



Denton County Transportation Authority

1955 Lakeway Dr., # 260
Lewisville, Texas 75057
(972) 221-4600
RideDCTA.net

Board of Directors
Work Session
November 19, 2015
1:30 p.m.

1. Routine Briefing Items
 - a. Financial Reports
 - i. Financial Statements
 - ii. Capital Projects Report
 - iii. Sales Tax Report
 - iv. Procurement Report
 - v. FY16 Budget Document
 - b. Strategic Planning / Development
 - i. Priority Projects Update
 - ii. Outreach Efforts
 - c. Marketing and Communications
 - i. Marketing and Communications Initiatives
 - ii. Marketing and Communications Metrics
 - iii. Customer Service Metrics
 - d. Capital Projects Update
 - i. Signal System Enhancements
 - ii. Positive Train Control (PTC)
 - iii. Flood Repairs/FEMA
 - iv. Transit Enhancements
 - v. Lewisville Bike Trail – Final Section
 - e. Transit Operations
 - i. Rail Operations
 - ii. Bus Operations
2. Items for Discussion
 - a. Capital Edge Review of Federal Legislative Initiatives
 - b. Federal and State Funding Overview

3. Committee Chair Report
 - a. Finance Committee (11/09/2015) Dave Kovatch, chair
4. Discussion of Regular Board Meeting Agenda Items (November 2015)
5. Convene 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. As Authorized by Texas Government Code Section 551.072 Deliberation regarding Real Property: Discuss acquisition, sale or lease of real property related to long-range service plan within the cities of Denton, Lewisville, or Highland Village.
6. Reconvene Open Session
 - a. Reconvene and Take Necessary Action on Items Discussed during Executive Session.
7. Discussion of Future Agenda Items
 - a. Board Member Requests

**Board of Directors
Regular Meeting**

November 19, 2015

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

AGENCY AWARDS AND RECOGNITIONS

Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the FY2014 CAFR

1. CONSENT AGENDA
 - a. Approval of Minutes Board Meeting October 22, 2015
 - b. Acceptance of Financial Reports – October
 - c. Award of contract for Fleet Collision Repair and Painting Services

- d. Authorize a Task Order for Debris inventory and inspection at Rail Facility
- e. Authorize President to Enter Into an Agreement for Contracted On-Demand Bus Service Outside the Current Service Area to Include Frisco

2. CHAIR REPORT

- a. Discussion of Regional Transportation Issues
- b. Discussion Legislative Issues
 - i. Regional
 - ii. State
 - iii. Federal

3. PRESIDENT'S REPORT

- a. Budget Transfers
- b. Regional Transportation Issues

4. REPORT ON ITEMS OF COMMUNITY INTEREST

- 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.

5. ADJOURN

Chair – Charles Emery
Vice Chair – Paul Pomeroy

Secretary – Richard Huckaby
Treasurer – Dave Kovatch

Members – Skip Kalb, Doug Peach, Jim Robertson, Tom Winterburn,
Don Hartman, George A. Campbell, Allen Harris, Carter Wilson, Connie White
President – Jim Cline

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

This notice was posted on 11/16/2015 at 9:56 AM.

Rusty Comer, Public Information Coordinator



Board of Directors Memo

November 19, 2015

Subject: Monthly Financial Reports

Background

The financial statements are presented monthly to the Board of Directors for acceptance. The reports presented for the period ending October 31, 2015 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 \$2k. YTD actual rail ridership is 1% above budgeted ridership of 65k, partially offset by lower than budgeted bus ridership. Actual fare per rail rider is 6% above budget, at \$1.54 average fare per rider compared to \$1.45 as budgeted.
- **Note B:** Contract Service Revenue – YTD favorable by \$8k because revenue hours were 12% higher than budgeted for October.
- **Note C:** Sales Tax Revenue – October sales tax revenue is not yet received and is accrued for the month based on budget. Sales tax generated in October will be received in December. The Sales Tax Report included in this agenda packet provides a more detailed Budget to Actual comparison of FY15 sales tax receipts collected through November.
- **Note D:** Federal/State Grants-Capital – YTD unfavorable by (\$66k) because the expenses and corresponding reimbursement for PTC have been delayed from the timing anticipated in the budget.
- **Note E:** Federal/State Grants-Operating – YTD unfavorable by (\$1.1 million) is attributable to a delay in grant funding for operating and ADA assistance (\$913k) as anticipated in the budget. These reimbursements will be requested in coming months.
- **Note F:** Leases & Rentals – YTD unfavorable by (\$9k) is caused by November rent being prepaid in October.

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.

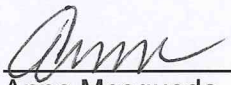
Identified Need

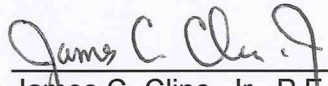
Provides the Board a review of DCTA's financial position and performance to budget.

Recommendation

Staff recommends acceptance.

Submitted by: Marisa Perry, CPA 
Controller

Final Review: 
Anna Mosqueda,
CFO

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

Denton County Transportation Authority
Change in Net Assets
Month and Year to Date October 31, 2015
(Unaudited)

Item 1(a)i

Description	Month Ended October 31, 2015			Year to Date October 31, 2015			Annual Budget	
	Actual	Budget	Variance	Actual	Budget	Variance		
Revenue and Other Income								
Passenger Revenues	164,616	162,918	1,698	164,616	162,918	1,698	1,542,909	Note A
Contract Service Revenue	382,282	373,797	8,485	382,282	373,797	8,485	3,263,687	Note B
Sales Tax Revenue	2,023,528	2,023,528	-	2,023,528	2,023,528	-	23,067,403	Note C
Federal/State Grants - Capital	166,640	232,333	(65,693)	166,640	232,333	(65,693)	6,109,914	Note D
Federal/State Grants - Operating	76,187	1,221,292	(1,145,105)	76,187	1,221,292	(1,145,105)	4,643,442	Note E
Total Revenue and Other Income	2,813,252	4,013,868	(1,200,616)	2,813,252	4,013,868	(1,200,616)	38,627,355	
Operating Expenses								
Salary, Wages and Benefits	697,589	862,459	164,869	697,589	862,459	164,869	9,394,250	
Services	108,051	395,068	287,017	108,051	395,068	287,017	2,468,584	
Materials and Supplies	198,782	379,029	180,247	198,782	379,029	180,247	3,825,083	
Utilities	11,458	43,213	31,755	11,458	43,213	31,755	511,361	
Insurance, Casualties and Losses	63,579	77,662	14,083	63,579	77,662	14,083	800,215	
Purchased Transportation Services	690,251	967,031	276,780	690,251	967,031	276,780	11,633,624	
Miscellaneous	16,004	68,426	52,421	16,004	68,426	52,421	281,346	
Leases and Rentals	18,740	9,682	(9,058)	18,740	9,682	(9,058)	216,183	Note F
Depreciation	792,329	826,039	33,710	792,329	826,039	33,710	9,981,205	
Total Operating Expenses	2,596,784	3,628,608	1,031,824	2,596,784	3,628,608	1,031,824	39,111,851	
Income Before Non-operating Revenue and Expense	216,468	385,260	(168,792)	216,468	385,260	(168,792)	(484,496)	
Non-Operating Revenues / (Expense)								
Investment Income	4,102	1,667	2,435	4,102	1,667	2,435	20,000	
Gain (Loss) Disposal of Assets	-	-	-	-	-	-	-	
Fare Evasion Fee	75	125	(50)	75	125	(50)	1,500	
Other Income - Miscellaneous	2,765	-	2,765	2,765	-	2,765	-	
Long Term Debt Interest/Expense	(96,369)	(96,368)	(1)	(96,369)	(96,368)	(1)	(1,156,422)	
Total Non-Operating Revenue / (Expense)	(89,426)	(94,576)	5,150	(89,426)	(94,576)	5,150	(1,134,922)	
Change in Net Assets	127,042	290,684	(163,642)	127,042	290,684	(163,642)	(1,619,418)	

Denton County Transportation Authority
Statement of Net Assets
As of October 31, 2015
(Unaudited)

	<u>October 31, 2015</u>	<u>September 30, 2015</u>	<u>Change</u>
Current Assets			
Cash & Cash Equivalents	10,131,413	8,351,759	1,779,654
Investments	7,882,839	8,775,779	(892,939)
Accounts & Notes Receivable	6,421,428	6,387,416	34,011
Prepaid Expenses	271,420	398,745	(127,325)
Inventory	20,712	5,937	14,775
Restricted Asset-Cash and Equivalents	3,650,799	3,650,196	603
Total Current Assets	<u>28,378,611</u>	<u>27,569,832</u>	<u>808,779</u>
Property, Plant and Equipment			
Land	16,228,337	16,228,337	-
Land Improvements	6,458,821	6,458,821	-
Machinery & Equipment	2,030,358	2,030,358	-
Leasehold Improvements	55,506	55,506	-
Vehicles	88,631,212	88,631,212	-
Computers & Software	1,180,676	1,180,676	-
Accumulated Depreciation	(38,922,392)	(38,130,063)	(792,329)
Total Property, Plant and Equipment	<u>75,662,518</u>	<u>76,454,847</u>	<u>(792,329)</u>
Capital Assets			
Intangible Assets	16,997,155	16,997,155	-
Other Capital Assets, Net	230,821,306	230,821,306	-
Construction in Progress	9,913,505	9,928,224	(14,718)
Total Capital Assets	<u>257,731,966</u>	<u>257,746,684</u>	<u>(14,718)</u>
Total Assets	<u><u>361,773,095</u></u>	<u><u>361,771,364</u></u>	<u><u>1,732</u></u>
Liabilities			
Current Liabilities			
Accounts Payable	1,884,266	2,373,170	(488,905)
Salary, Wages, and Benefits Payable	467,107	604,613	(137,506)
Accrued Expenses Payable	2,316,309	1,888,823	427,487
Deferred Revenues	66,229	88,983	(22,755)
Interest Payable	96,369	-	96,369
Total Current Liabilities	<u>4,830,279</u>	<u>4,955,589</u>	<u>(125,310)</u>
Non-Current Liabilities			
Rail Easement Payable	1,400,000	1,400,000	-
Retainage Payable	1,560,124	1,560,124	-
Bonds Payable	31,965,000	31,965,000	-
Total Non-Current Liabilities	<u>34,925,124</u>	<u>34,925,124</u>	<u>-</u>
Total Liabilities	<u><u>39,755,403</u></u>	<u><u>39,880,713</u></u>	<u><u>(125,310)</u></u>
Net Assets			
Invested in Capital Assets	301,036,597	301,036,597	-
Unrestricted Retained Earnings	20,854,053	20,854,053	-
Change in Net Assets	127,042	-	127,042
Total Equity	<u>322,017,692</u>	<u>321,890,650</u>	<u>127,042</u>
Total Liabilities and Equity	<u><u>361,773,095</u></u>	<u><u>361,771,364</u></u>	<u><u>1,732</u></u>

	Original Budget	Revised Budget	October 2015 Expenses Booked	Life To Date	\$ Under/(Over) Budget	% of Budget (As of October 2015 Close)
ASSETS						
Fixed Assets						
1660 - Construction Work in Progress						
1 - G&A Capital Projects						
Total 10401 - Cloud Hybrid Backup Solution	35,000	35,000	-	-	35,000	0%
Total 10402 - Shortel Phone System	45,000	85,000	-	-	85,000	0%
Total 10601 - COGNOS Report Application	200,000	200,000	-	-	200,000	0%
Total 10602 - Comprehensive Service Analysis	567,414	567,414	-	76,210	491,204	13%
Total 10603 - Legal Support	226,753	226,753	-	10,916	215,838	5%
Total 1 - G&A Capital Projects	1,074,167	1,114,167	-	87,126	1,027,042	8%
5 - Bus Capital Projects						
Total 50203 - Passenger Amenities (2015)	53,483	53,483	-	53,483	-	100%
Total 50204 - Transit Enhancements (2015-16)	165,000	165,000	2,835	7,436	157,564	5%
Total 50301 - Bus O&M Facility	8,142,667	11,497,555	-	11,329,269	168,286	99%
Total 50303 - DDTC	373,282	373,282	350,768	373,190	92	100%
Total 50505 - Fleet Replacement (2015)	395,000	1,634,000	-	62,000	1,572,000	4%
Total 50408 - Bus Radios	137,457	120,870	-	106,754	14,116	88%
Total 50409 - Bus Fleet Cameras	149,500	149,500	-	-	149,500	0%
Total 50507 - Fleet (2016)	1,250,000	1,250,000	-	-	1,250,000	0%
Total 50601 - Scheduling Software (Bus)	250,000	250,000	-	-	250,000	0%
Total 5 - Bus Capital Projects	10,916,389	15,493,690	353,603	11,932,133	3,561,557	77%
6 - Rail Construction						
Total 61401 - Fare Collection Systems	569,000	733,104	-	663,943	69,161	91%
Total 61406 - Positive Train Control	15,997,441	21,902,951	1,852	1,346,527	20,556,424	6%
Total 61708 - Lewisville Bike Trail	3,099,856	3,099,856	1,947	1,980,369	1,119,487	64%
Total 60701 - Passenger Information	56,214	96,821	-	61,411	35,410	63%
Total 61712 - Rail MOE	585,000	1,302,627	(373,109)	964,255	338,372	74%
Total 61503 - Rail Single Car Operations	101,800	101,800	-	26,221	75,579	26%
Total 61505 - GTW Wheel Work	915,041	915,041	441,057	441,057	473,984	48%
Total 61604 - Rail Mobilization (2015)	2,119,517	2,119,517	-	-	2,119,517	0%
Total 61209 - Trinity Mills Crew Facility	250,000	250,000	-	32,528	217,472	13%
Total 61210 - Station Landscaping	75,000	485,000	551	25,455	459,545	5%
Total 61407 - Shunt Enhancement	141,000	141,000	96,546	96,546	44,454	68%
Total 61104 - Rail Drainage Improvement	250,000	500,000	1,485	396,579	103,421	79%
Total 61713 - Disaster Recovery - 2015 Floods	1,000,000	1,500,000	6,063	215,792	1,284,208	14%
Total 61714 - Rail Capital Maintenance	745,000	745,000	-	-	745,000	0%
Total 61506 - Stadler Spare Parts	150,000	150,000	-	-	150,000	0%
Total 61507 - ABB Stadler Spare Parts	276,000	276,000	-	-	276,000	0%
Total 61715 - Trail Safety Improvements	139,657	139,657	-	-	139,657	0%
Total Rail Construction Projects	26,470,526	34,458,374	176,392	6,250,683	28,207,691	18%
Total 1660 - Construction Work in Progress	38,461,082	51,066,231	529,995	18,269,941	32,796,290	36%



Board of Directors Memo

November 19, 2015

Subject: Sales Tax Report

Background

As a reminder, the Board adopted FY 2015 Revised Budget in May and increased the revenue budget for sales tax revenues to recognize sales tax generated in the Month of February and received in April. The variance to budget on the DCTA sales tax schedule now reflects the adopted revised sales tax revenue budget.

