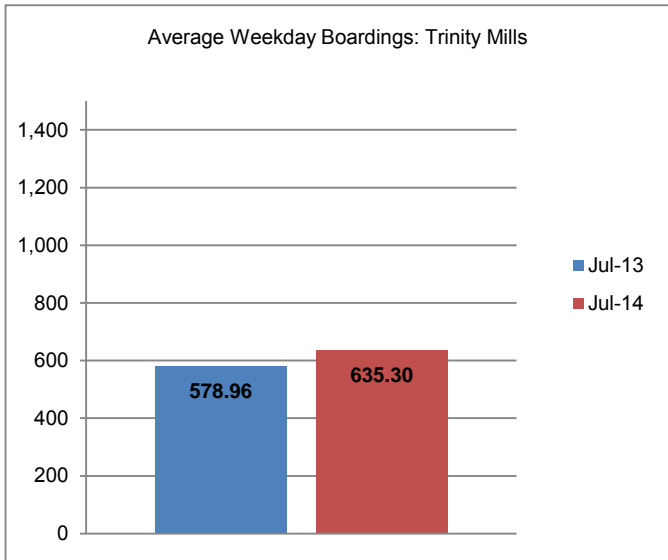
Average Weekday Boardings: Old Town

In July, average daily boardings at the Old Town Station increased by 21% (or by 25 boardings per weekday) compared to the previous year.



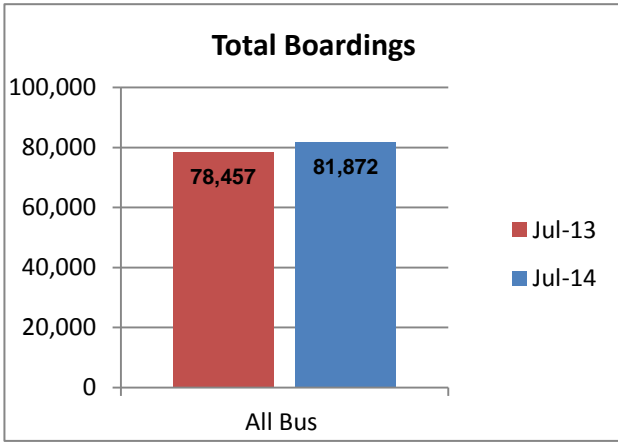
Average Weekday Boardings: Hebron

In July, the average daily boardings at the Hebron Station increased by 22% (or by 25 boardings per weekday) relative to last year.



Average Weekday Boardings: Trinity Mills

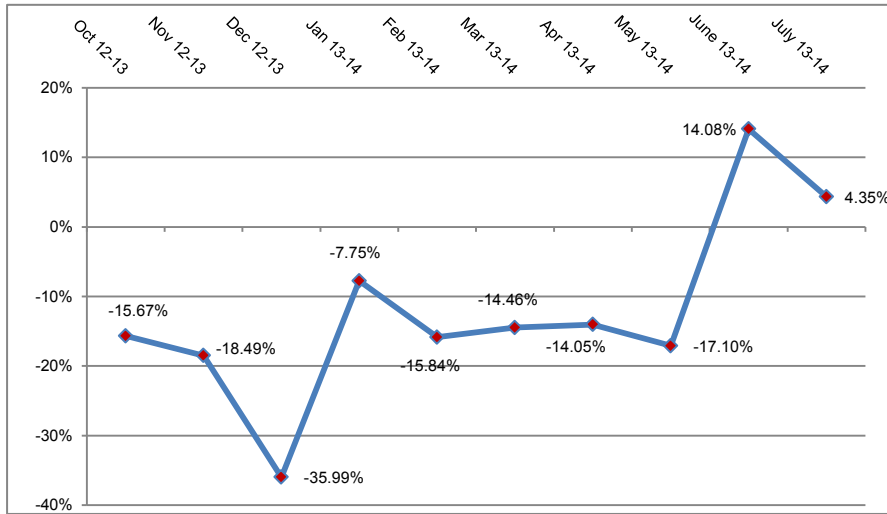
In July, average daily boardings at the Trinity Mills Station increased by 9% (or by 56 boardings per weekday) compared to last year.

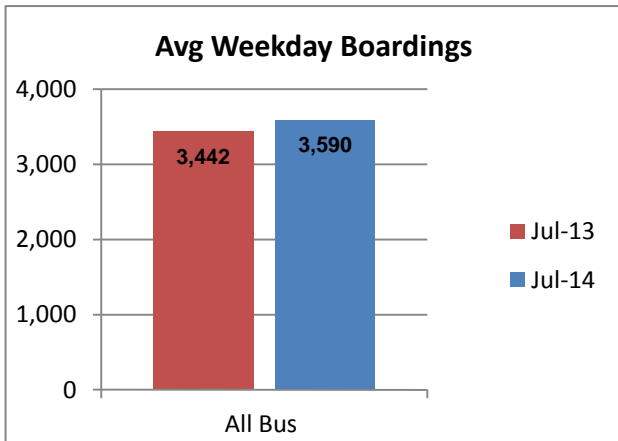


Total Bus: Total Boardings
 Total boardings for all bus service increased by 4% (or by 3,415 boardings) when comparing July 2013 to 2014 which is a reversal from previous months. The charts below show the change in total ridership and the relationship between UNT and total ridership.

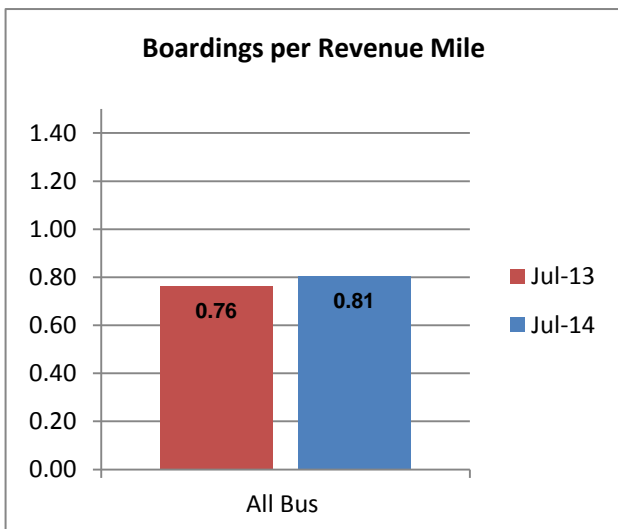
Total Bus: Changes in Ridership

This chart illustrates the steady decline of ridership prior to July 2014.

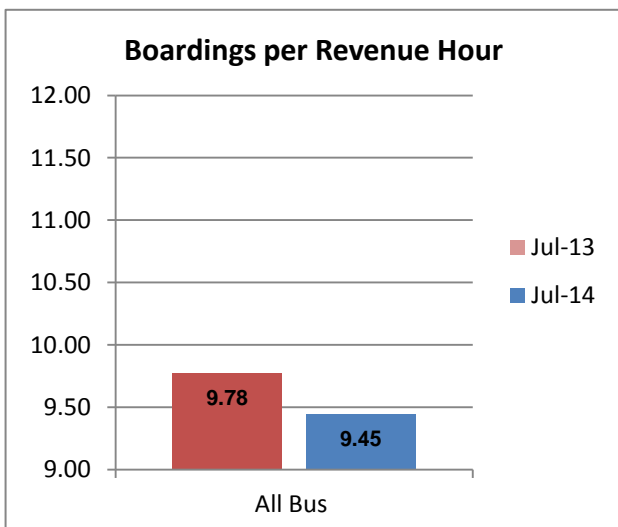




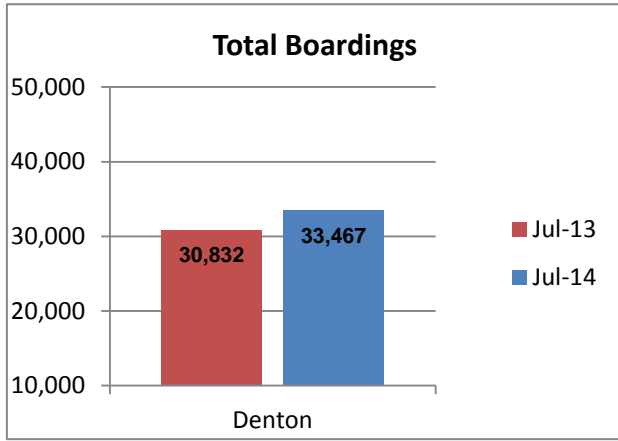
Total Bus: Average Weekday Boardings
 Average weekday boardings increased by 4% (or by 148 boardings) per day when comparing July 2014 to the same period in 2013.



Total Bus: Boardings per Revenue Mile
 Overall in July, boardings per revenue mile increased by over 5% when compared to the previous year. That is, buses carried more passengers per mile relative to last year.

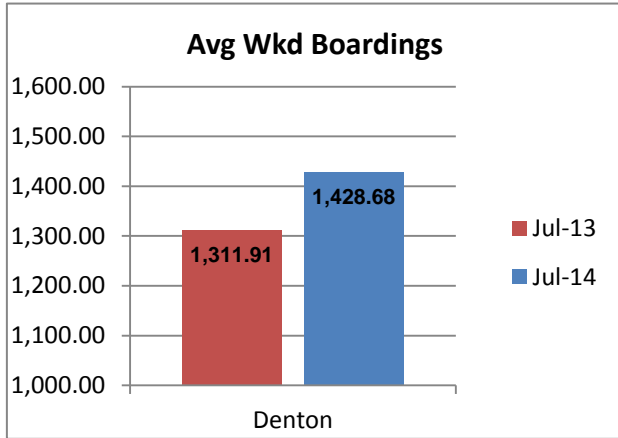


Total Bus: Boardings per Revenue Hour
 In July, boardings per revenue hour dropped by 3%.



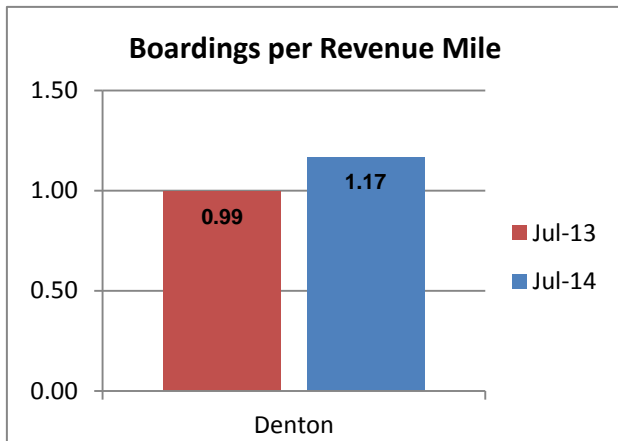
Denton Connect: Total Boardings

In July 2014, Denton routes carried more than 8% (or by 2,635) passengers compared to 2013.



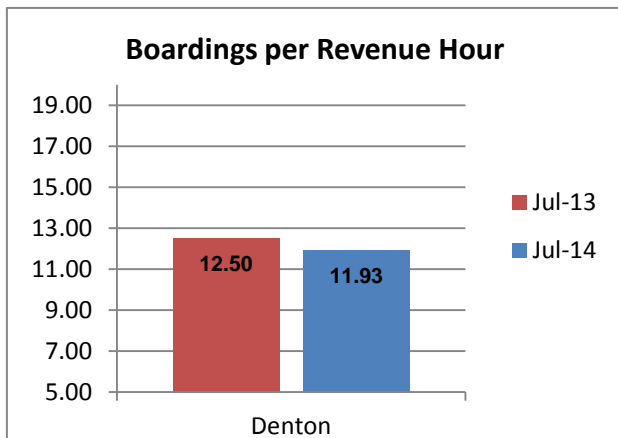
Denton Connect: Average Weekday Boardings

In July 2014, on average Denton routes carried 9% more (or 117 boardings per day) compared to 2013. This may indicate that service improvements implemented in August 2013 and January 2014 are maturing.



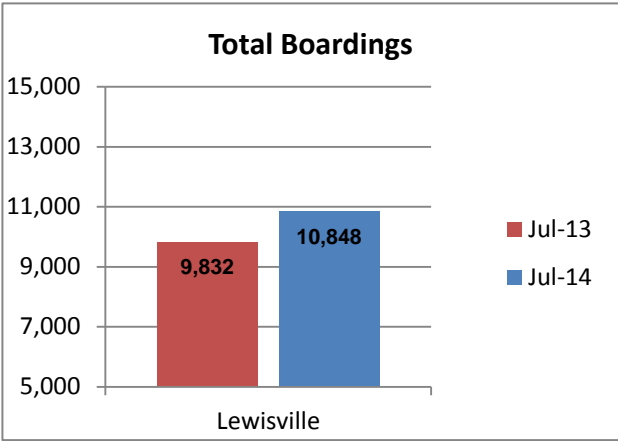
Denton Connect: Boardings per Revenue Mile

In July, boardings per revenue mile increased by over 17% from the previous year. This may indicate that service improvements implemented in August 2013 and January 2014 are maturing.



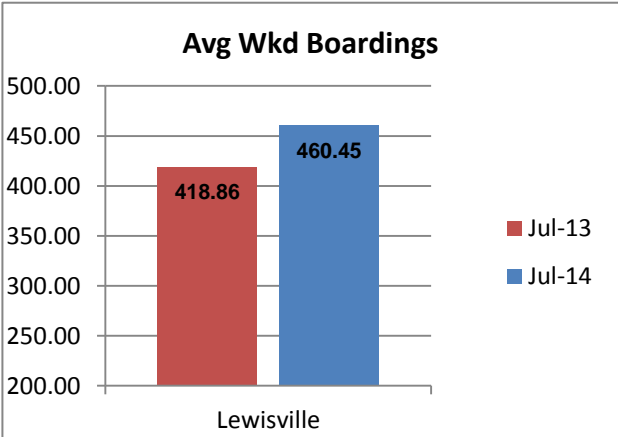
Denton Connect: Boardings per Revenue Hour

In July 2014, boardings per revenue hour decreased by 4% from the previous year. During this period schedules for Denton routes were expanded (to provide more time to connect to the A-train) which decreased the number of one-way weekday trips. This resulted in revenue miles decreasing while revenue hours increased.



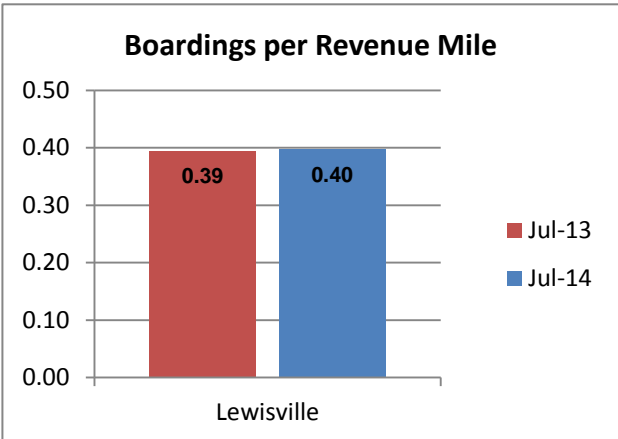
Lewisville Connect: Total Boardings

In July, boardings increased by over 10% (or by 1,016 boardings) when compared to the previous year.



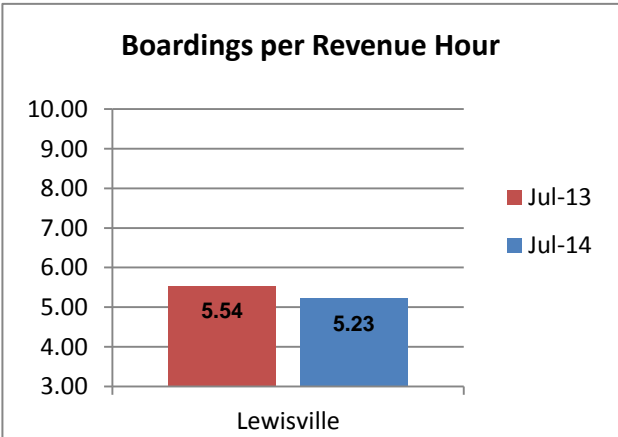
Lewisville Connect: Average Weekday Boardings

In July, average weekday boardings increased by almost 10% (or by 42 boardings per day) when compared to the previous year. As part of the January 2014 service changes, mid-day service was added to routes 22 and 23.