Sales tax represents the single largest source of revenue for DCTA at 59.9% for FY15 budget. The annual Sales Tax budget for FY 2015 is \$22,180,195. 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. The November allocation is for sales generated in the month of September and represents revenue for the twelfth month of FY 2015.

- Sales tax for sales generated at retail in the month of September and received in November was \$2,159,149.72.
- This represents an increase of 8.10% or \$161,761 compared to budget for the month.
- Receipts are favorable 4.88% year-to-date compared to revised budget.
- Compared to the same month last year, sales tax receipts were \$100,768 or 4.90% more than budgeted.
- Member city collections for the month compared to prior year are as follows:
 - City of Lewisville up 4.91%
 - City of Denton up 3.50%
 - Highland Village up 0.09%

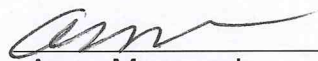
Need

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:	2014-2015 Year Budget	2014-2015 Year Actual	Variance Actual to Budget	CY Actual to CY Budget % Variance	2013-2014 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 1,945,700	\$ 1,945,700	\$0	0.00%	\$ 1,646,959	\$ 298,741	18.14%
November	January	\$ 1,765,520	\$ 1,765,520	\$0	0.00%	\$ 1,582,022	\$ 183,498	11.60%
December	February	\$ 2,433,456	\$ 2,433,456	\$0	0.00%	\$ 2,173,929	\$ 259,526	11.94%
January	March	\$ 1,742,381	\$ 1,742,381	\$0	0.00%	\$ 1,570,510	\$ 171,871	10.94%
February	April	\$ 1,566,805	\$ 1,566,805	\$0	0.00%	\$ 1,278,211	\$ 288,594	22.58%
March	May	\$ 1,891,517	\$ 2,074,176	\$ 182,659	9.66%	\$ 1,957,442	\$ 116,734	5.96%
April	June	\$ 1,683,191	\$ 1,803,955	\$ 120,764	7.17%	\$ 1,777,141	\$ 26,814	1.51%
May	July	\$ 1,740,055	\$ 1,757,537	\$ 17,482	1.00%	\$ 1,756,564	\$ 973	0.06%
June	August	\$ 1,932,685	\$ 2,104,123	\$ 171,438	8.87%	\$ 2,008,175	\$ 95,948	4.78%
July	September	\$ 1,688,016	\$ 1,825,970	\$ 137,954	8.17%	\$ 1,719,163	\$ 106,807	6.21%
August	October	\$ 1,793,480	\$ 2,082,973	\$ 289,493	16.14%	\$ 1,838,588	\$ 244,385	13.29%
September	November	\$ 1,997,389	\$ 2,159,150	\$ 161,761	8.10%	\$ 2,058,382	\$ 100,768	4.90%
YTD Total		\$ 22,180,195	\$ 23,261,746	\$ 1,081,551	4.88%	\$ 21,367,086	\$ 1,894,660	8.87%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department
Prepared By: Denton County Transportation Authority Finance Department
November 12, 2015

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

City of Lewisville						City of Highland Village					
Sales Generated in Month of:	Received in Month of:	2013-2014 Year Actual	2014-2015 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance	Sales Generated in Month of:	Received in Month of:	2013-2014 Year Actual	2014-2015 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 2,412,800	\$ 2,532,839	\$ 120,038	4.98%	October	December	\$ 242,975	\$ 268,275	\$ 25,299	10.41%
November	January	\$ 2,283,269	\$ 2,404,460	\$ 121,191	5.31%	November	January	\$ 271,909	\$ 283,432	\$ 11,523	4.24%
December	February	\$ 3,094,980	\$ 3,407,084	\$ 312,104	10.08%	December	February	\$ 415,312	\$ 441,441	\$ 26,130	6.29%
January	March	\$ 2,250,821	\$ 2,479,995	\$ 229,174	10.18%	January	March	\$ 240,189	\$ 249,723	\$ 9,534	3.97%
February	April	\$ 1,476,738	\$ 2,194,340	\$ 717,603	48.59%	February	April	\$ 231,225	\$ 220,832	\$ (10,393)	-4.49%
March	May	\$ 2,828,191	\$ 2,920,317	\$ 92,126	3.26%	March	May	\$ 323,839	\$ 319,961	\$ (3,879)	-1.20%
April	June	\$ 2,569,274	\$ 2,570,323	\$ 1,049	0.04%	April	June	\$ 269,705	\$ 275,169	\$ 5,464	2.03%
May	July	\$ 2,570,909	\$ 2,441,318	\$ (129,590)	-5.04%	May	July	\$ 288,253	\$ 317,874	\$ 29,621	10.28%
June	August	\$ 2,797,425	\$ 2,867,226	\$ 69,800	2.50%	June	August	\$ 356,088	\$ 330,952	\$ (25,136)	-7.06%
July	September	\$ 2,472,024	\$ 2,531,076	\$ 59,052	2.39%	July	September	\$ 271,361	\$ 276,336	\$ 4,975	1.83%
August	October	\$ 2,546,174	\$ 2,996,730	\$ 450,556	17.70%	August	October	\$ 261,084	\$ 264,926	\$ 3,843	1.47%
September	November	\$ 2,872,745	\$ 3,013,889	\$ 141,144	4.91%	September	November	\$ 342,547	\$ 342,868	\$ 321	0.09%
YTD Total		\$ 30,175,351	\$ 32,359,597	\$ 2,184,246	7.24%	YTD Total		\$ 3,514,486	\$ 3,591,789	\$ 77,303	2.20%

City of Denton					
Sales Generated in Month of:	Received in Month of:	2013-2014 Year Actual	2014-2015 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 1,858,283	\$ 2,345,573	\$ 487,290	26.22%
November	January	\$ 1,802,476	\$ 2,197,657	\$ 395,181	21.92%
December	February	\$ 2,657,999	\$ 3,020,338	\$ 362,339	13.63%
January	March	\$ 1,877,525	\$ 2,109,216	\$ 231,691	12.34%
February	April	\$ 1,940,004	\$ 1,852,968	\$ (87,036)	-4.49%
March	May	\$ 2,488,428	\$ 2,678,550	\$ 190,122	7.64%
April	June	\$ 2,077,345	\$ 2,152,181	\$ 74,836	3.60%
May	July	\$ 2,003,488	\$ 2,107,901	\$ 104,413	5.21%
June	August	\$ 2,482,262	\$ 2,682,604	\$ 200,342	8.07%
July	September	\$ 1,922,509	\$ 2,259,012	\$ 336,503	17.50%
August	October	\$ 2,317,928	\$ 2,584,144	\$ 266,216	11.49%
September	November	\$ 2,634,728	\$ 2,727,016	\$ 92,288	3.50%
YTD Total		\$ 26,062,974	\$ 28,717,159	\$ 2,654,185	10.18%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department
Prepared By: Denton County Transportation Authority Finance Department
November 12, 2015

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

Transit	Current Rate	Net Payment This Period	Comparable Payment Prior Year	% Change	2015 Payments To Date	2014 Payments To Date	% Change
Houston MTA	1.00%	\$ 63,680,618.73	\$ 64,941,387.50	-1.94%	\$ 659,437,443.09	\$ 637,594,885.40	3.43%
Dallas MTA	1.00%	\$ 47,907,575.33	\$ 45,182,481.99	6.03%	\$ 477,372,822.72	\$ 447,693,930.76	6.63%
Austin MTA	1.00%	\$ 19,366,967.59	\$ 17,985,701.70	7.68%	\$ 194,018,761.26	\$ 179,379,597.17	8.16%
San Antonio MTA	0.50%	\$ 12,403,152.16	\$ 12,057,554.07	2.87%	\$ 125,544,233.86	\$ 121,169,485.23	3.61%
San Antonio ATD	0.25%	\$ 5,461,743.74	\$ 5,389,293.25	1.34%	\$ 56,467,878.30	\$ 54,676,301.15	3.28%
Fort Worth MTA	0.50%	\$ 5,825,991.35	\$ 5,857,090.16	-0.53%	\$ 59,706,538.87	\$ 58,074,932.13	2.81%
El Paso CTD	0.50%	\$ 3,405,126.80	\$ 3,369,777.50	1.05%	\$ 37,410,373.56	\$ 35,940,342.81	4.09%
Corpus Christi MTA	0.50%	\$ 3,028,372.16	\$ 3,129,866.72	-3.24%	\$ 31,909,609.88	\$ 31,807,256.64	0.32%
Denton CTA	0.50%	\$ 2,159,149.72	\$ 2,058,381.82	4.90%	\$ 21,316,045.89	\$ 19,720,127.45	8.09%
Laredo CTD	0.25%	\$ 642,378.52	\$ 659,308.91	-2.57%	\$ 7,247,641.28	\$ 7,110,206.12	1.93%
TOTALS		\$ 163,881,076.10	\$ 160,630,843.62	2.02%	\$ 1,670,431,348.71	\$ 1,593,167,064.86	4.85%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department
Prepared By: Denton County Transportation Authority Finance Department
November 12, 2015



Board of Directors Memo

November 19, 2015

Subject: Procurement Status Report

Brand Ambassador Services

A request for proposals was released on November 10th and is due on December 1st for Brand Ambassador Services. The selected agency will assist in the execution of critical marketing and communications campaigns. Award is anticipated at the December meeting.

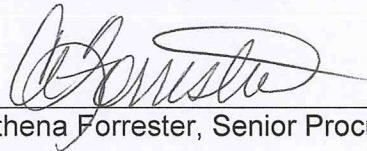
Procurement Training

Two staff training sessions were conducted during November to refresh staff on the requirements for federal procurements and introduce a systemic approach to contract administration. During the latest Triennial Review a finding was issued related to the lack of sufficient contract administration documentation. This training addressed contract administration and the requirements for each project owner. This training should satisfy the finding and will be submitted to FTA by the due date in December.

DBE Reporting

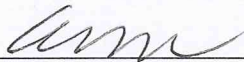
The semi-annual reporting for the period of April 1, 2015 to September 30, 2015, was submitted to FTA in early November. During fiscal year 2015 DCTA achieved 4.36% DBE participation on federal funded projects.

Submitted by:



Athena Forrester, Senior Procurement Manager

Final Review:



Anna Mosqueda, CFO

PRIORITY PROJECTS

SERVICE PLANNING: “Shaping Our Future”

Lewisville & Highland Village Service Review & Analysis

- A Comprehensive Operational Analysis (COA) has been conducted for the Lewisville and Highland Village service area.
- A Draft Report has been submitted to DCTA and staff is working with Nelson Nygaard to finalize the recommendations.
- The COA Final Report will include service recommendations which may recommend; route realignments, interlinings and extensions, revised service hours and frequency, reduction of non-productive service, new routes, innovative last-mile connections, as well as passenger amenity and bus stop improvements.

Denton Service Review & Analysis

- A Comprehensive Operational Analysis (COA) is being conducted is currently underway in Denton.
- Nelson-Nygaard will leverage data from UNT’s Parking & Transportation Master Plan during this process
- Market analysis and on-board surveys were conducted by Nelson-Nygaard earlier this month.
- Community meetings are scheduled for mid-November.
- Preliminary results are expected to DCTA in March.

Regional Express Corridor Preliminary Planning

- Staff has received support from NCTCOG and DCTA Board of Directors to move forward with the continued development of the Regional Express Corridors
- The Regional Express Corridor Service Preliminary Plan is being shared with partners and potential partners through a series of meetings with member and non-member cities as well as potential private sector partners

DEVELOPMENT

New Service Delivery Model: On-Demand/Flex Service

- Staff continues discussions regarding the new on-demand/flex service with non-member cities.
- As interest continues to grow, staff continues to further develop the service in preparation for implementation in existing member cities and future contracting non-member cities

Downtown Denton Parking

- In coordination with the Union Pacific Railroad, DCTA is partnering with city staff to implement solutions to address potential parking shortage, downtown aesthetics, noise mitigation and enhance safety measures.
- The Union Pacific Railroad is currently assembling a team to work with the City and DCTA on this project.

New Funding Mechanisms: Transportation Investment Generating Economic Recovery (TIGER)

- The project submitted for funding is the regional express corridor between Highland Village and The Colony and includes on-call software, fleet, an intermodal transit center and a light duty bus maintenance facility.
- The grant awards were announced and DCTA was not a recipient. The only Texas award was to TxDOT for rural transit in excess of \$20 Million.

New Funding Mechanisms: Congestion Mitigation Air Quality (CMAQ)

- DCTA staff has identified available CMAQ funding for new service areas
- Projects have been submitted to NCTCOG requesting CMAQ funds for capital initiatives currently under development by DCTA staff; 35W Regional Express Service, East/West Bus Rail Connector Service, and On-Demand/Flex Fleet Service in Non-Member Cities

UNT Parking & Transportation Master Plan

- UNT is conducting their planning study to identify campus parking and transportation needs and solutions
- DCTA is playing an active role in this effort through participation in stakeholder meetings and through active engagement on the planning committee
- The study is expected to be completed in December 2015 with a final report provided in January 2016
- DCTA staff will incorporate feedback and findings from this study into the Comprehensive Operational Analysis for the Denton service area planned for later this year

LEGISLATIVE AFFAIRS

Federal Legislation

- Chris Giglio with Capital Edge will provide a federal legislative update at the November board meeting.