Lewisville Connect: Boardings per Revenue Mile

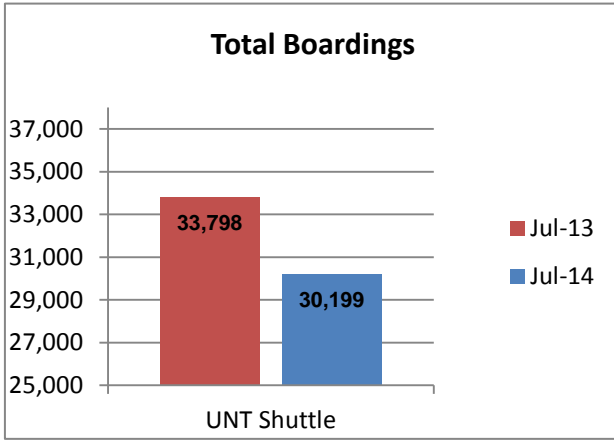
In July, boardings per revenue mile remained about the same when compared to 2013.



Lewisville Connect: Boardings per Revenue Hour

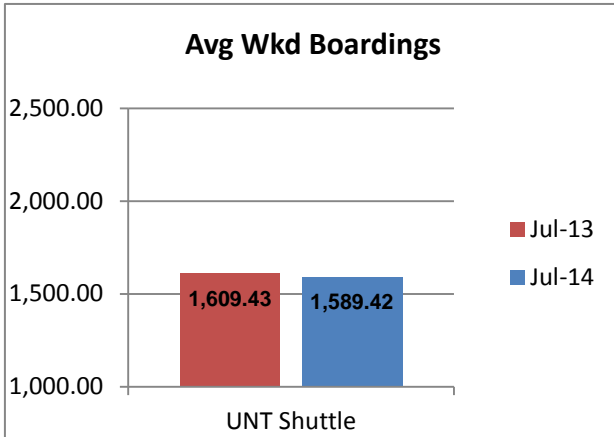
In July, boardings per revenue hour dropped by over 5% from the previous year. As part of the January 2014 service changes, service was added to routes 22 and 23. Because this is new service, ridership has not grown as fast as revenue hours.

UNT Shuttle



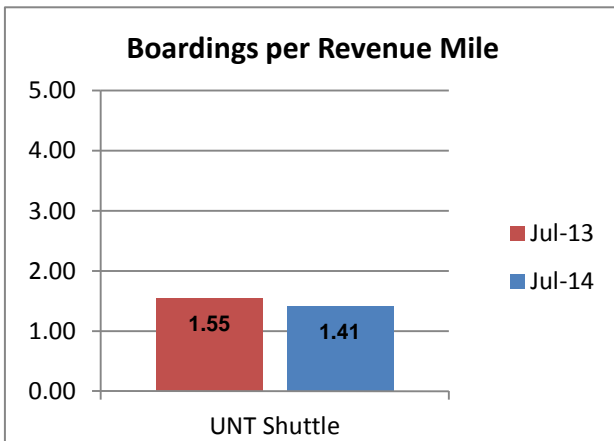
UNT Shuttle: Total Boardings

In July, UNT boardings dropped by 10% (or by 3,599 boardings) relative to the previous year.



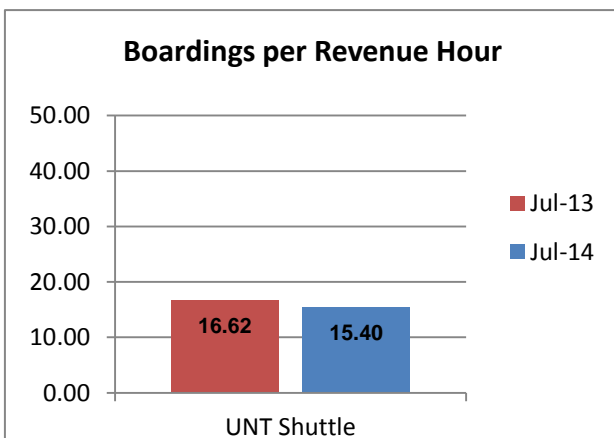
UNT Shuttle: Average Weekday Boardings

In July, UNT average weekday boardings remained about the same.



UNT Shuttle: Boardings per Revenue Mile

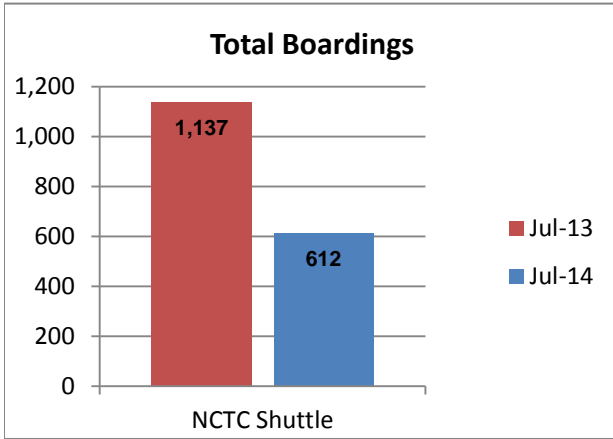
In July, boardings per revenue mile dropped by 8%.



UNT Shuttle: Boardings per Revenue Hour

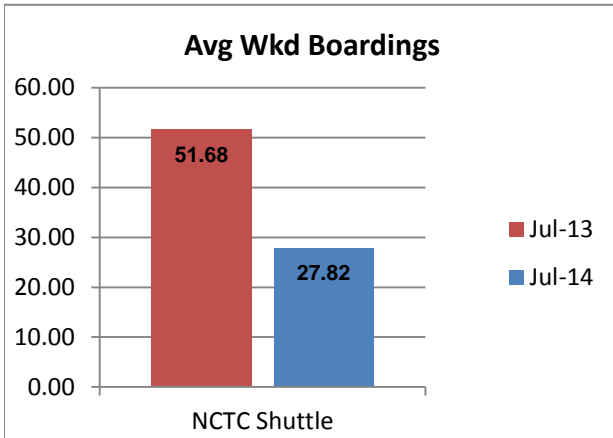
In July, boardings per revenue hour dropped by 7%.

NCTC Shuttle



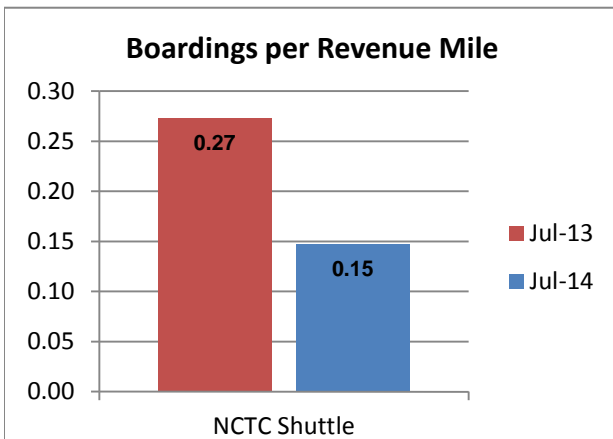
NCTC Shuttle: Total Boardings

In July, NCTC boardings dropped by over 46% (or by 525 boardings) when compared to 2013. In the past NCTC's Flower Mound and Corinth campuses offered different classes which required students to travel between campuses. In addition, some NCTC students traveled to UNT to supplement curriculums at NCTC's Flower Mound and Corinth campuses. Currently both NCTC campuses offer the same classes and those offered at UNT which may explain drops in ridership.



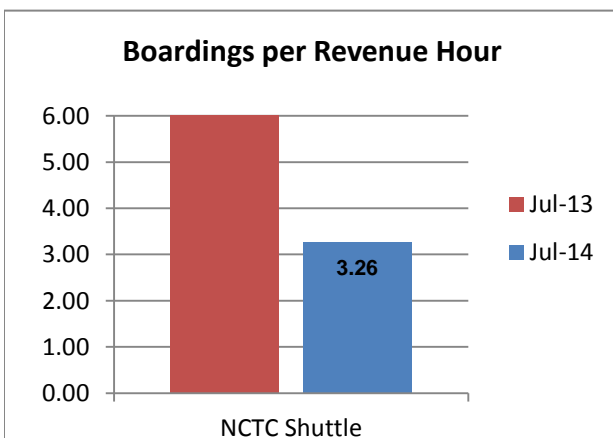
NCTC Shuttle: Average Weekday Boardings

In July, NCTC average weekday boardings dropped by over 46% (or by 24 boardings per day) when compared to 2013.



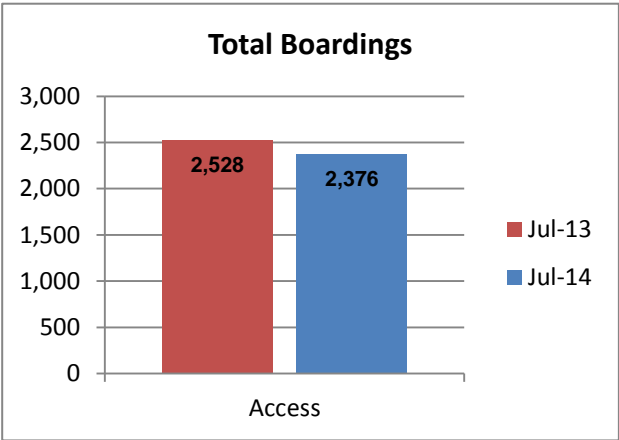
NCTC Shuttle: Boardings per Revenue Mile

In July, boardings per revenue mile decreased by over 46% from the previous year.

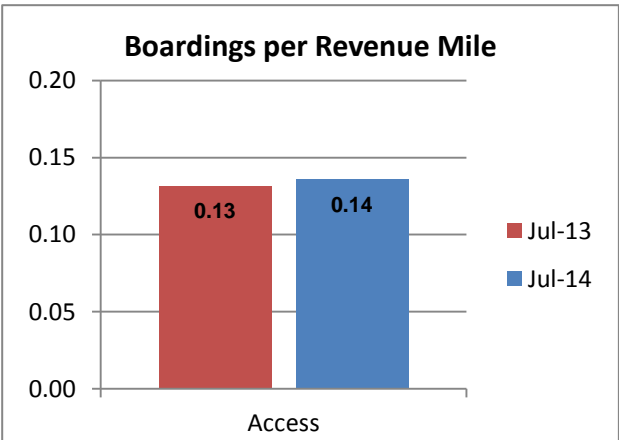


NCTC Shuttle: Boardings per Revenue Hour

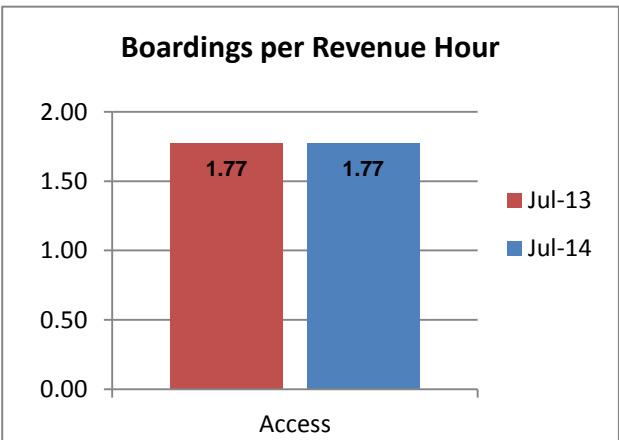
In July, boardings per revenue hour decreased by over 46% from the previous year.



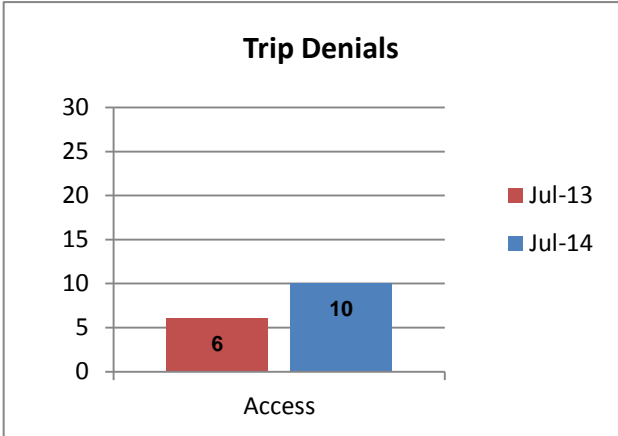
Access: Total Boardings
 In July, boardings dropped slightly relative to the previous year. Average weekday boardings declined by 5% (or by 6 boardings per day).



Access: Boardings per Revenue Mile
 In July, boardings per revenue mile increased by 3% when compared to the previous year.

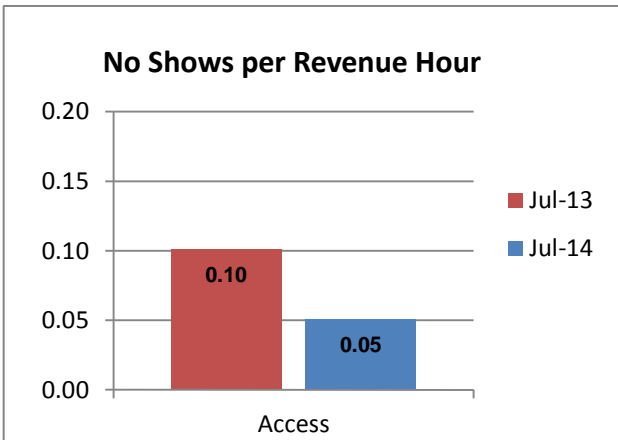


Access: Boardings per Revenue Hour
 In July 2014, boardings per revenue hour remained about the same.



Access: Trip Denials

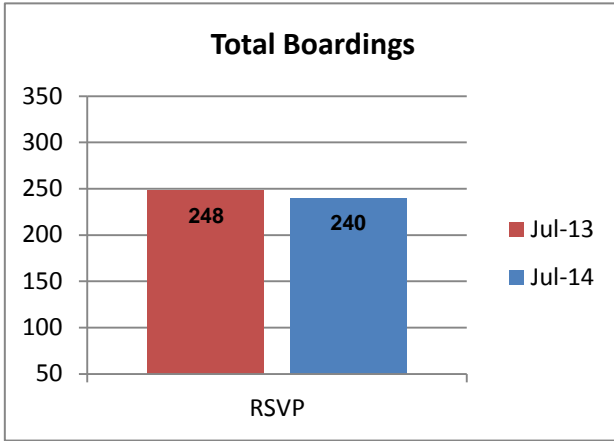
In July, non-ADA trip denials increased by 66% (or by 4 denials) when compared to 2013.



Access: No-Shows per Revenue Hour

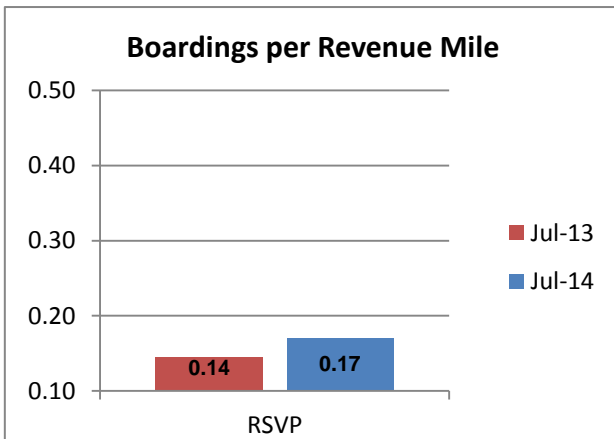
In July, the rate of no-shows per revenue hour decreased by 50% from the previous year.

Connect RSVP



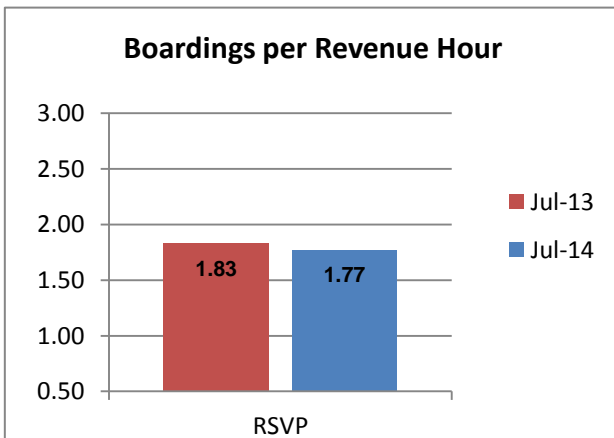
Connect RSVP : Total Boardings

In July, boardings dropped by 3% (or by 8 boardings) when compared to 2013.