ADDITIONAL PROJECTS

- NCTCOG Mobility 2040 Plan
- Transit Oriented Development Coordination
- New City Service Proposals
- NCTCOG Fleet Asset Transfer
- Grant Strategy Development
- UNT Contract Preparation & Development
- TxDOT 35W Expansion Preparation
- Technology Application Research for Flex Service
- Regional and Flex Fleet Purchase Research
- TWU Comprehensive Master Plan
- Title VI Analysis
- Update DCTA's Long Range Service Plan

OUTREACH EFFORTS _____

Recent Activities

- 10/23 Surface Transportation Technical Committee (STTC)
- 10/27 35W Coalition
- 11/17 COA Community Open House, TWU
- 11/17 COA Stakeholder Luncheon, Denton
- 11/18 COA Community Open House, DDTC

Submitted by: _____

Kristina Brevard, VP, Planning & Development

Subject: Marketing & Communications Update

MAIN MESSAGES:

State Fair of Texas Campaign Recap Report

- Campaign Timeline
 - o September 15 through October 25, 2015
- Target Audience
 - o Senior Citizens
 - o Students (TWU, UNT, NCTC)
 - o Families
 - o Those within proximity to stations or bus stops (Denton, Lewisville, Highland Village)
- Key Messages
 - o DCTA will get you from “Point A to Point Play”
 - o Avoid the congestion and parking hassles by riding DCTA
 - Ease, convenience, reliability, safety, quality
 - Adventure, journey, fun
- Website Page Views (YOY)

Page Views YOY		
Page	2014 Page Views	2015 Page Views
Main Campaign Page	6,827	11,371
Schedule Pages	3,140	67,584

- Social Media Messaging
 - o Total Twitter Posts – 8
 - Twitter Impressions – 8,427
 - Twitter Engagements (retweets, link clicks, etc.) – 96
 - o Total Facebook Posts – 2 campaign flights
 - Facebook Impressions – 38,633
 - Facebook CTR to Website – 1,218
- Online Banner Campaign
 - o Total Impressions – 2,231,327
 - o Total CTR to Website – 2,002
 - o Click Rate – .115% (above average)
- Print Campaign
 - o Total Impressions – 807,865
- Media Coverage
 - o Total Internet Reach – 12,278,179
 - o Total Print Reach – 834,226
 - o Total Publicity Value – \$8,672.10
- Ridership Results
 - o 7.6% increase in ridership YOY

A-train Ridership YOY						
Year	First Weekend	Texas/OU Game (Third Saturday)	Columbus Day	First Senior Day	Second Senior Day	Final Senior Day
2014	3,740	971	2,624	3,000	3,354	3,154
2015	3371	1919	3519	3220	3316	3361

A-train Ridership YOY					
Year	First Saturday	Second Saturday	Third Saturday	Last Saturday	Entire State Fair
2014	1,244	1,246	971	726	50,398
2015	1004	1430	1919	1868	51629

Corporate Pass Program Update

- Development of Program: 10.12.15 – 11.30.15
- Creative Development of Brochure/Website Content Development: 11.23.15 – 12.15.15
- Employer Packet Development: 11.23.15 – 12.15.15
- Business/Sales Lead Research: 12.1.15 – 12.31.15
- Additional Creative/Collateral Development: 12.1.15 – 12.31.15
- Hiring of Community Relations Assistant (to help with sales outreach): Starting 1.1.16
- Materials in Hand: 1.1.16 – 1.8.16
- Sales Strategy: 1.1.16 – 1.22.16
- Program Launch: 2.1.16

Marcomm Awards

- Platinum Award Winner for Where’s My Ride marketing product launch campaign
- Gold Award Winner for Valentine’s Day #BeMine social media campaign

Media Coverage Reports

- October 2015 Media Coverage Report (Addendum 1)
- Positive Train Control Media Coverage Report (Addendum 2)
- New Board Members Media Coverage Report (Addendum 3)

MARKETING & COMMUNICATIONS INITIATIVES		
Category	Initiative	Important Dates
Brand Planning	Comprehensive Brand Study	Planning Phase/On Hold
	Video Production (4 Videos)	Development Phase
	FY '16 Agency Performance Report Redesign	Execution Phase
	Brand Standards Manual	Execution Phase
Marketing	Commuter Marketing Campaign	Planning Phase
	GO Request Marketing Campaign	Planning Phase
	Brand Marketing Campaign	Development Phase
	Expansion Marketing Campaign	Development Phase
Collateral Development	Media Kit Redevelopment	Planning Phase
	How to Ride Rack Card	Development Phase
	January 2016 Go Guide Revisions	Development Phase
	Corporate Pass Program Collateral	Development Phase
Digital	DCTA Website Reskin	Planning Phase
	DCTA Website Content Development (revision)	Planning Phase
	Board Meeting Video Footage Postings	Planning Phase
	Transit Talk Blog Redesign	Execution Phase
Public/Media Relations	Photo and Film Guidelines	Development Phase
	Media Relations/Crisis Communications Procedures Revamp	Development Phase
	Award Nominations: Marcom Award Nominations	Won – Platinum and Gold
	Proactive Pitching	Ongoing
	PR Calendar of Activities	Ongoing
	Media Meet and Greet Activities	Ongoing
Social Media	2016 Social Media Editorial Calendar Preparation	Development Phase
	Social Media Practices Guidelines	Development Phase
	Social Media Policies and Procedures	Development Phase
	Campaign Development	Ongoing
	Executive Social Media Plan (Jim Cline Posts)	Ongoing
	Editorial Calendar Execution (Social and Video)	Ongoing
Internal Communications	Comprehensive Internal Newsletter Project (Wheels & Rails)	Planning Phase
	Dispatch Rider Alert Manual	Development Phase
	Monthly Messaging Map	Ongoing – Until 1/1
	Monthly Staff Meeting Presentation	Ongoing
	Member City Involvement	Ongoing

Events	Denton Holiday Lighting Festival	Execution Phase
	Denton Oktoberfest	Completed
Public Involvement	COA Public and Stakeholder Meetings: Tuesday, November 17 12 p.m. – 1 p.m. / TWU 6 p.m. – 7 p.m. / DDTC	Execution Phase
	Public Meeting Standard Operating Procedures	Execution Phase
	MySidewalk.com	Ongoing
Customer Service	Review of Customer Service Initiatives	Planning Phase
	Customer Service Audit	Planning Phase
	Customer Service/Dispatch Rider Alert Manual	Development Phase
	Regular Marketing/Customer Service Strategic Communications	Development Phase
Partnership Development	Greater Lewisville Newcomer's Club	Development Phase
	Lewisville Water Bill Insert Program	Development Phase
	TWU Requested Signage	Execution Phase
	UNT Mean Green In-Transit Advertising Project	Execution Phase
Program Development	In-Transit Advertising Program	Research Phase
	Safety Program	Research Phase
	Corporate Sales Pass Program	Development Phase
	Bulk Pass Program	Development Phase
Regional Initiatives	Go Pass 2.0	Ongoing
	NCTCOG Casual Carpool Application	Ongoing
	NCTCOG Air North Texas	Ongoing
	NCTCOG MyRideNCT	Ongoing
Administrative	Community Relations Assistant Position	Hiring Phase
	Administrative Assistant Positions	Hiring Phase

MARKETING & COMMUNICATIONS METRICS					
Activity	Metric	Annual Goal	Monthly	YTD	Goal Met
Brand Impressions					
Community Brand Impressions*	Global Impressions	260,000	1,951	1,951	
	Confirmed Impressions	7,500	618	618	
Media Buy Impressions**	Online/Confirmed Impressions	5M	1,127,702	1,127,702	
	Online Click Through Rate	300,000	.10%	.10%	
	Print Impressions	2M	326,664	326,664	
Media Relations					
Press Coverage	Articles About DCTA	300 Placements	52	52	
Media Relations Impressions^	Articles About DCTA	165M	22,992,694	22,992,694	
Publicity Value^^	Articles About DCTA	\$1M	\$64,766.15	\$64,766.15	
Headline Highlights	Safety rule threatens North Texas commuter, freight train service DCTA Welcomes Two New Board Members The American Public Transportation Association Honors Creative Excellence in Public Transportation DCTA selects CTC for signal enhancement project				
Major Media Outlets	Dallas Morning News; KRLD-AM; KXAS-TV (NBC 5); Denton Record-Chronicle; Mass Transit; Progressive Railroading				
Social Media					
Facebook Likes	Increase in Likes	3,000	82	82	
Twitter Followers	Increase in Followers	1,000	35	35	
Digital					
Website	Pageviews	1.5M	154,739	154,739	
	Top 5 Referring Sites	bigtex.com, Online Ads (State Fair), UNT, DART, Mobile Facebook			
DCTA Blog	Confirmed Impressions	3,000	249	249	
	Top 3 Referring Sites	Google, Facebook, Twitter			
Go Pass					
New Downloads	Total Count	170,000	37,749	37,749	

Tickets Sold	Total Count	20,000	2,737	2,737	
--------------	-------------	--------	-------	-------	--

CUSTOMER SERVICE					
Activity	Metric	Annual Goal	Monthly	YTD	Goal Met
Provide Excellent Customer Service	Calls Answered	>95%	98%	98%	
	Abandoned Calls	<3%	2%	2%	
Where's My Ride	Total Hits***	400,000	39,447	39,447	
	SMS (Texts)	50,000	9,741	9,741	
	Calls	15,000	1,996	1,996	
GORquest	Avg. Days/Closeout	<3.2	2.83	2.83	
	Total Entries/10K	>3	.94	.94	
	Complaints/10K	<5	1.59	1.59	
	Types of Submittals	Complaint - 30, Compliment - 1, Problem - 7, Question - 22, Suggestion - 3			

Footnote:

**Community Brand Impressions:*

- *Global Impressions are the total number of individuals impacted through events, fairs and sponsorships.*
- *Confirmed Impressions are the total number of one-on-one interactions experienced through events, fairs and sponsorships.*

***Media Buy Impressions:*

- *Online/Confirmed Impressions are the number of individuals who were delivered an online advertisement through marketing campaign efforts.*
- *Online Click Through Rates are the number of individuals who were delivered an online advertisement, clicked on the advertisements, and visited a directed URL through marketing campaign efforts.*

****Where's My Ride "hits" track all visits to the site. Total hits reported are not unique visitors.*

^Media Relations Impressions are the total number of individuals impacted through media relations efforts throughout all communications mediums (i.e. broadcast, print, online, radio, etc.).

^^Publicity Value identifies the financial investment that would be required to receive identical coverage through advertising efforts.

Approved by: _____

Nicole M. Recker
Vice President of Marketing & Communications



OCTOBER 2015
EXECUTIVE
REPORT

DENTON COUNTY TRANSPORTATION
AUTHORITY



TOTAL MENTIONS:

52



TOTAL REACH:

22,992,694



TOTAL PUBLICITY VALUE:

\$64,766.15



TOTAL INTERNET REACH:

19,433,962

TOP STORIES: INTERNET

1

Sounding Off: Readers discuss possible suspension of TRE, A-Train services

OUTLET: Dallas Morning News Online

REACH: 3,847,525

2

Safety rule threatens North Texas commuter, freight train service

OUTLET: Dallas Morning News Online

REACH: 3,847,525

3

Editorial: Transportation officials put North Texas drivers at risk with careless vetting of contractor

OUTLET: Dallas Morning News Online

REACH: 3,847,525

4

DART paid millions to engineering firm involved in several suits

OUTLET: Dallas Morning News Online

REACH: 3,847,525

5

Safety rule threatens North Texas commuter, freight train service

OUTLET: Oklahoman Online

REACH: 1,305,683



TOTAL BROADCAST
REACH:

105,507

TOP STORIES: BROADCAST

1

NBC 5 Today at 11:00am

OUTLET: KXAS-TV

REACH: 58,572

2

NBC5 Today at 5:30am

OUTLET: KXAS-TV

REACH: 46,935



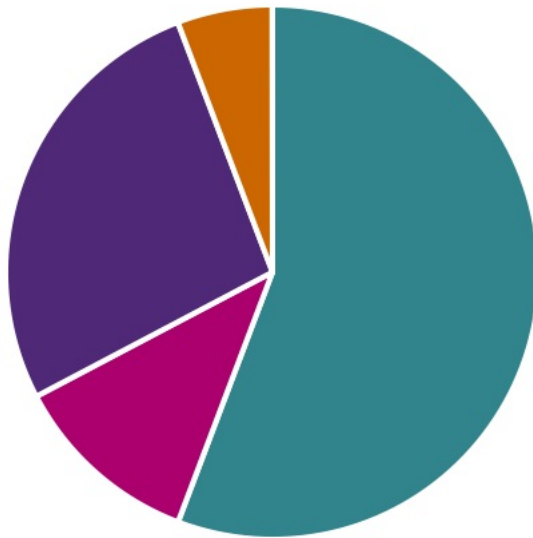
TOTAL PRINT REACH:

3,453,225

TOP STORIES: PRINT

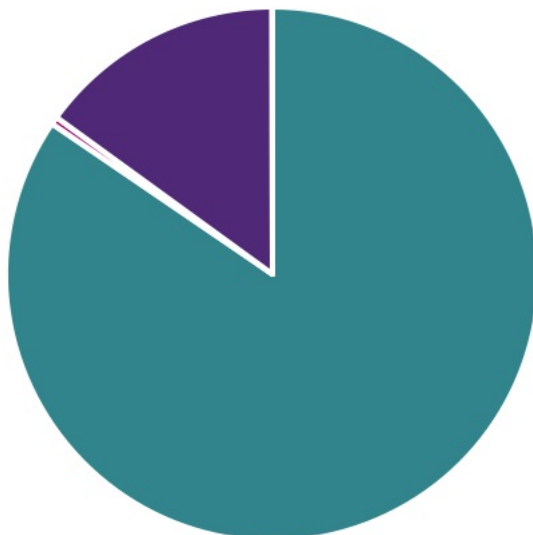
- 1 High-speed rail designers chosen
OUTLET: THE DALLAS MORNING NEWS REACH: 413,480
- 2 \$130M worth of Texas high-speed rail design work will be done at selected firms' risk
OUTLET: The Dallas Morning News: Blogs REACH: 413,480
- 3 Safety rule threatens N. Texas train service
OUTLET: THE DALLAS MORNING NEWS REACH: 413,480
- 4 A Troubling Lack of Vetting
OUTLET: THE DALLAS MORNING NEWS REACH: 413,480
- 5 Train service threatened by safety rule
OUTLET: THE DALLAS MORNING NEWS REACH: 413,480

NUMBER OF MENTIONS BY MEDIA GROUP



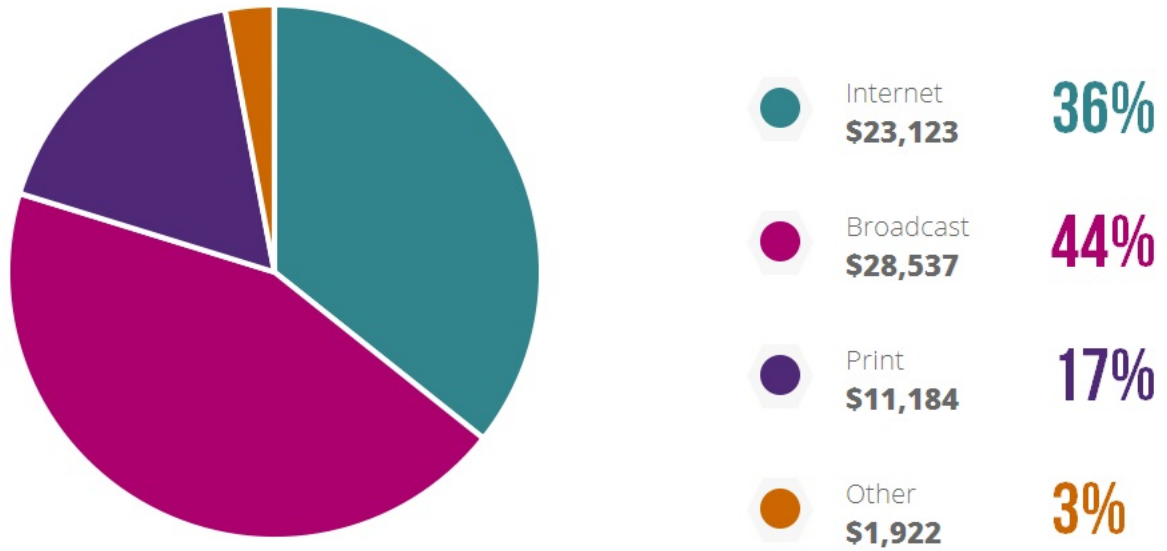
Internet	29	56%
Broadcast	6	12%
Print	14	27%
Other	3	6%

REACH BY MEDIA GROUP

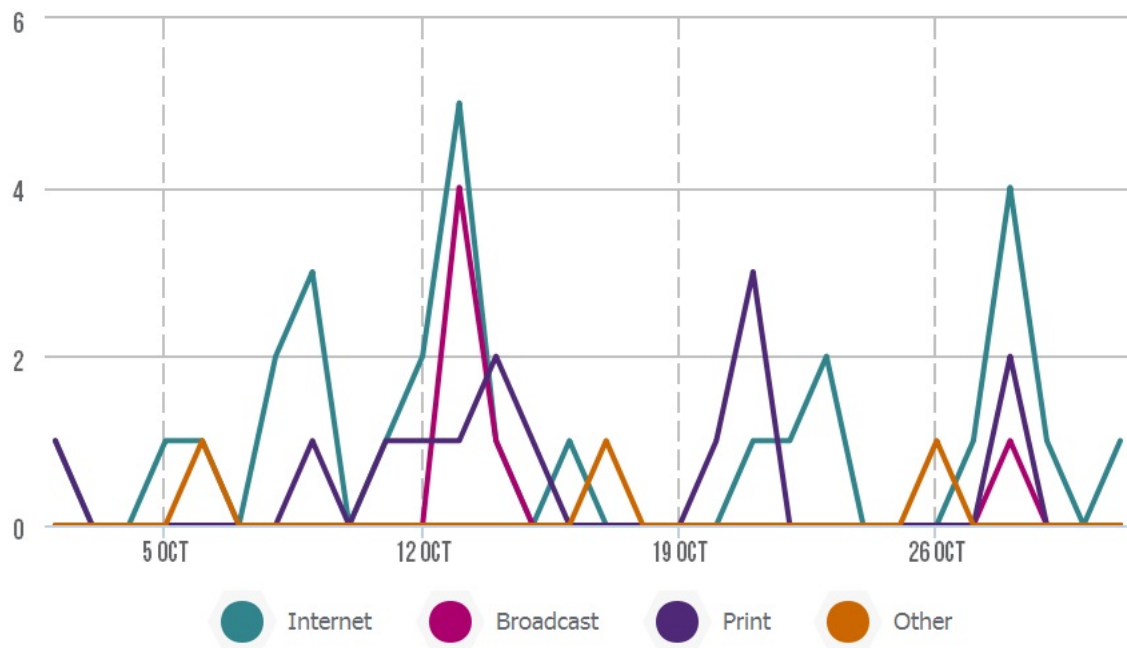


Internet	19,433,962	85%
Broadcast	105,507	0%
Print	3,453,225	15%
Other	0	0%

PUBLICITY VALUE BY MEDIA GROUP



FREQUENCY OF MENTIONS OVER TIME

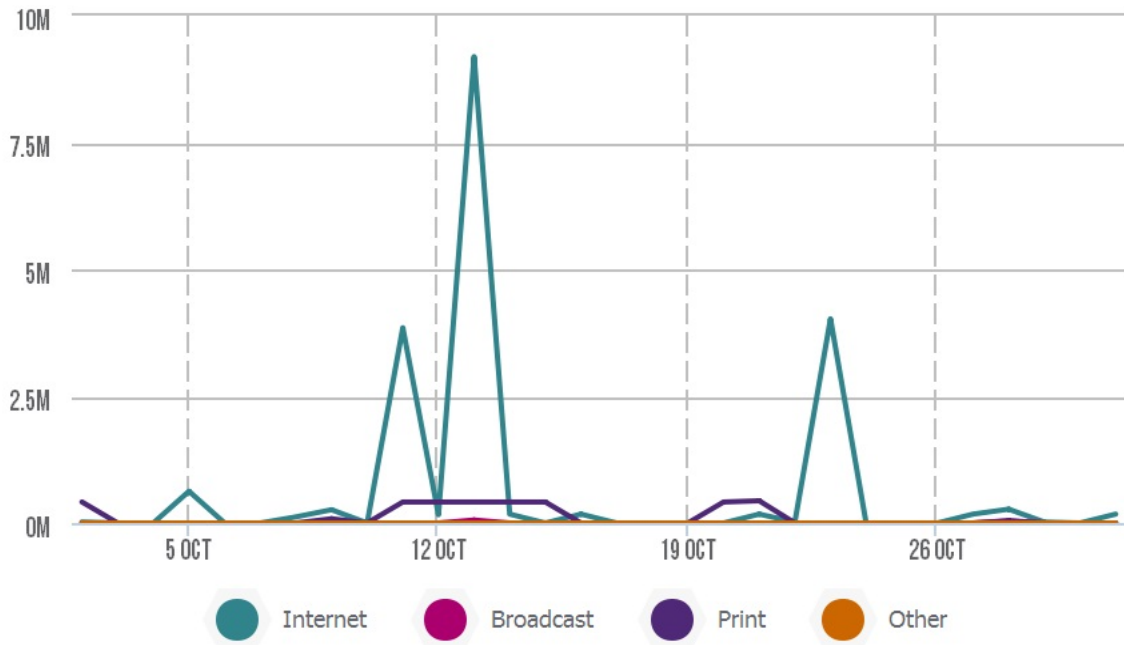


OCTOBER 2015 EXECUTIVE REPORT

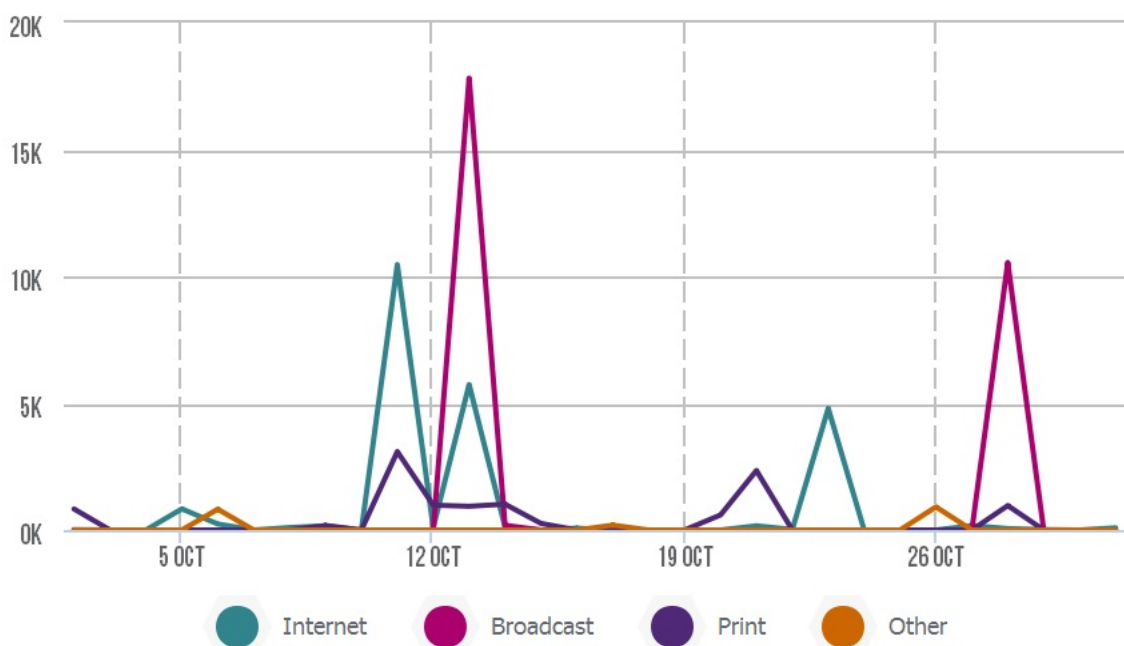
DENTON COUNTY TRANSPORTATION AUTHORITY



REACH OVER TIME



PUBLICITY VALUE OVER TIME



OCTOBER 2015 EXECUTIVE REPORT

DENTON COUNTY TRANSPORTATION AUTHORITY



SUMMARY FOR 10/2/2015 – 10/31/2015

	MENTIONS	REACH	PUBLICITY VALUE
INTERNET	29	19,433,962	\$23,122.95
Online Print Version	23	18,446,738	\$21,876.42
News Web Sites	4	814,836	\$1,098.63
Blogs	2	172,388	\$147.90
BROADCAST	6	105,507	\$28,537.35
Television Station Show	2	105,507	\$27,801.17
AM Radio Station Show	4		\$736.18
PRINT	14	3,453,225	\$11,183.79
Daily Newspaper	14	3,453,225	\$11,183.79
OTHER	3		\$1,922.06
News Service/Syndicate	3		\$1,922.06
TOTAL	52	22,992,694	\$64,766.15

PTC MEDIA REPORT

DENTON COUNTY TRANSPORTATION
AUTHORITY



TOTAL MENTIONS:

15



TOTAL REACH:

10,698,361



TOTAL PUBLICITY VALUE:

\$39,803.03



TOTAL INTERNET REACH:

9,352,414

TOP STORIES: INTERNET

1

Sounding Off: Readers discuss possible suspension of TRE, A-Train services

OUTLET: Dallas Morning News Online

REACH: 3,847,525

2

Safety rule threatens North Texas commuter, freight train service

OUTLET: Dallas Morning News Online

REACH: 3,847,525

3

Safety rule threatens North Texas commuter, freight train service

OUTLET: Oklahoman Online

REACH: 1,305,683

4

Safety rule threatens North Texas commuter, freight train service

OUTLET: Topix.net

REACH: 177,051

5

Rule imperils rail service

OUTLET: Denton Record-Chronicle Online

REACH: 174,630



TOTAL BROADCAST
REACH:

105,507

TOP STORIES: BROADCAST

1

NBC 5 Today at 11:00am

OUTLET: KXAS-TV

REACH: 58,572

2

NBC5 Today at 5:30am

OUTLET: KXAS-TV

REACH: 46,935



TOTAL PRINT REACH:

1,240,440

TOP STORIES: PRINT

1

Safety rule threatens N. Texas train service

OUTLET: THE DALLAS MORNING NEWS

REACH: 413,480

2

Train service threatened by safety rule

OUTLET: THE DALLAS MORNING NEWS

REACH: 413,480

3

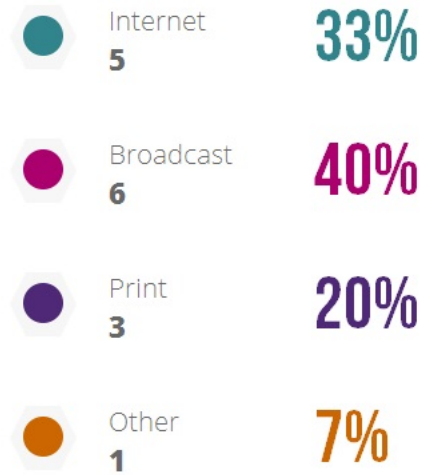
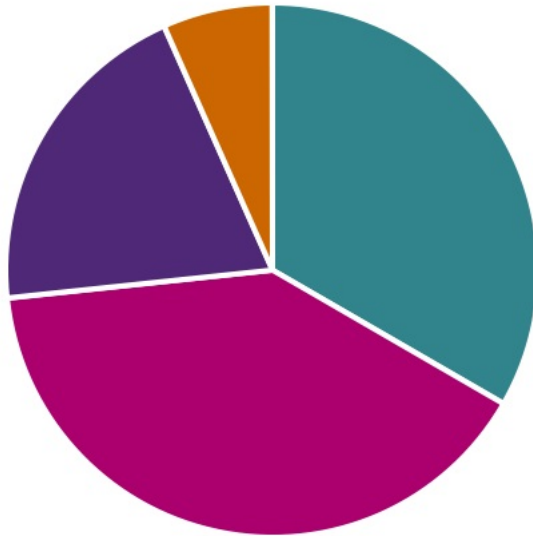
Officials hoping to avoid suspension of TRE, A-train service next year

OUTLET: The Dallas Morning News: Blogs

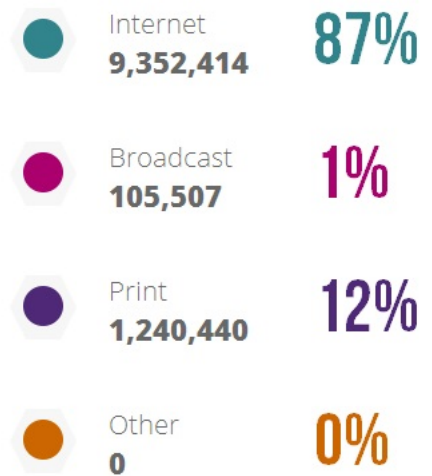
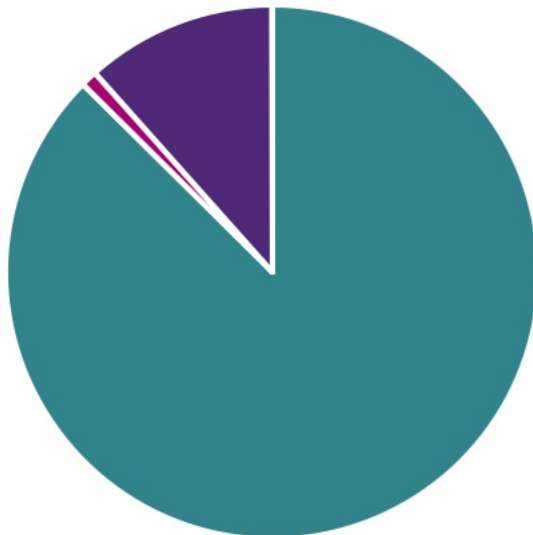
REACH: 413,480