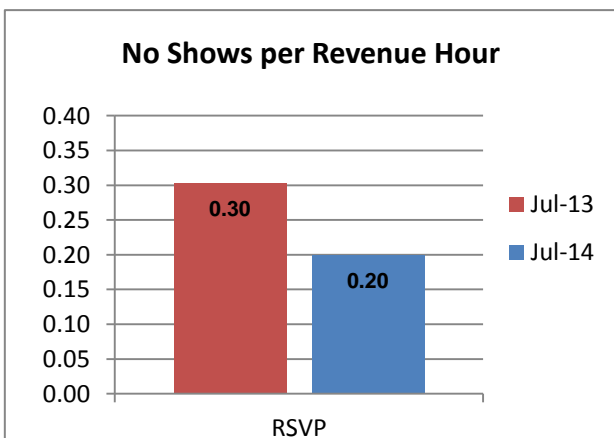
Connect RSVP : Boardings per Revenue Mile

Despite a drop in boardings, Connect RSVP carried 17% more passengers per revenue hour when comparing July 2014 to July 2013. This gain in efficiency may have resulted from some Access vehicles transporting Connect RSVP passengers.



Connect RSVP: Boardings per Revenue Hour

In July, boardings per revenue hour dropped by 3% when compared to 2013.



Connect RSVP: No-Shows per Revenue Hour

In July, No-shows per revenue hour dropped by 34% from previous year. No-shows dropped by 34% (or by 14 no-shows) while revenue hours remained the same.



Board of Directors Memo

August 28, 2014

Item: WS 2(a) Finance Committee Chair Report

The Finance Committee meeting and Special called Board of Directors meeting was held at 2:00 p.m., Monday, August 11, 2014 at 1660 S. Stemmons, Suite 250 Conference Room in Lewisville, TX

In attendance were:

Committee Chair: Dave Kovatch

Committee Members: Richard Huckaby, George Campbell, Allen Harris

Board Members: Paul Pomeroy, Charles Emery, Carter Wilson

Absent: Jim Robertson,

Staff: Anna Mosqueda, Amanda Riddle, Kristina Brevard, Leslee Bachus, Shanna O'Gilvie, Michael Chinn, Donna Bowers, Raymond Suarez, Jim Cline

A complete copy of the Finance Committee agenda packet and handouts is included as "Attachment A" to this report. The following agenda items were discussed:

Fiscal Year 2015 Budget

Operating Expenses:

The Finance Committee reviewed the FY15 operating expense projections. The Proposed FY15 Budget meets our sustainable budget requirement where operating expenses (excluding depreciation) do not exceed operating revenues. The operating budget includes the following:

Baseline Assumptions

- DCTA
 - Merit Pay – 3.5% (\$40,748)
 - Pay Plan Adjustment - \$25k
 - Addition of VP
- TMDC
 - Non-Union Merit @ 4% (\$59,427)
 - Union (Bus Operators) – per union contract avg. \$15.36/hour
- Fuel at \$4.00/gallon compared to \$4.15/gallon in FY14
- Health Care Costs Increase
 - DCTA - \$28k (10%)
 - TMDC - \$157k (15%)

Expanded Level Projects Included

Service Enhancements:

- Increase Denton Connect Routes 2 & 6 - \$687,067 (Total)
 - Requires an additional bus - \$350k capital project
 - Adds 1 weekday SB and NB mid-day A-train trip - \$80k
(this service extends a current train and will start in Jan. 2015)
- Increase Saturday frequency on Denton Connect - \$57,795

Operating:

- Maintenance Technician (Bus) - \$50k
- Shortel Phone System (DDTC) - \$40k
- DCTA Bandwidth Upgrade - \$57,400
- Passenger Information Communication Architecture - \$58k
- I35 E Construction Campaign - \$71,500
- Purchasing Specialist / Federal Contracts - \$72,500
- Enterprise Content Management S/Ware - \$26k

Capital Expenditures {New}:

Finance Committee reviewed and discussed the proposed FY15 capital projects which include the following:

Required Maintenance & Infrastructure

- Bus Engines & Transmissions - \$150k
- Wheel Replacements (11x120k each) - \$1,320,000
- COT&S Overhaul Valves (4 cars x 50k each) - \$200k
- Signal System Shunting Enhancement – Infrastructure/Testing - \$141k

Service Improvements to Address Long-Range Service Plan Standards

- Comprehensive Bus Route Service Analysis - \$567k
- Bus Route Scheduling Software - \$250k
- Additional Bus (Rte 2 & 6 service enhancement) - \$350k
- COGNOS Report Writing/Asset Management S/Ware - \$200k

Enhanced Passenger Experience & Operations

- Non-Revenue Service Vehicles - \$45k
- T. Mills Restroom / Crew Facility - \$250k
- Landscaping at Stations - \$75k
- PICA Implementation Phase IV - \$30k

Other Discussion Items:

Finance Committee also discussed additional expanded level projects that have not been incorporated into the FY15 Proposed Budget.

- TCDRS 2:1 Match
- Tuition Reimbursement Program
- Additional CSR to support late night service at DDTC
- Operating costs for Bus Service to Ft. Worth (I-35 W)
- Rail O&M Mobilization (New Contract)
- Additional PTC expense
- Debt Issuance: No debt issuance in 2014
 - \$5.5M in current FY14 budget will not be issued but budget will be rolled over to FY15 for anticipated PTC funding requirements. Cost of PTC implementation has not been finalized.

Staff will provide additional information, including prioritization, regarding these items at future Finance Committee meetings.

Revenue Projections:

Staff briefly reviewed the FY15 revenue projections. The federal and state grant projections were adjusted since the previous meeting, due to capital project schedule delays in FY14. These are more accurately identified based on current plans. In addition, grant funding received in the 2014 Formula Funds allocation was included to incorporate a study of bus service on or parallel to I-35W.

Cash Flow Model:

Staff presented the cash flow model which reflects the proposed FY15 budget along with future capital needs that staff is anticipating.

- Coverage ratio is maintained at 1.31 and higher
- Agency maintains the required fund balance reserve, sales tax stabilization fund, and fuel stabilization funds in accordance with the adopted Financial Policies.
- In years 2016-2018, the agency will utilize a portion of the Capital / Infrastructure fund in order to fund major capital maintenance needs.

The meeting adjourned at 3:11pm

Finance Committee

Chair – Dave Kovatch

Members –George Campbell, Allen Harris, Richard Huckaby, Jim Robertson

Staff Liaison – Anna Mosqueda – CFO



Finance Committee
of the DCTA Board of Directors
2:00 p.m., August 11, 2014
1660 S. Stemmons, Suite 250 Conference Room
Lewisville, TX 75067

AGENDA

NOTICE IS HEREBY GIVEN that there will be a special called meeting of the DCTA Board of Directors and a meeting of the Finance Committee of the DCTA Board of Directors at the time and location above. The DCTA Board of Directors will not conduct its special called meeting if a quorum of the DCTA Board of Directors does not attend however the DCTA Finance Committee will conduct its meeting regardless of the presence of a quorum of the DCTA Board of the Directors. The DCTA Board of Directors and the Finance Committee of the DCTA Board of Directors will consider the following:

Welcome and Introductions

- 1) ITEMS FOR DISCUSSION
 - a. Discussion of Fiscal Year 2015 Budget
 - i. Operating & Capital Expenditures
 - ii. Revenue Projections
 - iii. Review Cash Flow Model

- 2) FORWARD TO BOARD
 - a. Recommendation for Fiscal Year 2015 Operating and Capital Budget

- 3) ADJOURN

Finance Committee
Chair – Dave Kovatch
Members – George Campbell, Allen Harris, Richard Huckaby, Jim Robertson
Staff Liaison – Anna Mosqueda – CFO

The Denton County Transportation Authority meeting rooms are wheelchair accessible. Access to the building and special parking are available at the east entrance. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by emailing lbachus@dcta.net or calling Leslee Bachus at 972-221-4600.

This notice was posted at 1660 S. Stemmons, Lewisville, Texas 75067 at a place convenient and readily accessible to the public at all times. Said notice was posted on 8/8/2014 at 4:36 PM.

Leslee Bachus, Executive Assistant

**Denton County Transportation Authority
Proposed Fiscal Year 2015 Budget
(Excludes Depreciation)**

Description	FY13 Actuals	FY14 Original Budget	FY14 Revised Budget	Actuals as of June 30, 2014	FY15 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)	Notes
<i>**Comparison is between the FY14 Revised Budget and the FY15 Proposed Budget**</i>								
Revenue & Other Income								
Passenger Revenues (Bus Farebox)	536,291	560,461	560,461	453,742	635,517	75,056	13%	Assumes an average 3-5% increase for Connect service based on ridership projections
Passenger Revenues (Rail Farebox)	729,394	815,203	815,203	612,012	879,860	64,657	8%	Assumes an average 3-5% increase for rail service based on current ridership projections
Contract Service Revenue	2,980,804	3,298,781	3,298,781	2,096,234	3,259,635	(39,146)	-1%	
Total Revenue & Other Income	4,246,489	4,674,445	4,674,445	3,161,988	4,775,012	100,567	2%	
Operating Expenses								
GENERAL & ADMINISTRATIVE								
Salary, Wages and Benefits	1,575,138	1,959,712	1,998,525	1,427,629	2,197,088	198,563	10%	Assumes a 10% increase in benefits as well as a 3.5% merit increase
Services	1,098,119	1,318,407	1,955,175	968,744	1,497,029	(458,146)	-23%	Legal fees associated with pending litigation is budgeted in FY14 (\$498k). Any remaining funds will be captured and rolled into FY15
Materials and Supplies	55,171	107,315	157,315	47,169	216,864	59,549	38%	IT upgrades anticipated in FY15: (1) DCTA bandwidth upgrade \$20k; (2) Enterprise Content Mgmt Software \$26k; (3) Install Shortel Phone system at DDTC \$40k
Utilities	13,570	18,000	18,000	8,847	60,353	42,353	235%	Increase due to the addition of utilities expense with new facility, previously included in lease expense; Offset with savings in the Lease category
Insurance, Casualties and Losses	9,035	11,420	11,420	8,467	11,309	(111)	-1%	
Purchased Transportation Services	-	-	-	-	-	-	0%	
Miscellaneous	136,456	211,047	221,047	82,685	203,667	(17,380)	-8%	
Leases and Rentals	155,058	155,025	155,025	128,868	102,777	(52,248)	-34%	Savings in lease expense for new facility
Subtotal - G&A	3,042,547	3,780,925	4,516,506	2,672,409	4,289,087	(227,419)	-5%	
BUS SERVICES								
Salary, Wages and Benefits	4,937,760	6,042,884	6,054,884	4,185,591	6,701,745	646,861	11%	Assumes a 15% increase in benefits as well as a 4% merit allowance for non-union employees. Average wage rate for operators is \$15.36
Services	384,201	408,125	408,125	286,680	546,831	138,706	34%	Additional Assistant General Manager position added as part of the new operations contract with First Transit
Materials and Supplies	1,804,258	2,165,419	2,165,418	1,140,567	2,352,874	187,456	9%	Increase in fuel with proposed bus/rail service enhancements to Route 2 & 6 and increased Saturday frequency; Computer equipment/software upgrades scheduled in FY15
Utilities	74,223	101,900	101,900	86,955	112,520	10,620	10%	
Insurance, Casualties and Losses	289,586	272,265	272,265	200,475	272,618	353	0%	
Purchased Transportation Services	-	-	-	-	-	-	0%	
Miscellaneous	4,475	10,050	10,050	5,061	35,370	25,320	252%	Wellness Program funds have been allocated to TMDC from G&A
Leases and Rentals	101,654	29,590	29,590	32,166	2,220	(27,370)	-92%	Elimination of building lease expense
Subtotal - Bus Services	7,596,157	9,030,233	9,042,232	5,937,495	10,024,178	981,946	11%	
RAIL SERVICES								
Salary, Wages and Benefits	189,468	276,534	276,534	201,487	275,024	(1,510)	-1%	
Services	145,796	139,252	361,336	178,878	145,391	(215,945)	-60%	FY14 service category included \$74k for mulching/landscape design as well as consulting services that total \$136k regarding shunting, rail car warranty and rail ops contract support. These will not be required in FY15.
Materials and Supplies	1,212,234	1,556,490	1,556,490	720,330	1,591,037	34,547	2%	
Utilities	327,549	327,915	352,115	174,587	279,276	(72,839)	-21%	Assuming decrease based upon usage this FY and continued mandatory water restrictions at Lewisville stations.
Insurance, Casualties and Losses	327,167	514,477	514,477	374,374	494,089	(20,388)	-4%	
Purchased Transportation Services	8,874,900	9,331,365	9,300,701	6,816,739	9,853,076	552,375	6%	Increase in PT based upon 3% increase per contract terms with DART; Also includes \$80k for service enhancement (Assumes an additional mid-day trip)
Miscellaneous	3,815	11,988	11,988	3,003	6,438	(5,550)	0%	
Leases and Rentals	92,880	100,000	100,000	552	102,207	2,207	2%	
Subtotal - Rail Services	11,173,809	12,258,021	12,473,641	8,469,950	12,746,538	272,897	2%	
Total Operating Expenses	21,812,513	25,069,180	26,032,379	17,079,854	27,059,803	1,027,424	4%	
Income Before Non-operating Revenue & Exp	(17,566,024)	(20,394,735)	(21,357,934)	(13,917,866)	(22,284,791)			
Non-Operating Revenues / (Expense)								
Investment Income	32,137	33,000	33,000	16,096	33,000	-	0%	
Non-Operating Revenues / (Expense)	52,222	7,125	7,125	54,087	6,300	(825)	-12%	
Sales Tax Revenue	20,209,051	20,725,320	20,725,320	13,862,608	21,347,080	621,760	3%	Assumes a 3% increase in sales tax - reflected in the Cash Flow Model
Federal Grants & Reimbursements	8,859,377	6,486,142	6,486,142	5,510,765	16,617,500	10,131,358	156%	Includes Federal Formula Funds as well as \$9M from COG for the PTC capital project
State Grants & Reimbursements	163,710	593,216	593,216	284,910	2,358,300	1,765,084	298%	Includes TxDOT STEP funds that DCTA was awarded for the Hike & Bike Trail (LV) and Community Enhancement projects
Debt Issuance	-	5,500,000	5,500,000	-	5,500,000	-	N/A	
Long Term Debt Interest/Expense	(1,458,806)	(2,423,840)	(2,423,840)	(1,042,765)	(2,721,899)	(298,059)	12%	Includes both principal and interest payments for FY15
Total Non-Operating Revenue / (Expense)	27,857,691	30,920,963	30,920,963	18,685,701	43,140,281	12,219,318	40%	
Net Available before Transfers	10,291,667	10,526,228	9,563,029	4,767,835	20,855,490			