NUMBER OF MENTIONS BY MEDIA GROUP

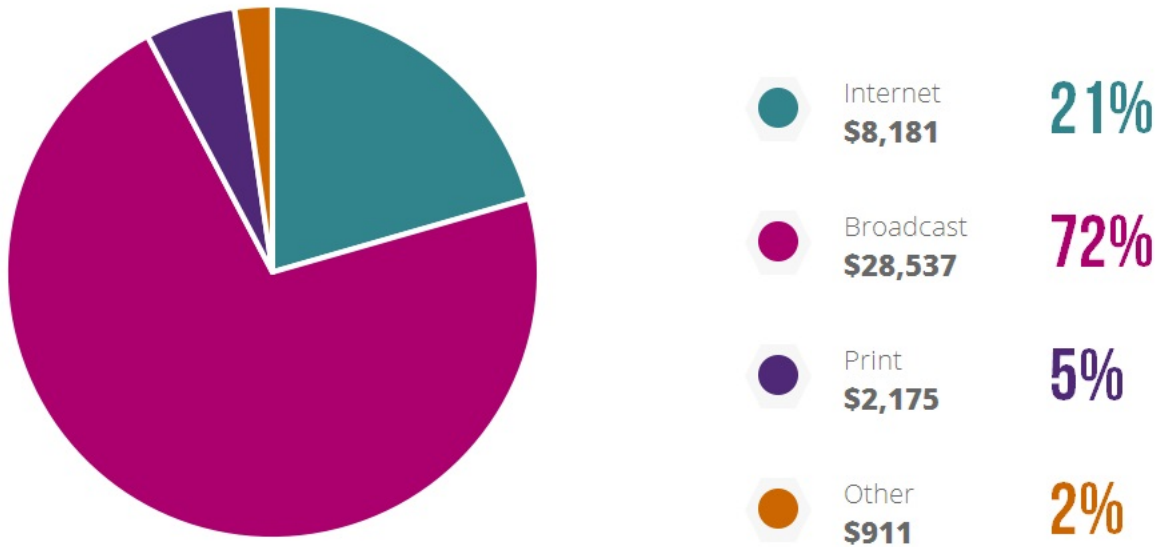


REACH BY MEDIA GROUP

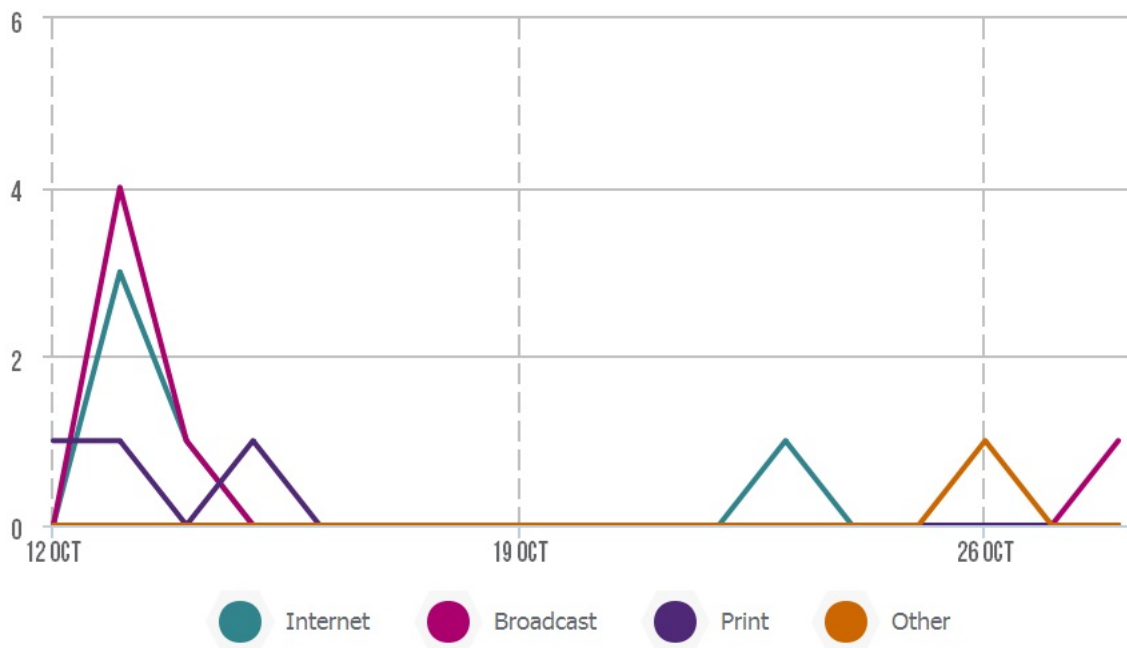




PUBLICITY VALUE BY MEDIA GROUP

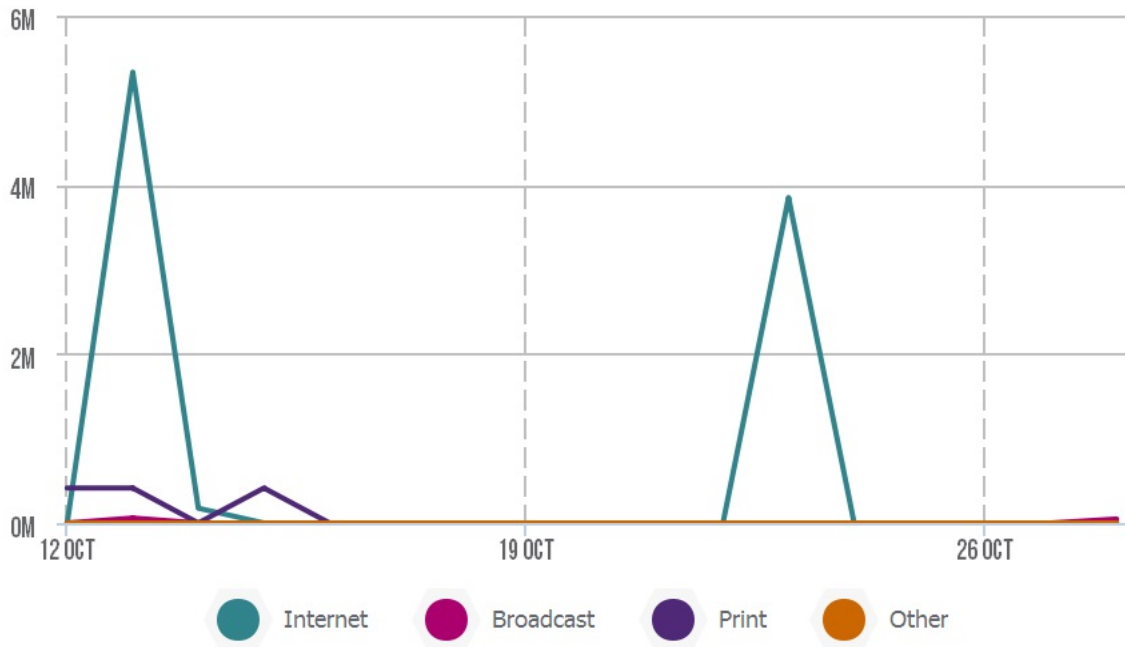


FREQUENCY OF MENTIONS OVER TIME

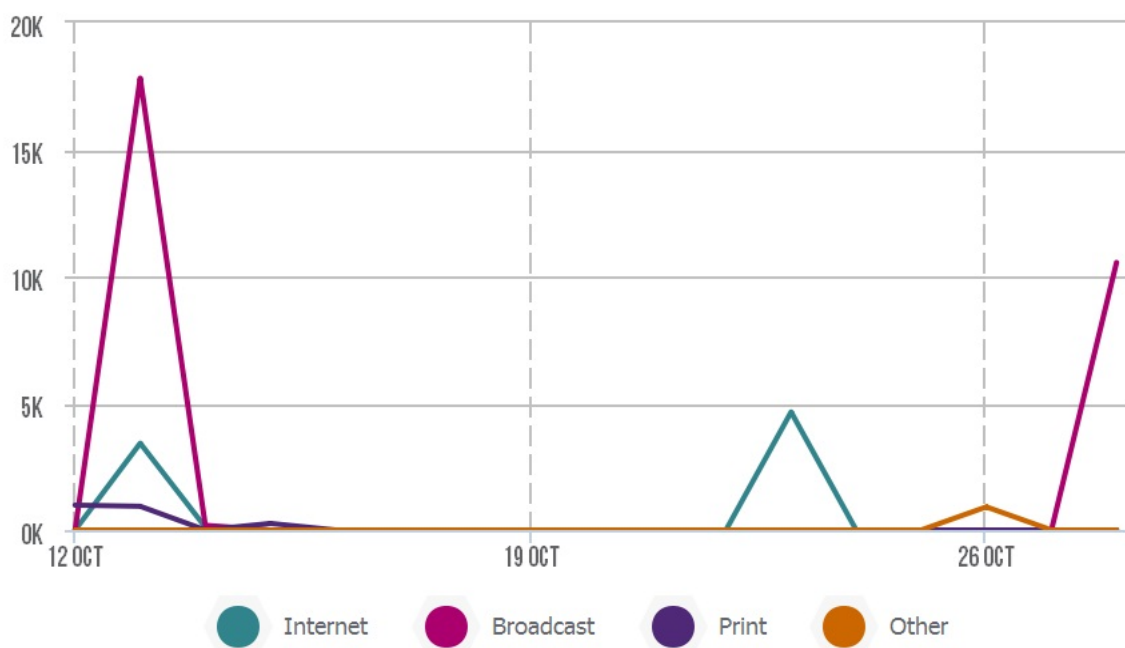




REACH OVER TIME



PUBLICITY VALUE OVER TIME



SUMMARY FOR 10/12/2015 – 10/28/2015

	MENTIONS	REACH	PUBLICITY VALUE
INTERNET	5	9,352,414	\$8,180.54
Online Print Version	4	9,175,363	\$8,165.41
News Web Sites	1	177,051	\$15.13
BROADCAST	6	105,507	\$28,537.35
Television Station Show	2	105,507	\$27,801.17
AM Radio Station Show	4		\$736.18
PRINT	3	1,240,440	\$2,174.62
Daily Newspaper	3	1,240,440	\$2,174.62
OTHER	1		\$910.52
News Service/Syndicate	1		\$910.52
TOTAL	15	10,698,361	\$39,803.03

NEW BOARD MEMBERS REPORT

DENTON COUNTY TRANSPORTATION
AUTHORITY



TOTAL MENTIONS:

7



TOTAL REACH:

484,723



TOTAL PUBLICITY VALUE:

\$1,085.97



TOTAL INTERNET REACH:

446,857

TOP STORIES: INTERNET

1

Briefly in business

OUTLET: Denton Record-Chronicle Online

REACH: 174,630

2

DCTA Welcomes Two New Board Members

OUTLET: Mass Transit Online

REACH: 88,770

3

Railroading People Article Fort Worth's The T reappoints Mahaffey chair; DCTA adds two board members

OUTLET: Progressive Railroading Online

REACH: 81,846

4

Rail News - Fort Worth's The T reappoints Mahaffey chair; DCTA adds two board members. For Railroad Career Professionals

OUTLET: Progressive Railroading Online

REACH: 81,846

5

DCTA welcomes two new board members

OUTLET: Plano Star-Courier Online

REACH: 19,765



TOTAL PRINT REACH:

37,866

TOP STORIES: PRINT

1

DCTA welcomes two new board members

OUTLET: Lewisville Leader (Texas)

REACH: 30,600

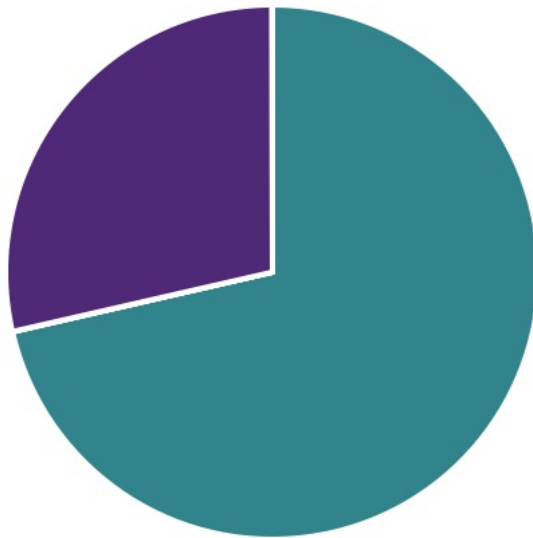
2

DCTA welcomes two new board members

OUTLET: The Colony Courier-Leader (Texas)