Capital Improvement Plan

Project Name	Project Number	Adopted Project Budget	Project LTD thru FY 2012	FY 2013 Actuals	FY 2014 Projection	FY 2015	FY 2016	FY 2017	FY 2018	Aniticipated Project Total (Thru 2018)
Bus Services										
Bus Operations & Maintenance Facility	50301	11,720,717	2,073,478	7,028,293	2,618,946	-				11,720,717
Fleet Replacement	50502	3,411,592	2,871,592	110,735	-	429,265				3,411,592
Fleet Replacement {2014}	50504	877,998	-	-	877,998					877,998
DDTC	50303	373,282	-	-	13,282	360,000				373,282
Where's My Ride	50406	940,485	-	456,906	303,579	180,000				940,485
Bus Radios	50408	137,457	-	-	-	137,457				137,457
<i>Bus Engines & Transmissions</i>	<i>NEW</i>					150,000				150,000
<i>Scheduling Software</i>	<i>NEW</i>					250,000				250,000
<i>Fleet {2015}</i>	<i>NEW</i>					395,000	1,250,000	1,750,000	2,060,000	5,455,000
Rail Services										
Passenger Information	60701	56,214	4,807	19,044	32,363	40,607				96,821
Rail Grinding {2014}	61103	192,000	-	-	104,000	-	150,000		150,000	404,000
MedPark Extension	61206	1,000,000	-	-	1,000,000	-				1,000,000
Positive Train Control	61406	22,902,951	788,073	222,980	170,000	15,300,000	6,421,898			22,902,951
Community Enhancements	61707	752,708	13,091	129,940	409,677	200,000				752,708
Lewisville Bike Trail	61708	3,489,396	60,685	35,319	741,520	2,651,872				3,489,396
HV Parking Expansion	61710	288,681	-	6,900	281,781	-				288,681
Rail Maintenance of Way	61711	150,000	-	-	150,000	-	55,000	55,000	75,000	335,000
Rail Maintenance of Equipment	61712	585,000	-	-	235,000	1,982,673	342,800	1,252,400	1,812,800	5,625,673
Rail Single Car Operations	61503	101,800	-	-	101,800	-				101,800
Re-Railing Equipment	61504	121,000	-	-	-	121,000				121,000
<i>Shunt Enhancement</i>	<i>NEW</i>					141,000				141,000
<i>T. Mills Crew Facility</i>	<i>NEW</i>					250,000				250,000
<i>Station Landscaping</i>	<i>NEW</i>					75,000				75,000
Rail Facility Maintenance								35,000		35,000
Signals - Systems & Communications							10,000	10,000	20,000	40,000
G&A										
COGNOS Report Writing Application	NEW					200,000				200,000
Comprehensive Service Analysis	NEW					567,414				567,414
TOTAL		\$ 47,101,281	\$ 5,811,726	\$ 8,010,117	\$ 7,039,946	\$ 23,431,288	\$ 8,229,698	\$ 3,102,400	\$ 4,117,800	\$ 59,742,975
Sources of Funding										
Federal / State Grants					\$ 4,893,877	\$ 5,031,121	\$ 1,000,000	\$ 1,400,000	\$ 1,648,000	\$ 13,972,998
New Debt Issuance (PTC 2014)					\$ -	\$ 5,500,000	\$ -	\$ -	\$ -	\$ 5,500,000
RTC Funds					\$ -	\$ 9,470,000	\$ 3,030,000	\$ -	\$ -	\$ 12,500,000
DCTA Funding					\$ 2,146,066	\$ 3,430,167	\$ 4,199,698	\$ 1,702,400	\$ 2,469,800	\$ 13,948,131
TOTAL					\$ 7,039,943	\$ 23,431,288	\$ 8,229,698	\$ 3,102,400	\$ 4,117,800	\$ 45,921,129

FY15 Expanded Level Projects / Capital

Project Name	Department	Total Project Expense	Grant Funded	Expense Classification
<u>Required Maintenance & Infrastructure</u>				
Wheel Replacement (11 cars)	Rail Operations	\$ 915,046		Capital
COT&S Overhaul Valves (4 cars)	Rail Operations	\$ 717,627		Capital
DCTA Bandwidth Upgrade	IT	\$ 57,400		Operating
Bus Engines & Transmissions	Bus Operations	\$ 150,000		Capital
Signal System Shunting Enhancement - Infrastructure/Testing	Rail Operations	\$ 141,000		Capital
	Subtotal	\$ 1,981,073		
<u>Service Improvements to Address Long-Range Service Plan Standards</u>				
Comprehensive Bus Route Service Analysis	Planning / Operations	\$ 567,414	Yes (80/20)	Capital
Bus Route Scheduling Software	Planning / Operations	\$ 250,000	Yes (80/20)	Capital
Package 1 - Rte 2 & 6 Improved Frequency, Mid-Day A-train trip (Addtl Bus \$350k)	Operations	\$ 687,067		Operating & Capital
Package 2 - Increase Saturday Frequency	Operations	\$ 51,795		Operating
COGNOS Report Writing/Asset Management Software	IT / Finance	\$ 200,000	Yes (80/20)	Capital
Maintenance Technician	Bus Operations	\$ 50,000		Operating
	Subtotal	\$ 1,806,276		
<u>Enhanced Passenger Experience and Operations</u>				
Shortel Phone System Implementation (DDTC Only)	IT	\$ 40,000		Operating
Non-Revenue Service Vehicles (3)	Bus Operations	\$ 45,000		Capital
T. Mills Restroom	Operations	\$ 250,000	Yes (80/20)	Capital
Landscaping	Rail Operations	\$ 75,000		Capital
Purchasing Specialist - Federal Contracts	Finance	\$ 72,500		Operating
Enterprise Content Mgmt System & Server (Document Mgt)	President	\$ 26,000		Operating
PICA Implementation Phase IV	Marketing	\$ 58,000	Yes (80/20)	Operating
Passenger Information (Includes PICA)	Marketing	\$ 40,607	Yes (80/20)	Capital
I35 E Construction Campaign	Marketing	\$ 71,500		Operating
	Subtotal	\$ 678,607		
GRAND TOTAL		\$ 4,465,956		

Bus Operations				
Revenue Source	Actual FY 2013 Oct 12 - Sept 13	Budget FY 2014 Oct 13 - Sept 14	Actuals as of June 30, 2014	Proposed FY15 Oct 14 - Sept 15
Passenger Revenues				
Connect	448,655	477,985	388,481	554,147
Access	87,626	82,475	64,423	81,369
NCTC	10	-	838	-
Total Passenger Revenues	536,291	560,460	453,742	635,516
Contract Services				
Connect	49,000	52,420		57,000
UNT Contract	2,242,358	2,450,000	1,660,212	2,437,919
<i>UNT Fuel</i>	<i>596,318</i>	<i>651,788</i>	<i>368,106</i>	<i>624,124</i>
NCTC Contract	72,468	99,774	54,755	79,317
<i>NCTC Fuel</i>	<i>20,660</i>	<i>44,799</i>	<i>13,161</i>	<i>61,276</i>
Total Contract Services	2,980,804	3,298,781	2,096,234	3,259,636
Total	\$ 3,517,095	\$ 3,859,241	\$ 2,549,976	\$ 3,895,152
Rail Operations				
Revenue Source	Actual FY 2013 Oct 12 - Sept 13	Budget FY 2014 Oct 13 - Sept 14	Actuals as of June 30, 2014	Proposed FY15 Oct 14 - Sept 15
Rail Farebox	\$ 729,394	\$ 815,203	\$ 612,012	\$ 879,860
Total	\$ 729,394	\$ 815,203	\$ 612,012	\$ 879,860
G&A				
Revenue Source	Actual FY 2013 Oct 12 - Sept 13	Budget FY 2014 Oct 13 - Sept 14	Actuals as of June 30, 2014	Proposed FY15 Oct 14 - Sept 15
Interest Income	\$ 32,137	\$ 33,000	\$ 16,096	\$ 33,000
Misc Income	\$ 52,222	\$ 7,125	\$ 54,087	\$ 6,300
Sales Tax	\$ 20,209,051	\$ 20,725,320	\$ 13,862,608	\$ 21,347,080
Federal Operating Grants	\$ 3,051,096	\$ 3,680,022	\$ 2,124,179	\$ 4,474,679
Federal Capital Grants	\$ 5,808,281	\$ 2,806,120	\$ 3,386,586	\$ 12,142,821
State Operating Grants	\$ 49,633	\$ -	\$ -	\$ -
State Capital Grants	\$ 114,077	\$ 593,216	\$ 284,910	\$ 2,358,300
Debt Issuance	\$ -	\$ 5,500,000	\$ -	\$ 5,500,000
Total	\$ 29,316,498	\$ 33,344,803	\$ 19,728,466	\$ 45,862,180
TOTAL REVENUES	\$ 33,562,986	\$ 38,019,247	\$ 22,890,454	\$ 50,637,192

Ridership				
Bus	2,502,668	2,247,324	1,612,148	2,252,230
Rail	510,738	548,877	379,595	591,398

CFM - 2015 Budget Baseline Model

OPERATING REVENUES	2014	2015	2016	2017	2018	2019
Beginning Fund Balance:	\$ 17,114,359	\$ 15,885,802	\$ 13,310,001	\$ 10,472,054	\$ 9,798,347	\$ 10,289,283
Bus Operating Revenue	\$ 3,859,241	\$ 3,895,151	\$ 3,999,295	\$ 4,106,437	\$ 4,216,664	\$ 4,330,068
Rail Operating Revenue	815,203	879,860	888,659	897,545	906,521	915,586
NON-OPERATING REVENUES						
Sales Tax Revenue	20,725,320	21,347,080	22,200,963	23,089,001	24,012,561	24,973,064
Formula Grants (Operating)	3,680,022	4,474,679	4,988,217	4,707,981	6,567,595	7,057,758
Interest Income-Non RTRFI Funds	33,000	33,000	39,930	31,416	29,395	30,868
Misc. Revenue	7,125	6,300	6,300	6,300	6,300	6,300
Restricted RTRFI Interest Income						
Total Revenues	29,119,911	30,636,070	32,123,364	32,838,681	35,739,036	37,313,644
OPERATING EXPENSES						
Bus Operating Expense	9,042,232	10,024,178	10,410,666	10,802,475	11,214,159	11,622,939
Rail Operating Expense	12,473,641	12,746,538	13,130,402	13,511,441	13,907,221	14,295,947
G&A Operating Expense	4,516,507	4,289,087	4,228,889	4,369,810	4,516,004	4,667,686
NON-OPERATING EXPENSES						
Non-Operating (Income) / Expense						
Total Expenses	26,032,380	27,059,803	27,769,956	28,683,726	29,637,384	30,586,572
NET INCOME	3,087,531	3,576,267	4,353,407	4,154,955	6,101,652	6,727,072
CAPITAL OUTLAY						
Bus Capital Expenditure	2,935,804	1,394,871				
Fleet Replacement Expense	877,998	824,265	1,250,000	1,750,000	2,060,000	1,603,050
Rail Capital / Construction			-	-	-	-
Professional Services	32,363	490,607	-	-	-	-
Stadler Fleet (Vehicles)		-	-	-	-	-
Real Estate	1,000,000	-	-	-	-	-
Right of Way	-	-	-	-	-	-
Rail Capital (LV Hike & Bike)	741,520	2,651,872	-	-	-	-
Rail Capital (Community Enhancements)	409,677	200,000				
Rail Capital (Rail Grinding)	104,000		150,000		150,000	
HV Parking Expansion	281,781					
Rail Station Improvements		325,000				
Rail MOW	150,000		55,000	55,000	75,000	65,000
Rail MOE	235,000	1,982,673	342,800	1,252,400	1,812,800	1,450,400
Rail Facility Maintenance			-	35,000	-	-
Signals - Systems & Communications			10,000	10,000	20,000	20,000
Single Car Operations / Shunt Enhancement	101,800	141,000				
Re-Railing Equipment	-	121,000				
Positive Train Control	170,000	15,300,000	6,421,898			
Total Capital Outlay	7,039,943	23,431,288	8,229,698	3,102,400	4,117,800	3,138,450
CAPITAL SOURCES						
New Money (Debt Issuance)		5,500,000				
RTRFI/RTC Funds	-	9,470,000	3,030,000			
Formula Grants (Capital)	4,892,463	5,031,121	1,000,000	1,400,000	1,648,000	1,282,440
Total Capital Sources	4,892,463	20,001,121	4,030,000	1,400,000	1,648,000	1,282,440
DEBT SERVICE						
2008 Issue (ST) Debt Service						
2009 Refunding (ST) Debt Service	1,718,200	1,716,492	1,718,387	1,713,687	1,717,590	1,714,697
2011 Contractual Obligations (Vehicles)	336,945	751,945	763,955	770,183	775,785	785,761
2011 Contractual Obligations (PTC)	113,463	253,463	254,081	259,542	264,691	264,526
2014 Contractual Obligations (PTC)	-	-	255,233	382,850	382,850	382,850
Total Debt Service	2,168,608	2,721,900	2,991,656	3,126,262	3,140,916	3,147,834
Gross Sales Tax Coverage:	9.56	7.84	7.42	7.39	7.65	7.93
Internal Debt Service Coverage:	1.42	1.31	1.46	1.33	1.94	2.14
Year End Audit Adjustment						
Ending Fund Balance:	15,885,802	13,310,001	10,472,054	9,798,347	10,289,283	12,012,511
Less Restricted RTRFI Interest Income	-	-	-	-	-	-
Less Required Fund Balance (O&M Reserve Policy):	6,508,095	6,764,951	6,942,489	7,170,931	7,409,346	7,646,643
Less Sales Tax Stabilization Fund	621,760	640,412	666,029	692,670	720,377	749,192
Less Fuel Stabilization Fund	50,000	50,000	50,000	50,000	50,000	50,000
Less Capital/Infrastructure	2,000,000	2,000,000	1,000,000	1,000,000	1,000,000	2,000,000
Net Available Cash	6,705,947	3,854,638	1,813,536	884,745	1,109,560	1,566,676

**DENTON COUNTY TRANSPORTATION AUTHORITY
(DCTA)**

**FINANCE COMMITTEE
August 11, 2014**

Chairman: Dave Kovatch

Members: George Campbell, Allan Harris, Richard Huckaby, Jim Robertson

TODAY'S AGENDA

- FY15 Proposed Budget
 - Operating Budget (G&A)
 - Base-line Budget Assumptions
 - Expanded Level Projects (ELP)
 - Operating Budget (Bus/Rail)
 - Base-line Budget Assumptions
 - Expanded Level Projects (ELP)
 - Proposed Service Enhancements
- Revenue Projections
- Capital Projects
- Cash Flow Model

PROPOSED FY15 BUDGET-IN-BRIEF:

Base-line Assumptions

- **DCTA**
 - Merit Pay - 3.5% (\$40,748)
 - Pay Plan Adjustment - \$25,000
 - Addition of new VP
- **TMDC**
 - Non-union - 4% merit (\$59,427)
 - Union (bus operators) – per union contract average \$15.36/hr
- **Fuel**
 - Budget \$4.00/gallon compared to \$4.15/gallon in FY14
 - Estimated 777,000 gallons –Bus & Rail
- **Health Care Costs Increase**
 - DCTA - \$28k (10%)
 - TMDC - \$157k (15%)

PROPOSED FY15 BUDGET-IN-BRIEF:

Base-line Assumptions

- Positive Train Control (PTC) project
 - Capital project budget remains same as FY14
 - No debt issuance in FY2014
 - Final cost still pending vendor responses
 - Currently Includes
 - FY15 - \$5.5 million debt issuance
 - FY15 & 16 - \$12.5 million RTC grant funding

PROPOSED FY15 BUDGET

Service Enhancements

- Increase Denton Connect Routes 2 & 6 - \$687,067
 - Increase weekday frequency of Denton Routes 2 & 6 to move closer to minimum service standards - \$257,067
 - Increased Revenue Hours by 47% or 3,781 (From 8,045 to 11,825)
 - Requires 1 additional bus - \$350k capital project
 - Add 1 weekday SB and NB mid-day A-train trip - \$80k
 - Assumes Jan – Sept 2015
 - Extends an existing short A-train trip into a full trip
- Increase Saturday frequency on Denton Connect - \$57,795
 - Routes 2, 4, 6 and 8
 - Increased Revenue Hours by 5% or 755 (From 16,223 to 16,978)
- Bus Operations Staffing - \$50,000
 - Technician

PROPOSED FY15 BUDGET

Expanded Level Projects - Operating

- Information Technology
 - Shortel Phone System (DDTC) - \$40,000
 - DCTA Bandwidth Upgrade - \$57,400
- Communication & Marketing Services
 - Passenger Information Communication Architecture - \$58,000
 - I35 E Construction Campaign - \$71,500
- Human Resources/Finance/President
 - Purchasing Specialist / Federal Contracts - \$72,500
 - Enterprise Content (Document) Management S/Ware- \$26,000

Program Services Committee Recommendations

- Supports Recommended Service Levels (Bus/Rail)
- Includes sustaining Vanpool beyond July 2015 with operating funds pending additional grant funding opportunities
- Additional Considerations- ***not included***
 - FY16 Service recommendations – Advance to FY15
 - Total \$167,823 (Jan – Sept 2015)
 - Rail: 1 weekday evening train
 - Bus: Rt 4 & 7 weekday evening trips to serve UNT/TWU

Expanded Level Projects for Future Consideration

- TCDRS 2:1 Match - \$25,178
 - Bring back in October
- Tuition Reimbursement - \$20,000
 - Develop plan based on benefit survey results
- Operating cost for Service to Fort Worth
 - Have included \$317k in FY15 budget for initial study
 - \$181k in grant funds available
- 1 CSR for additional late night support at DDTC
 - Better match A-train hours – additional staff/hours

FY15 PROJECTED REVENUE

Bus / Rail Services Revenues (Detail)