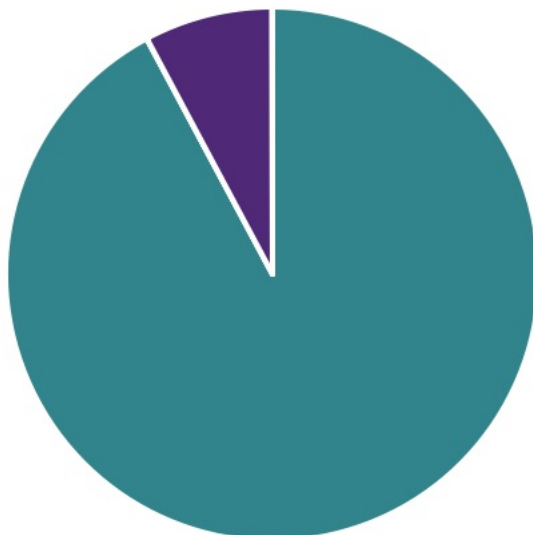
REACH: 7,266

NUMBER OF MENTIONS BY MEDIA GROUP



Internet	5	71%
Broadcast	0	0%
Print	2	29%
Other	0	0%

REACH BY MEDIA GROUP

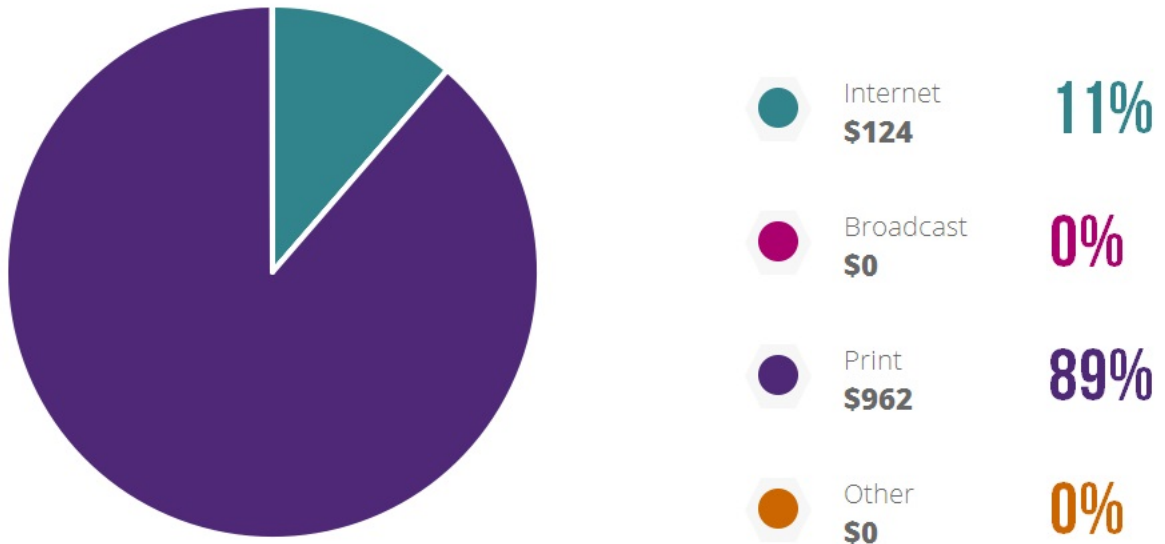


Internet	446,857	92%
Broadcast	0	0%
Print	37,866	8%
Other	0	0%

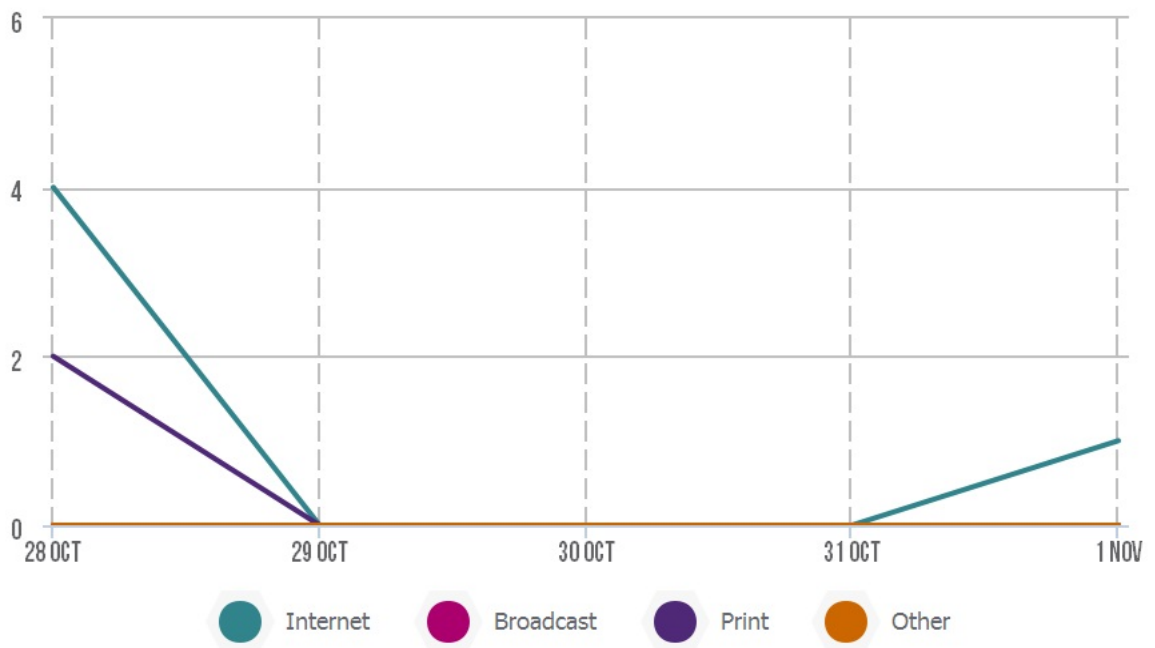
NEW BOARD MEMBERS REPORT

DENTON COUNTY TRANSPORTATION AUTHORITY

PUBLICITY VALUE BY MEDIA GROUP



FREQUENCY OF MENTIONS OVER TIME

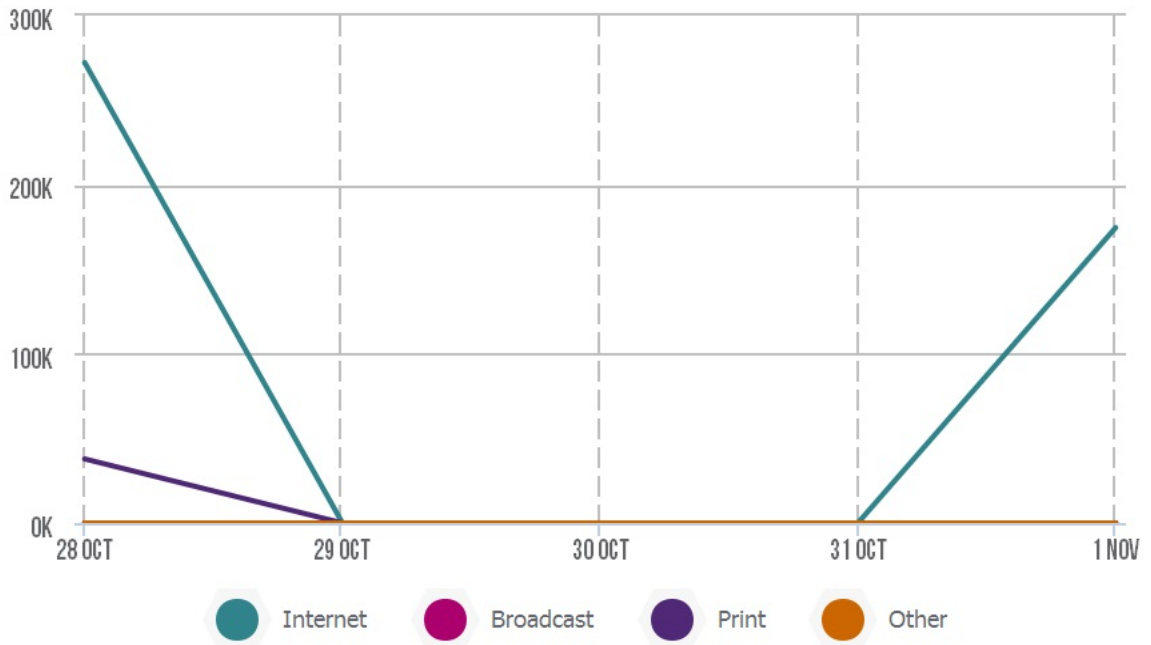


NEW BOARD MEMBERS REPORT

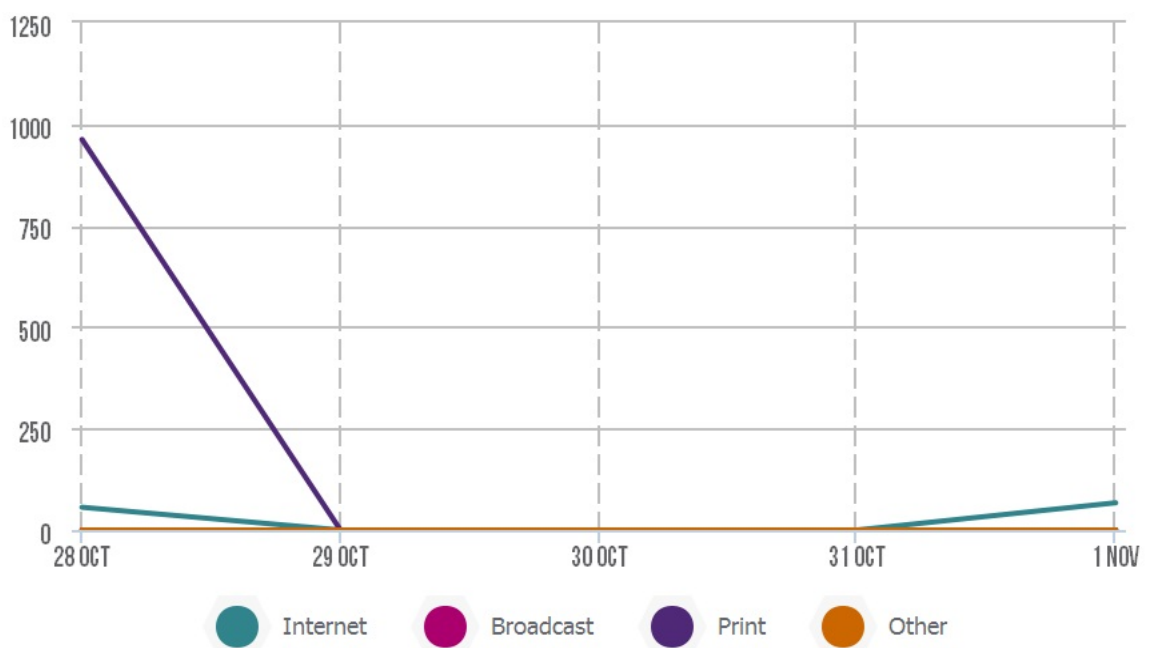
DENTON COUNTY TRANSPORTATION AUTHORITY



REACH OVER TIME



PUBLICITY VALUE OVER TIME



NEW BOARD MEMBERS REPORT

DENTON COUNTY TRANSPORTATION AUTHORITY



SUMMARY FOR 10/28/2015 – 11/1/2015

	MENTIONS	REACH	PUBLICITY VALUE
INTERNET	5	446,857	\$123.61
Online Print Version	5	446,857	\$123.61
PRINT	2	37,866	\$962.36
Daily Newspaper	2	37,866	\$962.36
TOTAL	7	484,723	\$1,085.97

Board of Directors Memo
Subject: Capital Projects Update

November 19, 2015

Signal System Enhancements

Project Budget: \$868,558

Milestone Schedule:

Signal System Enhancements	Status
Notice to Proceed	10/1/2015
Master Project Schedule	10/29/2015
Functional Design Document	10/31/2015
Safety Plan	11/12/2015
Test Plan	11/12/2015
Product Submittals	11/26/2015
60% Design Review	11/21/2015
90% Design Review	12/28/2015
100% Design Review	1/14/2016
Fiber Optic Construction	12/31/2015
Site Equipment Installation	2/20/2016
Back Office Integration	3/12/2016
Contract Closeout	3/28/2016

Positive Train Control (PTC)

- A contract was awarded to GE Transportation Systems or Enhanced Automatic Train Control system.
- GE was acquired by Alstom in November, 2015. We are awaiting receipt of bonds so that we can issue NTP.
- The project is expected to complete by year end 2017.

Flood Damage repairs

Issue	Initial Cost	Alternative	Status
Emergency Response	\$ 191,500		PW in progress
Track wash-out repairs	\$ 27,818		PW in progress
Replace crossings	\$2,341,871*		In-depth analysis in progress Alternative concrete injection has been rejected by DCTA & Herzog. Awaiting results of GPR
Bus O&M Electrical Repairs	\$ 14,616		PW in progress
Signal & Comm. System	\$ 609,306*	\$150,000	In-depth analysis Alternative possible mold mitigation in signal house. Insurance is pending

Scouring & Wash-outs	\$ 59,844*	PW in progress
Rail OMF drainage	\$ 111,690*	PW in progress
Replace flume at Pockrus Page	\$ 193,695*	PW in progress
Undercut ballast	\$1,553,064*	In-depth analysis. GPR survey scheduled 11/22.

*Includes estimated engineering and project management

NOTES:

FEMA will have PW ready for submission to Austin in mid to late November for the following:

- Emergency response
- Track wash-out repairs
- Bus O&M electrical repairs
- Scouring and wash-out repairs
- Flume at Pockrus Page
- Rail OMF drainage
- Crossing replacement Awaiting GPR results
- Signal House replacement Awaiting insurance carrier decision
- Ballast Undercutting Awaiting GPR results

Transit Enhancements

- Materials are on-hand and the City of Denton has issued 8 permits. DCTA is in the process of contracting for installation services.

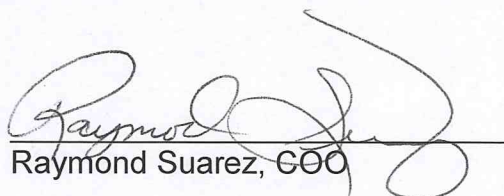
Lewisville Hike and Bike Trail – Eagle Point Section

- DCTA was awarded the Transportation Alternatives Program (TAP) grant for completion of the Hike and Bike Trail from downtown Lewisville to the Highland Village/Lewisville Lake station. We are awaiting receipt of the Advanced Funding Agreement (AFA) from TxDOT. Construction plans are 95% complete. Permits for the section immediately south of the station are being finalized, but cannot be completed until we receive the AFA.

Network Infrastructure Upgrade

- Install of equipment and connections are underway to leverage DCTA's fiber for connectivity of the DDCT, Bus O&M, Rail O&M and the Administrative Offices.
- A microwave backhaul connection is being implemented for business continuity.
- The upgrade will greatly enhance DCTA's network performance and resiliency with lower total cost of ownership as monthly fees will be eliminated.
- Once the network upgrade is complete it will enable the upgrade of the phone system which will connect all locations with an integrated solution for enhanced call services.
- The network upgrade is expected to be completed by end of November, 2015.

Final Review:



Raymond Suarez, COO

Subject: Transit Operations Report

SYSTEM ON-TIME PERFORMANCE

- FY 2016 YTD, “On Time Performance” (OTP) for the A-train is 99%
- FY 2016 YTD “On Time Performance” (OTP) for Connect service is 87.94%. On-time performance has been adjusted to properly reflect departures from each bus stop as well as the final destination. This new data has shown a decrease in on-time performance primarily due to traffic delays (35%) and fleet mechanical issues (38%).

RIDERSHIP PERFORMANCE

Year to date change in ridership by service type

Service	% Change FY 2015 to FY 2016	Color Indicator	Notation No.
All Bus & Rail	-3.28%	Yellow	1
Rail	1.69%	Green	
All Bus	-5.61%	Yellow	1
Connect	-0.09%	Green	
UNT	-6.45%	Yellow	1
NCTC	-0.64%	Green	
Access	-9.56%	Yellow	
Connect RSVP	-18.23%	Red	2

1. UNT boardings dropped which negatively impacted the entire system.
2. Connect RSVP continues to decline which is likely due to significant construction associated with the I35 E corridor and construction in close proximity to the station.
3. Staff recommends adding an additional peak vehicles to improve the RSVP service. The plan is to put this service in place prior to the January service change.

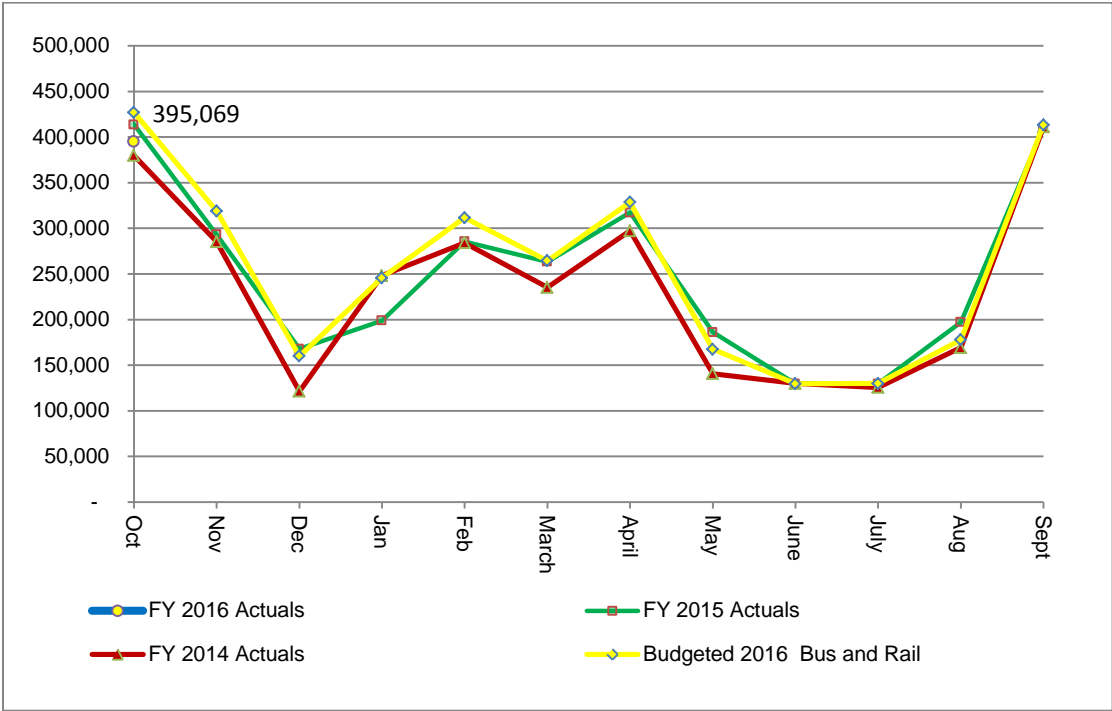
Color Key

Green indicates positive performance

Yellow indicates service that will be monitored by staff

Red indicates poor performance and needs further research

Rail and All Bus: Total Boardings

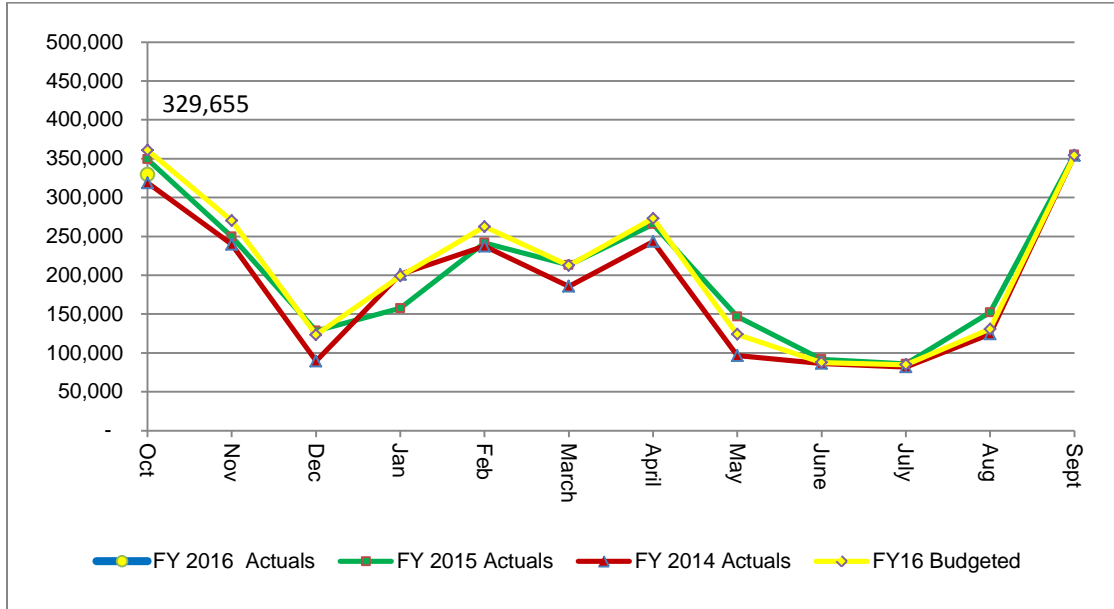


Note: Statistics include A-train, Connect, UNT, NCTC, Access, Connect RSVP, and special movement services.

Rail and All Bus: Total Boardings

- Annual ridership for bus and rail combined decreased by 3.28% (or 13,379 boardings) compared to October 2014.
- This drop is explained by the decrease in UNT ridership.

All Bus: Total Boardings

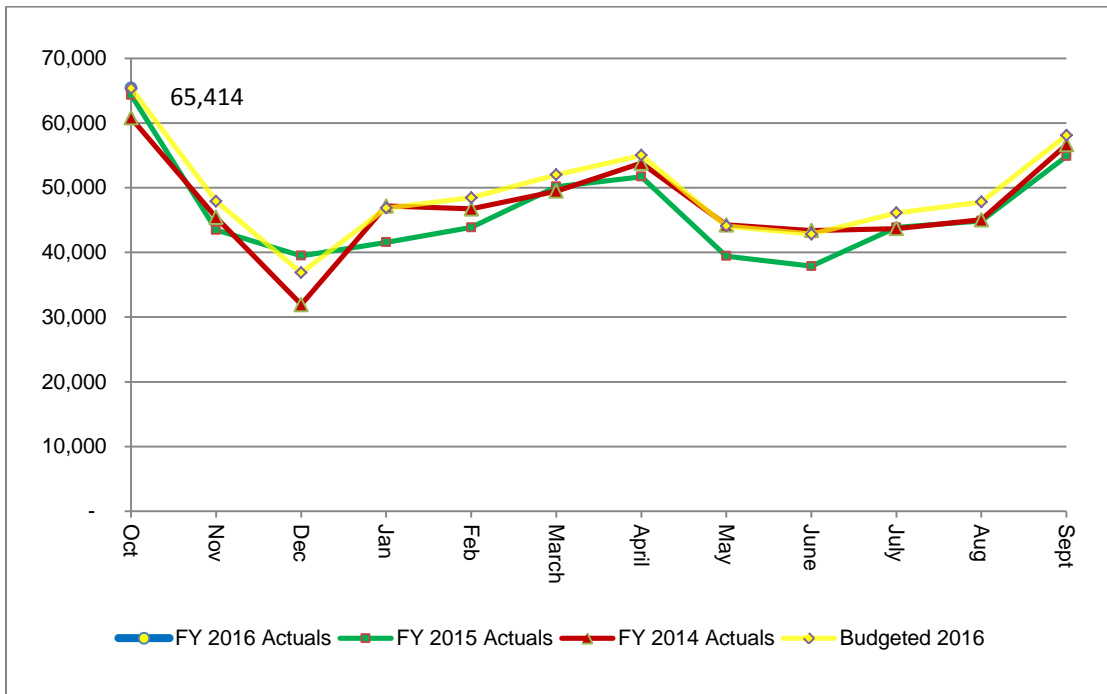


Note: Statistics include Connect, UNT, NCTC, Access, Connect RSVP, and special movement services.

All Bus: Total Boardings

- A decrease in UNT ridership is the primary driver of total bus decline which makes up a significant percentage of total bus ridership.
- Annual UNT ridership decreased by 6.45% (or 18,136 boardings) when compared to October 2014. Last month was the first time UNT ridership declined since August 2014.
- This decline may be explained by sharp increase in missed UNT revenue miles and hours from October 2015 to 2014. Last month, UNT service missed 178.8 revenue miles and 19.10 revenue hours compared to October 2014 where only 54.40 revenue miles and 5.02 revenue hours were missed.
- Of all UNT routes, Centre Place (East and West), Sam Bass, and Mean Green experienced the largest declines in ridership.

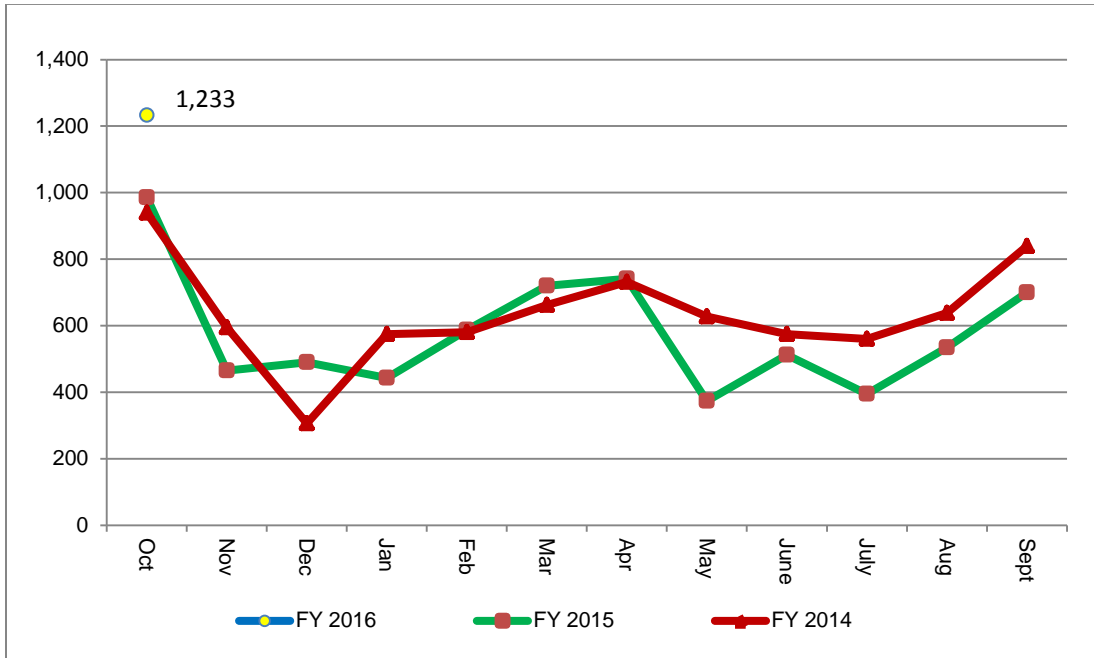
Rail: Total Boardings



Rail: Total Boardings

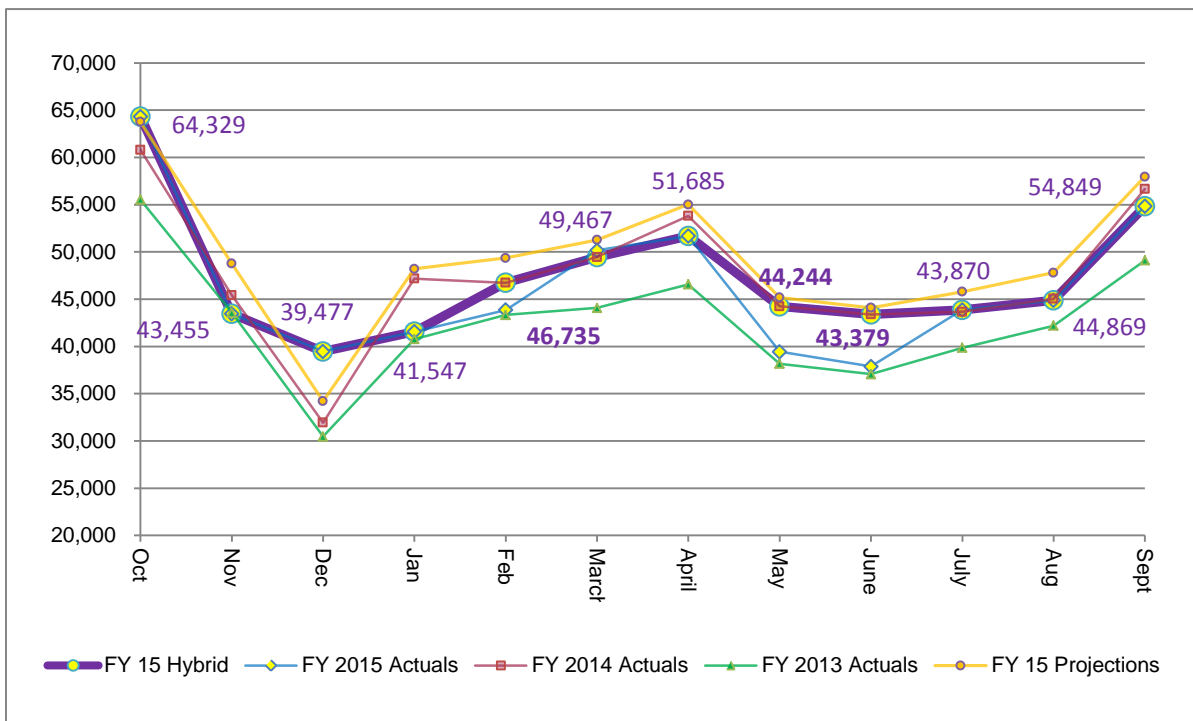
- October 2015 rail boardings increased by 1.69% (or 1,085 boardings).

Rail: Saturday Average Boardings



- Average Saturday boardings for October 2015 increased by 25.11% (or 247 boardings per Saturday) compared to October 2014. This is primarily due to record State Fair attendance.

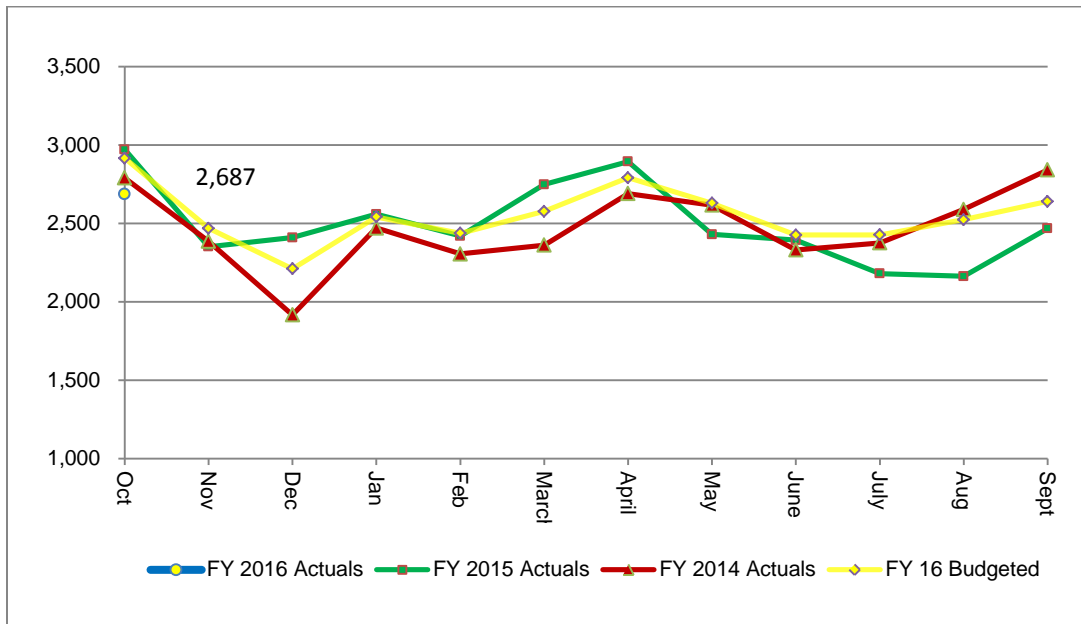
Rail: FY 2015 Modified Total Boardings



Note: Boardings in February, May, and June were replaced with those months in FY 2014 to approximate annual ridership without inclement weather or restricted service.

- Total FY 2015 boardings without substitutes was 555,423 which is a 1.46% decrease (or 8,219 boardings) compared to FY 2014.
- When February, May, and June 2015 were substituted with those months in FY 2014, total boardings were 567,906 which is an increase of 0.89% (or 4,964 boardings).