Bus Operations				
Revenue Source	Actual FY 2013 Oct 12 - Sept 13	Budget FY 2014 Oct 13 - Sept 14	Actuals as of June 30, 2014	Proposed FY15 Oct 14 - Sept 15
Passenger Revenues				
Connect	448,655	477,985	388,481	554,147
Access	87,626	82,475	64,423	81,369
NCTC	10	-	838	-
Total Passenger Revenues	536,291	560,460	453,742	635,516
Contract Services				
Connect	49,000	52,420		57,000
UNT Contract	2,242,358	2,450,000	1,660,212	2,437,919
<i>UNT Fuel</i>	<i>596,318</i>	<i>651,788</i>	<i>368,106</i>	<i>624,124</i>
NCTC Contract	72,468	99,774	54,755	79,317
<i>NCTC Fuel</i>	<i>20,660</i>	<i>44,799</i>	<i>13,161</i>	<i>61,276</i>
Total Contract Services	2,980,804	3,298,781	2,096,234	3,259,636
		-		
Total	\$ 3,517,095	\$ 3,859,241	\$ 2,549,976	\$ 3,895,152
Rail Operations				
Revenue Source	Actual FY 2013 Oct 12 - Sept 13	Budget FY 2014 Oct 13 - Sept 14	Actuals as of June 30, 2014	Proposed FY15 Oct 14 - Sept 15
Rail Farebox	\$ 729,394	\$ 815,203	\$ 612,012	\$ 879,860
		53		
Total	\$ 729,394	\$ 815,203	\$ 612,012	\$ 879,860

FY15 PROJECTED REVENUE

Sales Tax Revenues (Detail)

					<i>Multiplier</i>	<i>*CFM*</i>	
					102.000%	103.000%	104.000%
	FY2010-2011 Actuals	FY2011-2012 Actuals	FY2012-2013 Actuals	Original FY14 Budget	Projected FY2015 FCST @ 2% growth	Projected FY2015 FCST @ 3% growth	Projected FY2015 FCST @ 4% growth
October	\$ 1,261,014	\$ 1,345,394	\$ 1,637,689	\$ 1,663,294	\$ 1,696,560	\$ 1,713,193	\$ 1,729,826
November	\$ 1,289,592	\$ 1,424,755	\$ 1,437,884	\$ 1,460,365	\$ 1,489,572	\$ 1,504,176	\$ 1,518,780
December	\$ 1,880,173	\$ 2,046,560	\$ 2,128,329	\$ 2,161,605	\$ 2,204,837	\$ 2,226,453	\$ 2,248,069
January	\$ 1,232,517	\$ 1,353,986	\$ 1,501,720	\$ 1,545,815	\$ 1,576,731	\$ 1,592,189	\$ 1,607,648
February	\$ 1,182,101	\$ 1,353,986	\$ 1,494,663	\$ 1,538,578	\$ 1,569,350	\$ 1,584,735	\$ 1,600,121
March	\$ 1,650,410	\$ 1,866,060	\$ 1,785,090	\$ 1,836,424	\$ 1,873,152	\$ 1,891,517	\$ 1,909,881
April	\$ 1,290,268	\$ 1,481,564	\$ 1,587,871	\$ 1,634,166	\$ 1,666,849	\$ 1,683,191	\$ 1,699,533
May	\$ 1,361,535	\$ 1,566,892	\$ 1,641,703	\$ 1,689,374	\$ 1,723,161	\$ 1,740,055	\$ 1,756,949
June	\$ 1,639,148	\$ 1,762,132	\$ 1,824,064	\$ 1,876,393	\$ 1,913,921	\$ 1,932,685	\$ 1,951,449
July	\$ 1,229,556	\$ 1,540,039	\$ 1,592,438	\$ 1,638,850	\$ 1,671,627	\$ 1,688,016	\$ 1,704,404
August	\$ 1,419,245	\$ 1,533,238	\$ 1,692,280	\$ 1,741,243	\$ 1,776,068	\$ 1,793,480	\$ 1,810,893
September	\$ 1,699,799	\$ 1,708,102	\$ 1,885,320	\$ 1,939,213	\$ 1,977,997	\$ 1,997,389	\$ 2,016,782
Total	\$ 17,135,359	\$ 18,982,709	\$ 20,209,051	\$ 20,725,320	\$ 21,139,826	\$ 21,347,080	\$ 21,554,333
% Increase Compared to Orig FY14					102.000%	103.000%	104.000%

FY15 STMT OF CHANGES IN NET ASSETS (Excluding Depreciation)

FY15 STMT OF CHANGES IN NET ASSETS

G & A Operating Expenses

Description	FY13 Actuals	FY14 Original Budget	FY14 Revised Budget	Actuals as of June 30, 2014	FY15 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
Operating Expenses							
GENERAL & ADMINISTRATIVE							
Salary, Wages and Benefits	1,575,138	1,959,712	1,998,525	1,427,629	2,197,088	198,563	10%
Services	1,098,119	1,318,407	1,955,175	968,744	1,497,029	(458,146)	-23%
Materials and Supplies	55,171	107,315	157,315	47,169	216,864	59,549	38%
Utilities	13,570	18,000	18,000	8,847	60,353	42,353	235%
Insurance, Casualties and Losses	9,035	11,420	11,420	8,467	11,309	(111)	-1%
Purchased Transportation Services	-	-	-	-	-	-	0%
Miscellaneous	136,456	211,047	221,047	82,685	203,667	(17,380)	-8%
Leases and Rentals	155,058	155,025	155,025	128,868	102,777	(52,248)	-34%
						-	
Subtotal - G&A	3,042,547	3,780,925	4,516,506	2,672,409	4,289,087	(227,419)	-5%

FY15 STMT OF CHANGES IN NET ASSETS

Bus / Rail Services Operating Expenses

Description	FY13 Actuals	FY14 Original Budget	FY14 Revised Budget	Actuals as of June 30, 2014	FY15 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
BUS SERVICES							
Salary, Wages and Benefits	4,937,760	6,042,884	6,054,884	4,185,591	6,701,745	646,861	11%
Services	384,201	408,125	408,125	286,680	546,831	138,706	34%
Materials and Supplies	1,804,258	2,165,419	2,165,418	1,140,567	2,352,874	187,456	9%
Utilities	74,223	101,900	101,900	86,955	112,520	10,620	10%
Insurance, Casualties and Losses	289,586	272,265	272,265	200,475	272,618	353	0%
Purchased Transportation Services	-	-	-	-	-	-	0%
Miscellaneous	4,475	10,050	10,050	5,061	35,370	25,320	252%
Leases and Rentals	101,654	29,590	29,590	32,166	2,220	(27,370)	-92%
						-	
Subtotal - Bus Services	7,596,157	9,030,233	9,042,232	5,937,495	10,024,178	981,946	11%
RAIL SERVICES							
Salary, Wages and Benefits	189,468	276,534	276,534	201,487	275,024	(1,510)	-1%
Services	145,796	139,252	361,336	178,878	145,391	(215,945)	-60%
Materials and Supplies	1,212,234	1,556,490	1,556,490	720,330	1,591,037	34,547	2%
Utilities	327,549	327,915	352,115	174,587	279,276	(72,839)	-21%
Insurance, Casualties and Losses	327,167	514,477	514,477	374,374	494,089	(20,388)	-4%
Purchased Transportation Services	8,874,900	9,331,365	9,300,701	6,816,739	9,853,076	552,375	6%
Miscellaneous	3,815	11,988	11,988	3,003	6,438	(5,550)	0%
Leases and Rentals	92,880	100,000	100,000	552	102,207	2,207	2%
						-	
Subtotal - Rail Services	11,173,809	12,258,021	12,473,641	8,469,950	12,746,538	272,897	2%

FY15 STMT OF CHANGES IN NET ASSETS

Non-Operating Revenues (Expenses)

Description	FY13 Actuals	FY14 Original Budget	FY14 Revised Budget	Actuals as of June 30, 2014	FY15 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
Total Operating Expenses	21,812,513	25,069,180	26,032,379	17,079,854	27,059,803	1,027,424	4%
Income Before Non-operating Revenue & Exp	(17,566,024)	(20,394,735)	(21,357,934)	(13,917,866)	(22,284,791)		
Non-Operating Revenues / (Expense)							
Investment Income	32,137	33,000	33,000	16,096	33,000	-	0%
Non-Operating Revenues / (Expense)	52,222	7,125	7,125	54,087	6,300	(825)	-12%
Sales Tax Revenue	20,209,051	20,725,320	20,725,320	13,862,608	21,347,080	621,760	3%
Federal Grants & Reimbursements	8,859,377	6,486,142	6,486,142	5,510,765	16,617,500	10,131,358	156%
State Grants & Reimbursements	163,710	593,216	593,216	284,910	2,358,300	1,765,084	298%
Debt Issuance	-	5,500,000	5,500,000	-	5,500,000	-	N/A
Long Term Debt Interest/Expense	(1,458,806)	(2,423,840)	(2,423,840)	(1,042,765)	(2,721,899)	(298,059)	12%
Total Non-Operating Revenue / (Expense)	27,857,691	30,920,963	30,920,963	18,685,701	43,140,281	12,219,318	40%
Net Available before Transfers	10,291,667	10,526,228	9,563,029	4,767,835	20,855,490		

FY15 STMT OF CHANGES IN NET ASSETS

Bus / Rail Services Revenues

Description	FY13 Actuals	FY14 Original Budget	FY14 Revised Budget	Actuals as of June 30, 2014	FY15 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
Revenue & Other Income							
Passenger Revenues (Bus Farebox)	536,291	560,461	560,461	453,742	635,517	75,056	13%
Passenger Revenues (Rail Farebox)	729,394	815,203	815,203	612,012	879,860	64,657	8%
Contract Service Revenue	2,980,804	3,298,781	3,298,781	2,096,234	3,259,635	(39,146)	-1%
						-	
Total Revenue & Other Income	4,246,489	4,674,445	4,674,445	3,161,988	4,775,012	100,567	2%

PROPOSED FY15 BUDGET

Capital Projects (*New*)

- Required Maintenance & Infrastructure: \$1,923,673
- Service Improvements: \$1,367,414
- Enhanced Passenger Experience: \$410,607
- **TOTAL *New* Capital Requests** **\$3,701,694**

CAPITAL PROJECTS

Required Maintenance & Infrastructure

Project Name	Department	Total Project Expense	Grant Funded	Expense Classification
<u>Required Maintenance & Infrastructure</u>				
Wheel Replacement (11 cars)	Rail Operations	\$ 915,046		Capital
COT&S Overhaul Valves (4 cars)	Rail Operations	\$ 717,627		Capital
Bus Engines & Transmissions	Bus Operations	\$ 150,000		Capital
Signal System Shunting Enhancement - Infrastructure/Testing	Rail Operations	\$ 141,000		Capital
	Subtotal	\$ 1,923,673		

CAPITAL PROJECTS

Service Improvements

Project Name	Department	Total Project Expense	Grant Funded	Expense Classification
<u>Service Improvements to Address Long-Range Service Plan Standards</u>				
Comprehensive Bus Route Service Analysis	Planning / Operations	\$ 567,414	Yes (80/20)	Capital
Bus Route Scheduling Software	Planning / Operations	\$ 250,000	Yes (80/20)	Capital
Additional Bus (Package 1 - Rte 2 & 6 Improved Frequency)	Operations	\$ 350,000		Capital
COGNOS Report Writing/Asset Management Software	IT / Finance	\$ 200,000	Yes (80/20)	Capital
	Subtotal	\$ 1,367,414		

CAPITAL PROJECTS

Enhanced Passenger Experience & Operations

Project Name	Department	Total Project Expense	Grant Funded	Expense Classification
<u>Enhanced Passenger Experience and Operations</u>				
Non-Revenue Service Vehicles (3)	Bus Operations	\$ 45,000		Capital
T. Mills Restroom	Operations	\$ 250,000	Yes (80/20)	Capital
Landscaping	Rail Operations	\$ 75,000		Capital
Passenger Information (Includes PICA)	Marketing	\$ 40,607	Yes (80/20)	Capital
	Subtotal	\$ 410,607		

Cash Flow Model

OPERATING REVENUES	2013	2014	2015	2016	2017	2018	2019
Beginning Fund Balance:	\$ 18,326,983	\$ 17,114,359	\$ 15,885,802	\$ 13,310,001	\$ 10,472,054	\$ 9,798,347	\$ 10,289,283
Bus Operating Revenue	\$ 3,517,095	\$ 3,859,241	\$ 3,895,151	\$ 3,999,295	\$ 4,106,437	\$ 4,216,664	\$ 4,330,068
Rail Operating Revenue	729,394	815,203	879,860	888,659	897,545	906,521	915,586
NON-OPERATING REVENUES							
Sales Tax Revenue	20,209,051	20,725,320	21,347,080	22,200,963	23,089,001	24,012,561	24,973,064
Formula Grants (Operating)	3,100,729	3,680,022	4,474,679	4,988,217	4,707,981	6,567,595	7,057,758
Interest Income-Non RTRFI Funds	32,137	33,000	33,000	39,930	31,416	29,395	30,868
Misc. Revenue	44,072	7,125	6,300	6,300	6,300	6,300	6,300
Restricted RTRFI Interest Income							
Total Revenues	27,632,478	29,119,911	30,636,070	32,123,364	32,838,681	35,739,036	37,313,644
OPERATING EXPENSES							
Bus Operating Expense	7,596,158	9,042,232	10,024,178	10,410,666	10,802,475	11,214,159	11,622,939
Rail Operating Expense	11,173,809	12,473,641	12,746,538	13,130,402	13,511,441	13,907,221	14,295,947
G&A Operating Expense	3,042,547	4,516,507	4,289,087	4,228,889	4,369,810	4,516,004	4,667,686
NON-OPERATING EXPENSES							
Non-Operating (Income) / Expense	(8,150)						
Total Expenses	21,804,364	26,032,380	27,059,803	27,769,956	28,683,726	29,637,384	30,586,572
NET INCOME	5,828,114	3,087,531	3,576,267	4,353,407	4,154,955	6,101,652	6,727,072
CAPITAL OUTLAY							
Bus Capital Expenditure	7,433,945	2,935,804	1,394,871				
Fleet Replacement Expense	110,735	877,998	824,265	1,250,000	1,750,000	2,060,000	1,603,050
Rail Capital / Construction	112,260						
Professional Services / Technology Improvements	481,185	32,363	490,607				
Stadler Fleet (Vehicles)	2,059,357						
Real Estate		1,000,000					
Right of Way							
Rail Capital Expenditure (LV Hike & Bike)	35,319	741,520	2,651,872				
Rail Capital Expenditure (Community Enhancements)	129,941	409,677	200,000				
Rail Capital Expenditure (Rail Grinding)	191,609	104,000		150,000		150,000	
HV Parking Expansion	6,900	281,781					
Rail Station Improvements	11,199		325,000				
Rail MOW		150,000		55,000	55,000	75,000	65,000
Rail MOE		235,000	1,982,673	342,800	1,252,400	1,812,800	1,450,400
Rail Facility Maintenance					35,000		
Signals - Systems & Communications				10,000	10,000	20,000	20,000
Single Car Operations / Shunt Enhancement		101,800	141,000				
Re-Railing Equipment			121,000				
Positive Train Control	222,980	170,000	15,300,000	6,421,898			
Total Capital Outlay	10,795,430	7,039,943	23,431,288	8,229,698	3,102,400	4,117,800	3,138,450
CAPITAL SOURCES							
New Money (Debt Issuance)			5,500,000				
RTRFI/RTC Funds			9,470,000	3,030,000			
Formula Grants (Capital)	5,922,358	4,892,463	5,031,121	1,000,000	1,400,000	1,648,000	1,282,440
Total Capital Sources	5,922,358	4,892,463	20,001,121	4,030,000	1,400,000	1,648,000	1,282,440
DEBT SERVICE							
2008 Issue (ST) Debt Service							
2009 Refunding (ST) Debt Service	1,718,511	1,718,200	1,716,492	1,718,387	1,713,687	1,717,590	1,714,697
2011 Contractual Obligations (Vehicles)	335,693	336,945	751,945	763,955	770,183	775,785	785,761
2011 Contractual Obligations (PTC)	113,463	113,463	253,463	254,081	259,542	264,691	264,526
2014 Contractual Obligations (PTC)				255,233	382,850	382,850	382,850
Total Debt Service	2,167,667	2,168,608	2,721,900	2,991,656	3,126,262	3,140,916	3,147,834
Gross Sales Tax Coverage:	9.32	9.56	7.84	7.42	7.39	7.65	7.93
Internal Debt Service Coverage:	2.69	1.42	1.31	1.46	1.33	1.94	2.14
Year End Audit Adjustment							
Ending Fund Balance:	17,114,359	15,885,802	13,310,001	10,472,054	9,798,347	10,289,283	12,012,511
Less Restricted RTRFI Interest Income							
Less Required Fund Balance (O&M Reserve Policy):	5,451,091	6,508,095	6,764,951	6,942,489	7,170,931	7,409,346	7,646,643
Less Sales Tax Stabilization Fund	550,000	621,760	640,412	666,029	692,670	720,377	749,192
Less Fuel Stabilization Fund	100,000	50,000	50,000	50,000	50,000	50,000	50,000
Less Capital/Infrastructure	1,296,000	2,000,000	64 2,000,000	1,000,000	1,000,000	1,000,000	2,000,000
Net Available Cash	9,717,268	6,705,947	3,854,638	1,813,536	884,745	1,109,560	1,566,676

FY2015 BUDGET CALENDAR

- May 2014

- FY14 Revised Budget



- June 2014

- Agency Goals
- FY15 Revenue Assumptions & Projections
- Benefits Presentation – Holmes Murphy



- July 2014

- FY15 Operating Assumptions & Expenditures
- Expanded Level Requests
- Capital Requests



FY2015 BUDGET CALENDAR

- August
 - Proposed FY15 Operating and Capital Budget
 - Accompanying Cash Flow Model Impact
 - Public Hearing
- September
 - Incorporate Public Hearing Feedback
 - Formal adoption of FY15 Operating and Capital Budget
 - Accompanying Cash Flow Model

QUESTIONS?



Board of Directors Memo

August 28, 2014

Item: WS 2(b) Legislative Committee Chair Report

The Legislative Committee Meeting was held at 12:00pm, August 20, 2014 at 1660 S. Stemmons, Suite 250 Conference Room in Lewisville, TX

In attendance were:

Committee Chair: Charles Emery

Committee Members: Richard Huckaby, Paul Pomeroy, Daniel Peugh

Board Members: None

Absent: Jim Robertson, Bill Walker

Staff: Anna Mosqueda, Kristina Brevard, Raymond Suarez, Jim Cline, Karen Rye

A complete copy of the handouts from the Legislative Committee meeting is attached. The following agenda items were discussed:

Discuss Legislative Agenda

The committee received a report from the State Legislative Consulting Team (Drew Campbell, Byron Campbell, and Brandi Bird). They discussed progress to date and a path forward to reaching DCTA's goals. The following recommendations were forwarded to the Board of Directors with unanimous approval as a framework for the legislative agenda. Further detail will be discussed at the September Board Meeting.

Focus on Chapter 460 for DCTA Initiatives

- Class I Rail Liability
- Sales Tax in Member City ETJ
- Cleanup: Procurement and Property Acquisition

The meeting adjourned at 1:20 pm

Legislative Committee
Chairman – Charles Emery
Members – Richard Huckaby, Daniel Peugh, Paul Pomeroy, Jim Robertson, Bill Walker
Staff Liaison - Jim Cline - President

A BILL TO BE ENTITLED

AN ACT

relating to _____ of rural transportation authorities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 460, Transportation Code, is amended by adding Section 460.1041 to read as follows:

Sec. 460.1041. LIABILITY LIMITED FOR RAIL INCIDENTS. (a) The aggregate liability of an authority and a railroad that enter into an agreement to provide public passenger rail services, and the governing boards, directors, officers, employees, and agents of the authority and railroad, may not exceed \$125 million for all claims for damages arising from a single incident involving the provision of public passenger rail services under the agreement.

(b) Subsection (a) does not affect the amount of damages that may be recovered under Subchapter D, Chapter 112, or the Federal Employers' Liability Act (45 U.S.C. Section 51 et seq.).

(c) This section does not affect any immunity, limitation on damages, limitation on actions, or other limitation of liability or protections applicable under other law to an authority or other provider of public passenger rail services.

(d) The limitation of liability provided by this section does not apply to damages arising from the wilful misconduct or gross negligence of the railroad.

(e) The limitation of liability provided by this section applies to an incident involving the National Railroad Passenger Corporation using facilities of an authority under an agreement with the authority.

SECTION 2. Subchapter C, Chapter 460, Transportation Code, is amended by amending Section 460.105 to add subsection (d) to read as follows:

(d) A person or entity who contracts with an authority under this chapter as an independent contractor of the authority to perform or provide a service, or to grant a lease or license for the use of real or personal property is liable for damages only to the extent the authority would be liable for damages, except for damages caused by the willful misconduct or gross negligence of the independent contractor.

SECTION 3. Subchapter F, Chapter 460, Transportation Code, is amended by amending Section 460.406(c) (1) to read as follows:

(c) The board of directors may authorize the negotiation of a contract without competitive sealed bids or proposals if:

(1) the aggregate amount involved in the contract is the greater of \$50,000 or less the amount set forth in Section 252.021(a) Local Government Code which would require a municipality to seek competitive sealed bids or proposals before entering the contract;

SECTION 4. Subchapter E, Chapter 460, Transportation Code, is amended by adding Section 460.3021 to read as follows:

Section 460.3021 ADDITION OF EXTRA TERRITORIAL JURISDICTION AREA BY ELECTION.

(a) An area within the extra territorial jurisdiction of a municipality that is part of an authority may be added to an authority if the governing body of the municipality calls an election under this section on whether the area should be added to the authority and submits to the qualified voters of the area the following proposition: "Shall the (name of authority) levy of a proposed tax, not to exceed (rate), be authorized?"

(b) The order calling the election must:

(1) define the boundaries of the area;

(2) call for the election to be held within those boundaries;

(c) The governing body of the municipality shall canvass the returns, declare the result, and notify the authority comptroller and the department.

(d) This section shall not be construed to change the substantive law of any sales tax, including the allowed maximum rate or combined rate of local sales taxes.

(e) If a majority of the voters of the area voting at the election favor the measure the sales and use tax imposed by an authority takes effect in the area of the extra territorial jurisdiction of the municipality added to the authority under this section on the first day after the expiration of the first complete calendar quarter that begins after the date the comptroller receives a certified copy of an order adopted by the authority relating to the addition of the area or accompanied by a map of the authority clearly showing the area of territory added.

SECTION 5. Subchapter E, Chapter 460, Transportation Code, is amended by amending Section 460.107 (c) to read as follows:

(c) If an authority, through the exercise of eminent domain, makes any relocation necessary, ~~the relocation costs~~ assistance shall be paid provided by the authority to the extent required and authorized by Section 21.046 of the Property Code.

Proposed Legislative Agenda 2015 Session

- Focus on Chapter 460 for DCTA Initiatives
 - Class I Rail Liability
 - Sales Tax in Member City ETJ
 - Cleanup: Procurement and Property Acquisition
- Bills to Monitor
 - Authority to expand, governance
 - Impact on revenues/revenue opportunities
 - Regional initiatives (MPO Agenda)
 - TxDOT Rail Division Role
 - Safety Oversight (impact to operations)



CAPITOL-INSIGHTS



Capitol Insights Team

DCTA Legislative Committee Meeting

Drew Campbell, Capitol Insights
Byron Campbell, Capitol Insights
Brandi Bird, Bird Advocacy & Consulting

August 20, 2014



Outreach/ Education Campaign

Hosted the following members at DCTA O&M facility:

- House Transportation Committee member, Yvonne Davis
- House Transportation Committee Chairman, Larry Phillips
- Representative Myra Crownover (scheduled)
- Representative Ron Simmons (scheduled)



Outreach/ Education Campaign

Additionally, the team met with the following members and staff to discuss DCTA issues:

- Future Senator Don Huffines
- Senator Cornyn’s DC staff to discuss PTC funding and timeline
- TxDOT Executive Director Joe Weber
- Future State Rep. Morgan Meyer
- Future State Rep. Linda Koop
- Rep. Dan Flynn
- Rep. Ron Simmons
- House Speaker Joe Straus
- Senator Elect Bob Hall
- State Rep. Jason Villalba



Legislative Approach

- Finalize Legislative Program in conjunction with DCTA Board and staff
 - Class I Railroad Liability
 - Any other priorities as identified by Board?
- Attended all interim Committee hearings, including House Transportation and Senate & House Select Committees on Transportation Funding



Rail Liability Legislation

- Action Items Completed:
 - Initial meeting held with BNSF and UP staff and lobbyists to seek feedback on concept
 - Strategy meeting held with DCTA staff to discuss legislative strategy on this bill
 - Follow-up meeting with both BNSF and UP to discuss their feedback on concept
 - Discussion with Chairman Phillips on legislative strategy
 - Meeting with outside counsel to finalize draft language on rail liability bill



Executive & Regional Approach

- **Economic Development:** Support DCTA's efforts in bringing a Stadler facility to Denton County area
 - Outreach important with Denton County, City of Lewisville, TxDOT Rail Division and Transportation Commission
- **UNT:** Supplement DCTA's efforts to build stronger partnership with UNT



Seek Board Input

- Strategy to move forward Rail liability legislation
- Any additional legislative items
- PTC Funding efforts- Senator Cornyn follow-up
- Communication Feedback



1660 S. Stemmons., Suite 250
Lewisville, Texas 75067
Ph: (972) 221-4600 Fax: (972) 221-4601

Denton County Transportation Authority
Board of Directors
Work Session and Board Meeting Minutes

Work Session Minutes

The Board of Directors of the Denton County Transportation Authority convened with Chairman Charles Emery presiding at 2:15 p.m. June 26, 2014 at 1660 S. Stemmons, Suite 250, Lewisville, TX 75067. A quorum was present.

Attendance

Small Cities

Skip Kalb

Large Cities

Charles Emery, Lewisville, Chairman
Paul Pomeroy, Highland Village, *Vice-Chair*
Richard Huckaby, Denton, *Secretary*
Carter Wilson, Frisco
Daniel Peugh, Corinth
Jim Robertson, Flower Mound

Denton County at Large

Denton County Unincorporated

George A. Campbell
Don Hartman

Board Members Absent

Bill Walker
Doug Peach, Little Elm
Dave Kovatch, Treasurer
Allen Harris, The Colony

DCTA Staff

Anna Mosqueda, CFO / Sr. VP Finance
Kristina Brevard, VP Marketing and
Communications

Jeff Bennett, Director of Transit Operations
Amanda Riddle, Budget Coordinator
Shanna O’Gilvie, Program Manager HR / Grants
Ann Boulden, Project Manager Capital Projects
Athena Forrester, Purchasing Manager
Chrissy Nguyen, Senior Accountant

Legal Counsel

Pete Smith, General Counsel

Chairman Charles Emery called the meeting to order and announced the presence of a quorum.

1. Routine Briefing Items
 - a. Financial Reports - Anna Mosqueda presented financial information
 - i. Financial Statements
 - ii. Capital Projects Fund
 - iii. Sales Tax Report
 - iv. Procurement Report

- b. Communications and Planning – Kristina Brevard reported on these items
 - i. Marketing and Communications Initiatives
 - ii. Media Coverage
 - iii. Customer Service
 - c. Capital Projects Update - Anna Mosqueda presented information on the following topics
 - i. GTW Integration
 - ii. Where's My Ride
 - iii. Bus Operations and Maintenance Facility (O&M)
 - iv. Community Enhancements
 - v. Lewisville Bike Trail
 - vi. Positive Train Control (PTC)
 - vii. Station Improvements
 - d. Transit Operations – Jeff Bennett provided an update
 - i. Rail Operations
 - ii. Bus Operations
2. Committee Reports
- a. Finance Committee – Paul Pomeroy presented the report in the absence of Committee Chair Dave Kovatch
3. Discussion of Regular Board Meeting Agenda Items (June 26, 2014) – no discussion
4. Executive Session - None
- a. As Authorized by Section 551.071(2) of the Texas Government Code, the Work Session or the Regular Board Meeting may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein.
 - b. As authorized by Texas Government Code section 551.071 consultation with General Counsel regarding pending litigation Cause No 2011-30066-211; URS Corporation v. Denton County Transportation Authority; 211th District Court, Denton County, Texas.
5. Reconvene Open Session
- a. Reconvene and Take Necessary Action on Items Discussed during Executive Session.
6. Discussion of Future Agenda Items
- a. Board Member Requests – none

<Break> 2:55 p.m.



1660 S. Stemmons., Suite 250
Lewisville, Texas 75067

Denton County Transportation Authority
Board of Directors
Work Session and Board Meeting Minutes

Board Meeting Minutes

The Board of Directors of the Denton County Transportation Authority convened with Chairman Charles Emery presiding at 3:05 p.m. June 26, 2014 at 1660 S. Stemmons, Suite 250, Lewisville, TX 75067. A quorum was present.

Attendance

Small Cities

Skip Kalb

Large Cities

Charles Emery, Lewisville, Chairman
Paul Pomeroy, Highland Village, *Vice-Chair*
Richard Huckaby, Denton, *Secretary*
Carter Wilson, Frisco
Daniel Peugh, Corinth
Jim Robertson, Flower Mound

DCTA Staff

Anna Mosqueda, CFO / Sr. VP Finance
Kristina Brevard, VP Marketing and
Communications

Jeff Bennett, Director of Transit Operations
Amanda Riddle, Budget Coordinator
Shanna O’Gilvie, Program Manager HR / Grants
Ann Boulden, Project Manager Capital Projects

Denton County at Large

Denton County Unincorporated

George A. Campbell
Don Hartman

Board Members Absent

Bill Walker
Doug Peach, Little Elm
Dave Kovatch, Treasurer
Allen Harris, The Colony

Legal Counsel

Pete Smith, General Counsel

CALL TO ORDER – Chairman Charles Emery called the meeting to order and announced the presence of a quorum of the Board.

PLEDGE OF ALLEGIANCE TO US AND TEXAS FLAGS – Carter Wilson

INVOCATION – Skip Kalb

WELCOME AND INTRODUCTION OF VISITORS

1. CONSENT AGENDA
 - a. Approval of Minutes
 - i. Board Meeting May 22, 2014
 - ii. Board Meeting June 10, 2014 (Called Special Session).
 - b. Acceptance of Financial Reports
 - c. Approve Interlocal Agreement with the City of Denton for Fuel Management and Supply Services
 - Motion to approve item 1a-c made by Richard Huckaby. 2nd by Skip Kalb. Motion carried unanimously.
2. REGULAR AGENDA
 - a. Authorize the President to Execute Agreement for Construction of Lease Space Improvements
 - This item was pulled from the agenda at the request of staff.
3. CHAIR REPORT – Charles Emery gave an update Regional Transportation Issues
 - a. Discussion of Regional Transportation Issues
4. PRESIDENT’S REPORT – No report (Jim Cline absent)
 - a. Regional Transportation Update
 - b. Budget Transfers
5. REPORT ON ITEMS OF COMMUNITY INTEREST – none
 - a. Pursuant to Texas Government Section 551.0415 the Board of Directors may report on following items: (1) expression of thanks, congratulations, or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming DCTA and Member City events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.
6. CONVENE EXECUTIVE SESSION - none
 - a. As Authorized by Section 551.071(2) of the Texas Government Code, the Board Meeting may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein.
7. RECONVENE OPEN SESSION – n/a
 - a. Reconvene and Take Necessary Action on Items Discussed during Executive Session.
8. ADJOURN 3:22 p.m.

The minutes of the June 26, 2014 meeting of the Board of Directors were passed, and approved by a vote on this 28th day of August, 2014.

Charles Emery, Chairman

ATTEST

Richard Huckaby, Secretary



1660 S. Stemmons., Suite 250
Lewisville, Texas 75067
Ph: (972) 221-4600 Fax: (972) 221-4601

Denton County Transportation Authority
Board of Directors
Work Session and Board Meeting Minutes

Work Session Minutes

The Board of Directors of the Denton County Transportation Authority convened with Chairman Charles Emery presiding at 1:32 p.m. July 24, 2014 at 1660 S. Stemmons, Suite 250, Lewisville, TX 75067. A quorum was present.

Attendance

Small Cities

Bill Walker
Skip Kalb

Large Cities

Charles Emery, Lewisville, Chairman
Paul Pomeroy, Highland Village, Vice-Chair
Carter Wilson, Frisco
Doug Peach, Little Elm
Daniel Peugh, Corinth
Allen Harris, The Colony

Denton County at Large

Denton County Unincorporated

George A. Campbell
Don Hartman

Board Members Absent

Richard Huckaby, Denton, Secretary
Jim Robertson, Flower Mound
Dave Kovatch, Treasurer

DCTA Staff

James C. Cline, Jr., P.E.
Anna Mosqueda, CFO / Sr. VP Finance
Kristina Brevard, VP Marketing and
Communications
Raymond Suarez, Chief Operating Officer

Jeff Bennett, Director of Transit Operations
Amanda Riddle, Budget Coordinator
Shanna O'Gilvie, Program Manager HR / Grants
Ann Boulden, Project Manager Capital Projects
Athena Forrester, Purchasing Manager
Chrissy Nguyen, Senior Accountant

Legal Counsel

Pete Smith, General Counsel

Chairman Charles Emery called the meeting to order and announced the presence of a quorum.

1. Routine Briefing Items
 - a. Financial Reports - Anna Mosqueda presented financial information
 - i. Financial Statements
 - ii. Capital Projects Fund
 - iii. Sales Tax Report
 - iv. Quarterly Investment Report
 - v. Quarterly Grants Report – Shanna O'Gilvie reported
 - vi. Procurement Report

- b. Communications and Planning – Kristina Brevard reported on these items and presented City of Lewisville 2025 Video
 - i. 2014 Community Survey Results
 - ii. Marketing and Communications Initiatives
 - iii. Media Coverage
 - iv. Customer Service
 - c. Capital Projects Update - Jim Cline presented information on the following topics
 - i. GTW Integration
 - ii. Where's My Ride
 - iii. Bus Operations and Maintenance Facility (O&M)
 - iv. Community Enhancements
 - v. Lewisville Bike Trail
 - vi. Positive Train Control (PTC)
 - vii. Station Improvements
 - d. Transit Operations – Kristina Brevard provided an update
 - i. Rail Operations
 - ii. Bus Operations
- 2. Committee Reports
 - a. Finance Committee – Anna Mosqueda presented the report in the absence of Committee Chair Dave Kovatch
 - b. Program Services – Committee Chairman Paul Pomeroy reported on Program Services Committee meeting
- 3. Discussion of Regular Board Meeting Agenda Items (July 24, 2014) – no discussion
- 4. Executive Session - 3:50 p.m.
 - a. As Authorized by Section 551.071(2) of the Texas Government Code, the Work Session or the Regular Board Meeting may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein.
 - b. As authorized by Texas Government Code section 551.071 consultation with General Counsel regarding pending litigation Cause No 2011-30066-211; URS Corporation v. Denton County Transportation Authority; 211th District Court, Denton County, Texas.
 - c. Texas Government Code Section 551.072 Deliberation regarding Real Property: Lease of DCTA Property
- 5. Reconvene Open Session 4:31 p.m. No action
 - a. Reconvene and Take Necessary Action on Items Discussed during Executive Session.
- 6. Discussion of Future Agenda Items
 - a. Board Member Requests – none

<Break> 3:21 p.m.



1660 S. Stemmons., Suite 250
Lewisville, Texas 75067

Denton County Transportation Authority
Board of Directors
Work Session and Board Meeting Minutes

Board Meeting Minutes

The Board of Directors of the Denton County Transportation Authority convened with Chairman Charles Emery presiding at 3:30 p.m. July 24, 2014 at 1660 S. Stemmons, Suite 250, Lewisville, TX 75067. A quorum was present.

Attendance

Small Cities

Bill Walker
Skip Kalb

Large Cities

Charles Emery, Lewisville, Chairman
Paul Pomeroy, Highland Village, Vice-Chair
Carter Wilson, Frisco
Doug Peach, Little Elm
Daniel Peugh, Corinth
Allen Harris, The Colony

Denton County at Large

Denton County Unincorporated

George A. Campbell
Don Hartman

Board Members Absent

Richard Huckaby, Denton, Secretary
Jim Robertson, Flower Mound
Dave Kovatch, Treasurer

DCTA Staff

James C. Cline, Jr., P.E.
Anna Mosqueda, CFO / Sr. VP Finance
Kristina Brevard, VP Marketing and
Communications
Raymond Suarez, Chief Operating Officer

Jeff Bennett, Director of Transit Operations
Amanda Riddle, Budget Coordinator
Shanna O'Gilvie, Program Manager HR / Grants
Ann Boulden, Project Manager Capital Projects

Legal Counsel

Pete Smith, General Counsel

CALL TO ORDER – Chairman Charles Emery called the meeting to order and announced the presence of a quorum of the Board.

PLEDGE OF ALLEGIANCE TO US AND TEXAS FLAGS – Don Hartman

INVOCATION – Paul Pomeroy

WELCOME AND INTRODUCTION OF VISITORS

1. CONSENT AGENDA
 - a. Approval of Minutes - Board Meeting June 26, 2014 – This item was pulled at the request of staff and presented for approval August 28, 2014.
 - b. Acceptance of Financial Reports
 - c. Acceptance of Quarterly Investment Report
 - d. Approval of purchase of RouteMatch Software
 - e. Approval of Annual Program of Projects Modifications
-Motion to approve item 1b-e made by Daniel Peugh. 2nd by George Campbell. Motion carried unanimously.

2. REGULAR AGENDA
 - a. Discussion / Approval of Resolutions Authorizing Local Match for Ladders of Opportunity Grant Application
 - i. Resolution 14-04 Ladders of Opportunity Initiative Grant – Denton County Transportation Authority Multimodal Facility
 - ii. Resolution 14-05 Ladders of Opportunity Initiative Grant – Denton County Transportation Authority Fleet Modernization
 -Motion to Approve Resolutions Authorizing Local Match for Ladders of Opportunity Grant Application made by Skip Kalb. 2nd by Bill Walker. Motion carried unanimously.

 - b. Discussion / Approval of Budget Adjustment to Fund Tenant Improvements at New DCTA Administrative Offices, 1195 Lakeway, Suite 260
-Motion to Approve Budget Adjustment to Fund Tenant Improvements at New DCTA Administrative Offices, 1195 Lakeway, Suite 260 made by Doug Peach. 2nd by Skip Kalb. Motion carried unanimously.

3. CHAIR REPORT – Charles Emery gave an update Regional Transportation Issues
 - a. Discussion of Regional Transportation Issues

4. PRESIDENT'S REPORT – Jim Cline provided information on the following items
 - a. Regional Transportation Update
 - b. Budget Transfers

5. REPORT ON ITEMS OF COMMUNITY INTEREST – none
 - a. Pursuant to Texas Government Section 551.0415 the Board of Directors may report on following items: (1) expression of thanks, congratulations, or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming DCTA and Member City events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.

6. CONVENE EXECUTIVE SESSION – see Work Session
 - a. As Authorized by Section 551.071(2) of the Texas Government Code, the Board Meeting may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein.

7. RECONVENE OPEN SESSION – n/a
 - a. Reconvene and Take Necessary Action on Items Discussed during Executive Session.

8. ADJOURN 4:32 p.m.

The minutes of the July 24, 2014 meeting of the Board of Directors were passed, and approved by a vote on this 28th day of August, 2014.

Charles Emery, Chairman

ATTEST

Richard Huckaby, Secretary



Board of Directors Memo

August 28, 2014

Subject: 2(a) Presentation & Discussion of Proposed FY2015 Capital & Operating Budget

Background

The Texas Transportation Code Chapter 460 requires the preparation of an annual budget for DCTA. The DCTA Board has adopted annual budget development and budget amendment procedures.

The proposed FY 2015 budget presented combines information and feedback from several months of review by the Finance Committee. DCTA staff has prepared a balanced budget, where operating expenses and capital expenditures do not exceed current year revenues and reserve balances. It is submitted to the Board of Directors, in accordance with requirements under Chapter 460 of the Texas Transportation Code and DCTA policy and procedures, for Board review and comment as well as citizen input. Notice of the public hearing was published in the Denton Record Chronicle on August 14th, 2014.

Staff has been working very closely over the past months with the Finance Committee in the preparation of the FY15 Budget and in detail review of the many components of the budget. Staff presented the FY2015 goals along with the FY14 Revised Budget at the Finance Committee meeting in May. Revenue projections and a benefits review were presented to the Finance Committee in June. In July the total operating and capital budgets were presented to the Finance Committee for review and comment. Finally, in August, the committee reviewed the impact of the proposed FY15 Budget adoption on the adopted cash flow model. The Finance Committee also reviewed the budget contingency plan that incorporates steps to address not only decreases in sales tax revenue but increases as well.

The Finance Committee is forwarding the proposed FY15 Budget to the Board of Directors for review and comment. The Board will also hold a public hearing on the budget to allow for citizen input. Once information from both the Board and the public has been received, the FY15 Budget will be presented for final review and adoption by the Board at the September 25, 2014 Board meeting.

The proposed Budget contains revenue and expenditure assumptions for FY15, which include capital expenditures as well as increased bus and rail service effective January 2015. Included as agenda back-up are the following exhibits:

- Exhibit A: Operating Revenues and Expenditures for proposed FY15 as compared to the FY14 Revised Budget.
- Exhibit B: Capital Improvement Plan
- Exhibit C: Draft summary of the 5-year cash flow model. It incorporates the FY15 budget as proposed and provides the Board a view of the impact of the proposed FY15 budget on the long range cash flow model.

Identified Need

Review and discuss the proposed FY 2015 budget.

Committee Review

In addition to meetings in May, June, and July, the Finance Committee, reported its activities and discussions at the regular Board meetings by way of the "Finance Committee Chair – Report to the Board". The Finance Committee included Board members Richard Huckaby, George Campbell, Allan Harris, Jim Robertson and Dave Kovatch serving as Committee Chair.

Financial Impact

This item is for comment and discussion and has no financial impact at this time.

Recommendation

Item is for discussion only. After presentation of the proposed budget and discussion by the Board, the Board will hold a public hearing to receive public input on the proposed budget.

Final Review: 
Anna Mosqueda, CFO

Approval: 
Jim Cline, President

Bus Operations				
Revenue Source	Actual FY 2013 Oct 12 - Sept 13	Budget FY 2014 Oct 13 - Sept 14	Actuals as of June 30, 2014	Proposed FY15 Oct 14 - Sept 15
Passenger Revenues				
Connect	448,655	477,985	388,481	554,147
Access	87,626	82,475	64,423	81,369
NCTC	10	-	838	-
Total Passenger Revenues	536,291	560,460	453,742	635,516
Contract Services				
Connect	49,000	52,420		57,000
UNT Contract	2,242,358	2,450,000	1,660,212	2,437,919
<i>UNT Fuel</i>	596,318	651,788	368,106	624,124
NCTC Contract	72,468	99,774	54,755	79,317
<i>NCTC Fuel</i>	20,660	44,799	13,161	61,276
Total Contract Services	2,980,804	3,298,781	2,096,234	3,259,636
Total	\$ 3,517,095	\$ 3,859,241	\$ 2,549,976	\$ 3,895,152
Rail Operations				
Revenue Source	Actual FY 2013 Oct 12 - Sept 13	Budget FY 2014 Oct 13 - Sept 14	Actuals as of June 30, 2014	Proposed FY15 Oct 14 - Sept 15
Rail Farebox	\$ 729,394	\$ 815,203	\$ 612,012	\$ 879,860
Total	\$ 729,394	\$ 815,203	\$ 612,012	\$ 879,860
G&A				
Revenue Source	Actual FY 2013 Oct 12 - Sept 13	Budget FY 2014 Oct 13 - Sept 14	Actuals as of June 30, 2014	Proposed FY15 Oct 14 - Sept 15
Interest Income	\$ 32,137	\$ 33,000	\$ 16,096	\$ 33,000
Misc Income	\$ 52,222	\$ 7,125	\$ 54,087	\$ 6,300
Sales Tax	\$ 20,209,051	\$ 20,725,320	\$ 13,862,608	\$ 21,347,080
Federal Operating Grants	\$ 3,051,096	\$ 3,680,022	\$ 2,124,179	\$ 4,474,679
Federal Capital Grants	\$ 5,808,281	\$ 2,806,120	\$ 3,386,586	\$ 12,142,821
State Operating Grants	\$ 49,633	\$ -	\$ -	\$ -
State Capital Grants	\$ 114,077	\$ 593,216	\$ 284,910	\$ 2,358,300
Debt Issuance	\$ -	\$ 5,500,000	\$ -	\$ 5,500,000
Total	\$ 29,316,498	\$ 33,344,803	\$ 19,728,466	\$ 45,862,180
TOTAL REVENUES	\$ 33,562,986	\$ 38,019,247	\$ 22,890,454	\$ 50,637,192

Ridership				
Bus	2,502,668	2,247,324	1,612,148	2,252,230
Rail	510,738	548,877	379,595	591,398

**Denton County Transportation Authority
Proposed Fiscal Year 2015 Budget
(Excludes Depreciation)**

Description	FY13 Actuals	FY14 Original Budget	FY14 Revised Budget	Actuals as of June 30, 2014	FY15 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)	Notes
<i>**Comparison is between the FY14 Revised Budget and the FY15 Proposed Budget**</i>								
Revenue & Other Income								
Passenger Revenues (Bus Farebox)	536,291	560,461	560,461	453,742	635,517	75,056	13%	Assumes an average 3-5% increase for Connect service based on ridership projections
Passenger Revenues (Rail Farebox)	729,394	815,203	815,203	612,012	879,860	64,657	8%	Assumes an average 3-5% increase for rail service based on current ridership projections
Contract Service Revenue	2,980,804	3,298,781	3,298,781	2,096,234	3,259,635	(39,146)	-1%	
Total Revenue & Other Income	4,246,489	4,674,445	4,674,445	3,161,988	4,775,012	100,567	2%	
Operating Expenses								
GENERAL & ADMINISTRATIVE								
Salary, Wages and Benefits	1,575,138	1,959,712	1,998,525	1,427,629	2,197,088	198,563	10%	Assumes a 10% increase in benefits as well as a 3.5% merit increase
Services	1,098,119	1,318,407	1,955,175	968,744	1,497,029	(458,146)	-23%	Legal fees associated with pending litigation is budgeted in FY14 (\$498k). Any remaining funds will be captured and rolled into FY15
Materials and Supplies	55,171	107,315	157,315	47,169	216,864	59,549	38%	IT upgrades anticipated in FY15: (1) DCTA bandwidth upgrade \$20k; (2) Enterprise Content Mgmt Software \$26k; (3) Install Shortel Phone system at DDTC \$40k
Utilities	13,570	18,000	18,000	8,847	60,353	42,353	235%	Increase due to the addition of utilities expense with new facility, previously included in lease expense; Offset with savings in the Lease category
Insurance, Casualties and Losses	9,035	11,420	11,420	8,467	11,309	(111)	-1%	
Purchased Transportation Services	-	-	-	-	-	-	0%	
Miscellaneous	136,456	211,047	221,047	82,685	203,667	(17,380)	-8%	
Leases and Rentals	155,058	155,025	155,025	128,868	102,777	(52,248)	-34%	Savings in lease expense for new facility
Subtotal - G&A	3,042,547	3,780,925	4,516,506	2,672,409	4,289,087	(227,419)	-5%	
BUS SERVICES								
Salary, Wages and Benefits	4,937,760	6,042,884	6,054,884	4,185,591	6,701,745	646,861	11%	Assumes a 15% increase in benefits as well as a 4% merit allowance for non-union employees. Average wage rate for operators is \$15.36
Services	384,201	408,125	408,125	286,680	546,831	138,706	34%	Additional Assistant General Manager position added as part of the new operations contract with First Transit
Materials and Supplies	1,804,258	2,165,419	2,165,418	1,140,567	2,352,874	187,456	9%	Increase in fuel with proposed bus/rail service enhancements to Route 2 & 6 and increased Saturday frequency; Computer equipment/software upgrades scheduled in FY15
Utilities	74,223	101,900	101,900	86,955	112,520	10,620	10%	
Insurance, Casualties and Losses	289,586	272,265	272,265	200,475	272,618	353	0%	
Purchased Transportation Services	-	-	-	-	-	-	0%	
Miscellaneous	4,475	10,050	10,050	5,061	35,370	25,320	252%	Wellness Program funds have been allocated to TMDC from G&A
Leases and Rentals	101,654	29,590	29,590	32,166	2,220	(27,370)	-92%	Elimination of building lease expense
Subtotal - Bus Services	7,596,157	9,030,233	9,042,232	5,937,495	10,024,178	981,946	11%	
RAIL SERVICES								
Salary, Wages and Benefits	189,468	276,534	276,534	201,487	275,024	(1,510)	-1%	
Services	145,796	139,252	361,336	178,878	145,391	(215,945)	-60%	FY14 service category included \$74k for mulching/landscape design as well as consulting services that total \$136k regarding shunting, rail car warranty and rail ops contract support. These will not be required in FY15.
Materials and Supplies	1,212,234	1,556,490	1,556,490	720,330	1,591,037	34,547	2%	
Utilities	327,549	327,915	352,115	174,587	279,276	(72,839)	-21%	Assuming decrease based upon usage this FY and continued mandatory water restrictions at Lewisville stations.
Insurance, Casualties and Losses	327,167	514,477	514,477	374,374	494,089	(20,388)	-4%	
Purchased Transportation Services	8,874,900	9,331,365	9,300,701	6,816,739	9,853,076	552,375	6%	Increase in PT based upon 3% increase per contract terms with DART; Also includes \$80k for service enhancement (Assumes an additional mid-day trip)
Miscellaneous	3,815	11,988	11,988	3,003	6,438	(5,550)	0%	
Leases and Rentals	92,880	100,000	100,000	552	102,207	2,207	2%	
Subtotal - Rail Services	11,173,809	12,258,021	12,473,641	8,469,950	12,746,538	272,897	2%	
Total Operating Expenses	21,812,513	25,069,180	26,032,379	17,079,854	27,059,803	1,027,424	4%	
Income Before Non-operating Revenue & Exp	(17,566,024)	(20,394,735)	(21,357,934)	(13,917,866)	(22,284,791)			
Non-Operating Revenues / (Expense)								
Investment Income	32,137	33,000	33,000	16,096	33,000	-	0%	
Non-Operating Revenues / (Expense)	52,222	7,125	7,125	54,087	6,300	(825)	-12%	
Sales Tax Revenue	20,209,051	20,725,320	20,725,320	13,862,608	21,347,080	621,760	3%	Assumes a 3% increase in sales tax - reflected in the Cash Flow Model
Federal Grants & Reimbursements	8,859,377	6,486,142	6,486,142	5,510,765	16,617,500	10,131,358	156%	Includes Federal Formula Funds as well as \$9M from COG for the PTC capital project
State Grants & Reimbursements	163,710	593,216	593,216	284,910	2,358,300	1,765,084	298%	Includes TxDOT STEP funds that DCTA was awarded for the Hike & Bike Trail (LV) and Community Enhancement projects
Debt Issuance	-	5,500,000	5,500,000	-	5,500,000	-	N/A	
Long Term Debt Interest/Expense	(1,458,806)	(2,423,840)	(2,423,840)	(1,042,765)	(2,721,899)	(298,059)	12%	Includes both principal and interest payments for FY15
Total Non-Operating Revenue / (Expense)	27,857,691	30,920,963	30,920,963	18,685,701	43,140,281	12,219,318	40%	
Net Available before Transfers	10,291,667	10,526,228	9,563,029	4,767,835	20,855,490			

Capital Improvement Plan

Project Name	Project Number	Adopted Project Budget	Project LTD thru FY 2012	FY 2013 Actuals	FY 2014 Projection	FY 2015	FY 2016	FY 2017	FY 2018	Aniticipated Project Total (Thru 2018)
Bus Services										
Bus Operations & Maintenance Facility	50301	11,720,717	2,073,478	7,028,293	2,618,946	-				11,720,717
Fleet Replacement	50502	3,411,592	2,871,592	110,735	-	429,265				3,411,592
Fleet Replacement {2014}	50504	877,998	-	-	877,998					877,998
DDTC	50303	373,282	-	-	13,282	360,000				373,282
Where's My Ride	50406	940,485	-	456,906	303,579	180,000				940,485
Bus Radios	50408	137,457	-	-	-	137,457				137,457
<i>Bus Engines & Transmissions</i>	<i>NEW</i>					150,000				150,000
<i>Scheduling Software</i>	<i>NEW</i>					250,000				250,000
<i>Fleet {2015}</i>	<i>NEW</i>					395,000	1,250,000	1,750,000	2,060,000	5,455,000
Rail Services										
Passenger Information	60701	56,214	4,807	19,044	32,363	40,607				96,821
Rail Grinding {2014}	61103	192,000	-	-	104,000	-	150,000		150,000	404,000
MedPark Extension	61206	1,000,000	-	-	1,000,000	-				1,000,000
Positive Train Control	61406	22,902,951	788,073	222,980	170,000	15,300,000	6,421,898			22,902,951
Community Enhancements	61707	752,708	13,091	129,940	409,677	200,000				752,708
Lewisville Bike Trail	61708	3,489,396	60,685	35,319	741,520	2,651,872				3,489,396
HV Parking Expansion	61710	288,681	-	6,900	281,781	-				288,681
Rail Maintenance of Way	61711	150,000	-	-	150,000	-	55,000	55,000	75,000	335,000
Rail Maintenance of Equipment	61712	585,000	-	-	235,000	1,982,673	342,800	1,252,400	1,812,800	5,625,673
Rail Single Car Operations	61503	101,800	-	-	101,800	-				101,800
Re-Railing Equipment	61504	121,000	-	-	-	121,000				121,000
<i>Shunt Enhancement</i>	<i>NEW</i>					141,000				141,000
<i>T. Mills Crew Facility</i>	<i>NEW</i>					250,000				250,000
<i>Station Landscaping</i>	<i>NEW</i>					75,000				75,000
Rail Facility Maintenance								35,000		35,000
Signals - Systems & Communications							10,000	10,000	20,000	40,000
G&A										
<i>COGNOS Report Writing Application</i>	<i>NEW</i>					200,000				200,000
<i>Comprehensive Service Analysis</i>	<i>NEW</i>					567,414				567,414
TOTAL		\$ 47,101,281	\$ 5,811,726	\$ 8,010,117	\$ 7,039,946	\$ 23,431,288	\$ 8,229,698	\$ 3,102,400	\$ 4,117,800	\$ 59,742,975
Sources of Funding										
Federal / State Grants					\$ 4,893,877	\$ 5,031,121	\$ 1,000,000	\$ 1,400,000	\$ 1,648,000	\$ 13,972,998
New Debt Issuance (PTC 2014)					\$ -	\$ 5,500,000	\$ -	\$ -	\$ -	\$ 5,500,000
RTC Funds					\$ -	\$ 9,470,000	\$ 3,030,000	\$ -	\$ -	\$ 12,500,000
DCTA Funding					\$ 2,146,066	\$ 3,430,167	\$ 4,199,698	\$ 1,702,400	\$ 2,469,800	\$ 13,948,131
TOTAL					\$ 7,039,943	\$ 23,431,288	\$ 8,229,698	\$ 3,102,400	\$ 4,117,800	\$ 45,921,129

OPERATING REVENUES	2014	2015	2016	2017	2018	2019
Beginning Fund Balance:	\$ 17,114,359	\$ 15,885,802	\$ 13,310,001	\$ 10,472,054	\$ 9,798,347	\$ 10,289,283
Bus Operating Revenue	\$ 3,859,241	\$ 3,895,151	\$ 3,999,295	\$ 4,106,437	\$ 4,216,664	\$ 4,330,068
Rail Operating Revenue	815,203	879,860	888,659	897,545	906,521	915,586
NON-OPERATING REVENUES						
Sales Tax Revenue	20,725,320	21,347,080	22,200,963	23,089,001	24,012,561	24,973,064
Formula Grants (Operating)	3,680,022	4,474,679	4,988,217	4,707,981	6,567,595	7,057,758
Interest Income-Non RTRFI Funds	33,000	33,000	39,930	31,416	29,395	30,868
Misc. Revenue	7,125	6,300	6,300	6,300	6,300	6,300
Restricted RTRFI Interest Income						
Total Revenues	29,119,911	30,636,070	32,123,364	32,838,681	35,739,036	37,313,644
OPERATING EXPENSES						
Bus Operating Expense	9,042,232	10,024,178	10,410,666	10,802,475	11,214,159	11,622,939
Rail Operating Expense	12,473,641	12,746,538	13,130,402	13,511,441	13,907,221	14,295,947
G&A Operating Expense	4,516,507	4,289,087	4,228,889	4,369,810	4,516,004	4,667,686
NON-OPERATING EXPENSES						
Non-Operating (Income) / Expense						
Total Expenses	26,032,380	27,059,803	27,769,956	28,683,726	29,637,384	30,586,572
NET INCOME	3,087,531	3,576,267	4,353,407	4,154,955	6,101,652	6,727,072
CAPITAL OUTLAY						
Bus Capital Expenditure	2,935,804	1,394,871				
Fleet Replacement Expense	877,998	824,265	1,250,000	1,750,000	2,060,000	1,603,050
Rail Capital / Construction						
Professional Services / Technology Improvements	32,363	490,607				
Stadler Fleet (Vehicles)						
Real Estate	1,000,000					
Right of Way						
Rail Capital Expenditure (LV Hike & Bike)	741,520	2,651,872				
Rail Capital Expenditure (Community Enhancements)	409,677	200,000				
Rail Capital Expenditure (Rail Grinding)	104,000		150,000		150,000	
HV Parking Expansion	281,781					
Rail Station Improvements		325,000				
Rail MOW	150,000		55,000	55,000	75,000	65,000
Rail MOE	235,000	1,982,673	342,800	1,252,400	1,812,800	1,450,400
Rail Facility Maintenance				35,000		
Signals - Systems & Communications			10,000	10,000	20,000	20,000
Single Car Operations / Shunt Enhancement	101,800	141,000				
Re-Railing Equipment		121,000				
Positive Train Control	170,000	15,300,000	6,421,898			
Total Capital Outlay	7,039,943	23,431,288	8,229,698	3,102,400	4,117,800	3,138,450
CAPITAL SOURCES						
New Money (Debt Issuance)		5,500,000				
RTRFI/RTC Funds		9,470,000	3,030,000			
Formula Grants (Capital)	4,892,463	5,031,121	1,000,000	1,400,000	1,648,000	1,282,440
Total Capital Sources	4,892,463	20,001,121	4,030,000	1,400,000	1,648,000	1,282,440
DEBT SERVICE						
2008 Issue (ST) Debt Service						
2009 Refunding (ST) Debt Service	1,718,200	1,716,492	1,718,387	1,713,687	1,717,590	1,714,697
2011 Contractual Obligations (Vehicles)	336,945	751,945	763,955	770,183	775,785	785,761
2011 Contractual Obligations (PTC)	113,463	253,463	254,081	259,542	264,691	264,526
2014 Contractual Obligations (PTC)			255,233	382,850	382,850	382,850
Total Debt Service	2,168,608	2,721,900	2,991,656	3,126,262	3,140,916	3,147,834
Gross Sales Tax Coverage:	9.56	7.84	7.42	7.39	7.65	7.93
Internal Debt Service Coverage:	1.42	1.31	1.46	1.33	1.94	2.14
Year End Audit Adjustment						
Ending Fund Balance:	15,885,802	13,310,001	10,472,054	9,798,347	10,289,283	12,012,511
Less Restricted RTRFI Interest Income						
Less Required Fund Balance (O&M Reserve Policy):	6,508,095	6,764,951	6,942,489	7,170,931	7,409,346	7,646,643
Less Sales Tax Stabilization Fund	621,760	640,412	666,029	692,670	720,377	749,192
Less Fuel Stabilization Fund	50,000	50,000	50,000	50,000	50,000	50,000
Less Capital/Infrastructure	2,000,000	2,000,000	1,000,000	1,000,000	1,000,000	2,000,000
Net Available Cash	6,705,947	3,854,638	1,813,536	884,745	1,109,560	1,566,676

*Proposed debt issuance of \$5.5M has been rolled from FY14 to FY15 due to project delays

Board of Directors Memo

August 28, 2014

Item: 2(c) Discussion/Approval of Capital Project Budget revision for the Lewisville Recreational Parking Lot in the amount of \$25,429.**Background**

To mitigate parking lot overcrowding at the Highland Village/Lewisville Lake station, an additional parking lot is being constructed. Project requirements not previously identified include: installation of pipe fencing and electronic gate controller and construction of an ADA compliant pedestrian walkway between the new and existing parking lot. The additional funds request is necessary to cover these expenses not previously identified in the original project estimate.

Financial Impact

The FY 2014 approved capital budget for this project is \$288,681. Additional funding in the amount of \$25,249 is required to complete the project for a new total authorized not to exceed amount of \$313,930. The additional amount needed to complete this project will be from savings identified in the capital projects fund from other capital project savings. There will be no impact to the bottom line FY2014 budget

Recommendation

Staff requests the Board approve an increase in the Lewisville Recreational Parking Lot capital budget in the amount of \$25,249 for a new total authorized project budget of \$313,930.

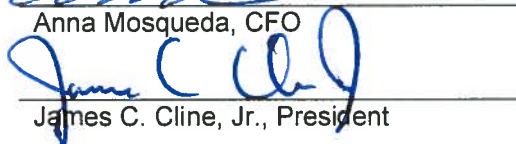
Submitted by:


Raymond Suarez, COO

Final Review:


Anna Mosqueda, CFO

Approval:


James C. Cline, Jr., President

**DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA)
BUDGET TRANSFER REQUEST**

Number: 2014-13

Type: Transfer Revision x

	Current Budget Amount	Budget Transfer Amount	Adjusted Budget Amount
FROM:			
61708.16 - Lewisville Bike Trail	2,045,991	(25,429)	2,020,562
Total	<u>2,045,991</u>	<u>(25,429)</u>	<u>2,020,562</u>
TO:			
61710.17 - HV Parking Expansion	288,681	25,429	314,110
Total	<u>2,334,672</u>	<u>-</u>	<u>2,334,672</u>

Date: August 22, 2014
 Date: August 22, 2014
 Date: _____

Requested By Raymond Suarez
 Reviewed By Amanda Kiddle
 President _____



Board of Directors Memo

August 28, 2014

Item: 2(d) Discussion/Approval of Award of Contract for Lewisville Hike and Bike Trail Construction

Background

An RFB was released on June 23, 2014, for the construction of the hike and bike trail in Lewisville. Nine (9) bids were received on July 29, 2014, and were reviewed and evaluated by a panel of staff along with Jacobs Engineering Group. The bid tabulation has been provided to TxDOT for their review and concurrence for award by DCTA. DCTA is awaiting final approval of the recommendation for award.

Quality Excavation is the apparent low bidder. Review of pricing, references, financials, DBE compliance and responsiveness to the solicitation is currently under review by staff, Jacobs Engineering Group and TxDOT.

The DBE goal for the project was set at 3% of the total contract value. Staff is awaiting approval by TxDOT.

Bids were received from the following:

Lemco Construction Services, LLC
 Northstar Construction, Inc.
 Quality Excavation
 C Green Scaping
 Roesch Co Construction

HQS Construction
 Phillips May Construction
 RBR Infrastructure and Road
 Fain Group

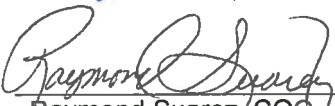
Financial Impact


DCTA executed an advance funding agreement with TxDOT for total project cost including design and other fees in the amount of \$3,489,395, of which \$2,814,457, is allocated for construction costs. DCTA will receive a reimbursement of eighty percent (80%) from TxDOT for construction of this project.

Recommendation

Staff requests the Board approve the award of the contract to the lowest responsive responsible bidder and authorize the President to execute the contract upon receipt of approval and concurrence from TxDOT.

Submitted by: 
 Athena Forrester, Purchasing Manager

Final Review: 
 Raymond Suarez, COO

Approval: 
 James C. Cline, Jr., President

Board of Directors Memo

August 28, 2014

Item: 2(e) Discussion/Approval of Capital Project Budget for Wheel and Brake System Maintenance for rail vehicles**Background**

The Stadler GTW wheel and brake systems must be maintained in a state of good repair to ensure A-train service schedules and on time performance. The GTW wheels and brake work is planned to in the proposed FY 2015 Capital budget. Significant lead time is required in order for Herzog Transit Services Inc (HTSI) to secure parts and perform the required work. Staff is requesting Board authorization to proceed with the procurement of this item to ensure the wheels are delivered as planned.

Financial Impact

Funding for this item is included in the Proposed FY 2015 Rail Capital Projects. It is necessary to move this into the FY 2014 in order to meet the lead time requirements. The FY2014 budget will be revised to incorporate this new project with funding from the capital infrastructure reserve fund. The FY2015 Rail Capital projects budget will be adjusted to reflect this change

Recommendation

Staff requests the Board authorize the President to execute to a contract with Herzog Transit Services Inc. in the amount of \$915,040.60 and approve the advancement of capital budget into FY 2014 and revise the FY2014 budget.


Submitted by:


Raymond Suarez, COO

Final Review:


Anna Mosqueda, CFO

Approval:


James C. Cline, Jr., President