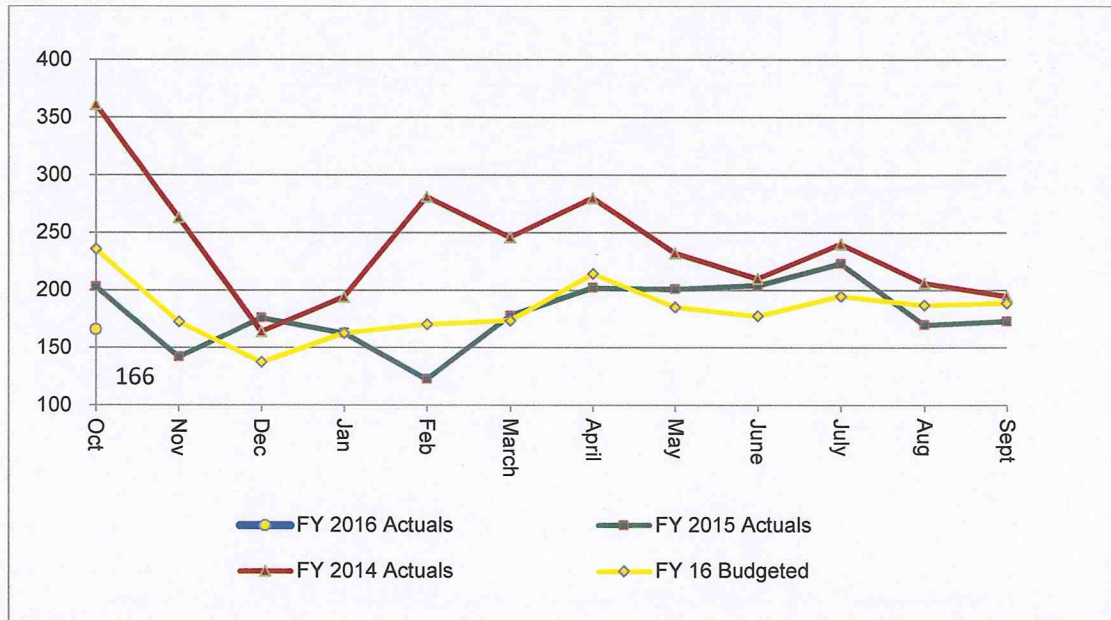
Access: Total Boardings



Access: Total Boardings

- October 2015 boardings decreased by 9.56% (or 284 boardings) compared to October 2014.

Connect RSVP: Total Boardings



Connect RSVP: Total Boardings

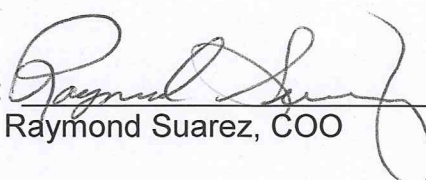
- Connect RSVP continues to underperform, 18.23% YTD, likely due to heavy construction around the HV/LL station, the demolition of bridge access and offramp access to and from Highland Village which makes meeting on time performance very difficult. Staff is recommending the addition of 1 vehicle to augment service until a new service strategy is implemented.

SAFETY/SECURITY

- DCTA Rail Operations Injury-Free Workdays: 1,262
- DCTA Bus Operations Injury-Free Workdays: 15

MAINTENANCE

- **Right of Way:** Routine daily inspections are being performed by the contractor.
- **Signal/Communications:** There were no issues in the month of October.
- **Stations:** DCTA contract operations (HTSI) continues to perform weekly safety inspections, which have not identified any major issues.
- **Rail Mechanical:** DCTA contract operations (HTSI) reported no mechanical failure in October.

Final Review: 
 Raymond Suarez, COO



Board of Directors Memo

November 19, 2015

Item: WS 3(a) Finance Committee Chair Report

The Finance Committee meeting and Special called Board of Directors meeting was held at 2:00 p.m., Monday, November 9, 2015 at 1955 Lakeway Dr., Suite 260 Conference Room in Lewisville, TX.

In attendance were:

Committee Chair: Dave Kovatch

Committee Members: Richard Huckaby, Connie White, Tom Winterburn

Board Members: Paul Pomeroy, Charles Emery

Absent: Allen Harris

DCTA Staff: Anna Mosqueda, Amanda Riddle, Jim Cline, Kristina Brevard, Nicole Recker, Raymond Suarez, Ann Boulden, Chrissy Nguyen, Rusty Comer

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:

Presentation of Sales Tax Discovery Services

- Brenda Anderson with MuniServices presented the sales tax discovery process, noting that the current review has discovered \$243,000 for DCTA to date.

Review Investment Policy

- The Finance Committee will review the red-lined investment policy and will submit revisions for discussion and consideration. A special called Finance Committee meeting will be held prior to the November Board meeting to discuss any revisions to the investment policy in preparation for forwarding to the Board for action at its December meeting.

Review Financial Policies

- The Finance Committee will review the current financial policies and will submit revisions for discussion and consideration. Any recommendations for revisions to the current financial policies will be discussed at the January Finance Committee meeting.
- Anna provided an update and discussed the timeline of the current Compensation Study. She also announced that the Downtown Denton Transit Center has officially been transferred to DCTA from the City of Denton.

Update on Flood Damage Costs

- Ann Boulden presented an update on current project costs. FEMA is reviewing all costs for potential reimbursement. Current project costs are estimated at \$5.2 million.

Update on Single Car Operations

- Raymond Suarez presented a status update to the Signal Enhancements/Single Car Operations project. The project is expected to be completed in March 2016 with single car operations to commence in mid-FY2016. Any estimated operating cost savings will be incorporated into the FY16 revised budget in May.

Finance Committee Calendar

- A calendar for FY16 Finance Committee meetings was distributed. The FY17 budget calendar will be set and distributed in May 2016.

The following follow-up items were identified:

- **Distribute red-lined investment policy to Finance Committee and incorporate any edits from C. Emery - A. Mosqueda**
- **Distribute word document of Financial Polices for Finance Committee review & comment for January committee meeting – A. Mosqueda**
- **Analysis of “Lessons Learned” from TAPS circumstances – J. Cline**
- **Update Finance Committee meeting dates in Board Master Calendar – R. Comer/A. Riddle**
- **Update from legal on Board liability limits – P. Smith/J. Cline**
- **Update on NCTCOG PTC grant draw-down – A. Mosqueda/A. Riddle**
- **Review Revolving Door Policy – A. Mosqueda**
- **Review scope of Compensation Study for next year’s update – A. Mosqueda**
- **Incorporate impact of single car operations implementation for FY16 revised budget – A. Mosqueda/R. Suarez**

The meeting adjourned at 3:32pm.

Finance Committee
Chair – Dave Kovatch
Members – Richard Huckaby, Connie White, Allen Harris, Tom Winterburn
Staff Liaison – Anna Mosqueda – CFO



Special Called Meeting of the DCTA Board of Directors
and the **Finance Committee**
of the DCTA Board of Directors
2:00 p.m., November 9, 2015
1955 Lakeway Drive, Suite 260 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) Presentation of Sales Tax Audit Services
- 2) Investment Policy
- 3) Review Financial Policies
 - a. Update on Compensation Study
- 4) Update on flood damage costs
- 5) Single Car Operations –Timeline & Costs
- 6) Finance Committee Calendar – FY2017 Meetings
- 7) ADJOURN

Finance Committee

Chair – Dave Kovatch

Members – Richard Huckaby, Connie White, Allen Harris, Tom Winterburn

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 rcomer@dcta.net or calling Rusty Comer at 972-221-4600.

This notice was posted on 11/6/2015 at 12:31 PM.

Rusty Comer, Public Information Coordinator



Presentation of Sales Tax Audit Services

Representatives from MuniServices will present information regarding the sales tax audit services they will be performing for the agency.

Investment Policy

The Investment Policy will be presented to the Board for adoption in November. Our investment advisors, First Southwest Asset Management, have recommended no changes and their review letter is attached. Only housekeeping changes are incorporated (see attached).

Review Financial Policies

The Financial Policies are reviewed annually by the Finance Committee. Staff is not recommending any changes to the current financial policies (see attached).

Submitted by: _____
Amanda Riddle, Budget Manager

Final Review: _____
Anna Mosqueda, CFO



300 W. 6th Street
Suite 1940
Austin, Texas 78701

512-481-2009 Direct
800-575-3792 Toll Free
512-481-2020 Fax

Scott McIntyre
Senior Vice President

scott.mcintyre@firstsw.com

POLICY REVIEW

September 11, 2015

Ms. Anna Mosqueda
Chief Financial Officer
Denton County Transportation Authority
1955 Lakeway Drive, Suite 260
Lewisville, TX 75057

Dear Anna:

As requested, FirstSouthwest Asset Management, Inc. has performed a review of the Denton County Transportation Authority (“DCTA”) written investment policy to determine compliance with the Texas Public Funds Investment Act (the “Act”), Texas Government Code, Chapter 2256. Our review was limited in scope, with the primary purpose being to evaluate conformity with the Act. We did not seek to ensure that all funds and procedures are addressed in the policy, nor have we reviewed compliance with the policy or internal controls of DCTA. Based upon our review, we have reached the following conclusion:

Although the Texas Legislature did meet in 2015, none of the few amendments made to the Act this year were applicable to DCTA. We believe all previously written requirements of the Act are included within the current policy. As a result, we do not recommend any changes to the Denton County Transportation Authority investment policy this year.

If you have any questions regarding this policy, please contact me at 1-800-575-3792 or directly at (512) 481-2009.

Sincerely yours,

Scott McIntyre, CFA
Senior Vice President

Cc: Ms. Marisa Perry

DENTON COUNTY TRANSPORTATION AUTHORITY INVESTMENT POLICY

I. POLICY STATEMENT

The Denton County Transportation Authority (DCTA) policy is that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of DCTA and conforming to all applicable state statutes governing the investment of public funds.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. DCTA shall maintain a comprehensive cash management program which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms, Board Policy, and the management of banking services.

Receiving a market rate of interest will be secondary to the requirements for safety and liquidity. DCTA intends to be in complete compliance with local law and the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). Investment earnings will be used in a manner that best serves the interests of DCTA.

II. SCOPE

This investment policy applies to all the financial assets and funds of DCTA. However, this policy does not apply to the assets administered for the benefit of DCTA by outside agencies under deferred compensation programs.

DCTA may commingle its funds into one pooled investment fund for investment purposes for efficiency, and maximum investment opportunity.

III. OBJECTIVES AND STRATEGY

DCTA's policy is that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety of principal, liquidity, diversification and yield. Investments are to be chosen in a manner which promotes diversity by market sector, credit, and maturity. The choice of high-grade government investments and high-grade money market instruments is designed to assure the marketability of those investments should liquidity needs arise. To best meet anticipated cash flow requirements, the weighted average maturity (WAM) of the overall portfolio may not exceed 18 months.

Safety of Principal

Safety of principal is the foremost objective of DCTA. Investments of DCTA shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The safety of principal is best achieved by limiting maximum maturities to two years or no further than expected project cashflow forecasts, limiting investment types to those specifically authorized by this policy, diversifying investments, and monitoring credit ratings on selected investment types.

Liquidity

DCTA's investment portfolio will be based on a cash flow analysis of needs and will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated. The portfolio will be structured so that investments mature concurrent with cash needs. Because all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in investments that offer same-day liquidity for unanticipated cash demands. In addition, a portion of the portfolio will consist of securities with active secondary or resale markets.

Diversification

The portfolio will be diversified by maturity and market sector and will include the use of a number of broker/dealers for diversification and market coverage. Competitive bidding, as defined herein, will be used on each sale and purchase.

Yield

DCTA's investment portfolio shall be designed with the objective of attaining a market yield-to-maturity taking into account DCTA's risk constraints and the cash flow needs of the portfolio. "Market yield-to-maturity" may be defined as the rolling average yield of the current six-month Constant Maturity Treasury (CMT).

DCTA has selected the weighted-average yield-to-maturity as its preferred measure of investment performance. The weighted-average yield-to-maturity shall be calculated on a monthly basis by multiplying each individual security's yield-to-maturity at time of purchase by its book value, totaling the product of these calculations, and dividing by the total book value of the portfolio.

IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"). The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public fund deposits. All investments will be made in accordance with these statutes.

V. DELEGATION OF INVESTMENT AUTHORITY

The Chief Financial Officer acting on behalf of DCTA is designated as the Investment Officer and the President of DCTA is designated as the Alternate Investment Officer of DCTA. The Investment Officer is responsible for investment management decisions and activities. The Investment Officer is also responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy. Procedures will include reference to safekeeping, require and include Master Repurchase Agreements (as applicable), wire transfer agreements, banking services contracts and other investment related activities.

The Investment Officer shall be responsible for all transactions undertaken and shall regulate the activities of subordinate officials and staff. The Investment Officer shall designate in writing a

staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer and Alternate Investment Officer are not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established.

Authorization Resolution

A Trading Resolution is established with this investment policy and attached hereto authorizing the Investment Officer to engage in investment transactions on behalf of DCTA. The persons authorized by the Trading Resolution to transact business for DCTA are also authorized to approve wire transfers used in the process of investing.

VI. PRUDENCE

The standard of prudence to be used in the investment function shall be the “prudent person” standard and shall be applied in the context of managing the overall portfolio. This standard states that:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.”

Limitation of Personal Liability

The Investment Officer and those delegated investment authority under this Policy, when acting in accordance with the written procedures and this Policy and in accord with the Prudent Person Rule, shall be relieved of personal liability in the management of the portfolio provided that deviations from expectations for a specific security’s credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate actions are taken to control adverse market effects.

VII. INTERNAL CONTROLS

The Investment Officer shall establish a system of written internal controls which will be reviewed annually with the independent auditor of DCTA. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes or imprudent actions by employees of ~~the~~ DCTA.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of DCTA. Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes.

VIII. AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below and as further described by the Public Funds Investment Act.

A. Obligations of the United States Government, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC), agencies and instrumentalities and government sponsored enterprises, excluding collateralized

mortgage obligations (CMO's), not to exceed two years to stated maturity with the exception of project funds which may be invested in longer maturities but not to exceed forecasted expenditure dates;

B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas, not to exceed two years to stated maturity. In addition, separate CDs issued by depositories wherever located, bundled together into a single investment with the full amount of ~~principle-principal~~ and interest of each CD insured by the Federal Deposit Insurance Corporation (FDIC) may be purchased through a broker that has its main office in Texas and is selected from a list adopted by the DCTA board or a selected depository institution with its main office or branch office in Texas. This broker or depository shall act as the custodian for the various certificates on behalf of DCTA.

C. Repurchase agreements and reverse repurchase agreements as defined by the Act, not to exceed 180 days to stated maturity, provided an executed Master Repurchase Agreement is on file with DCTA and the counterparty bank or primary dealer. Flexible repurchase agreements used specifically for capital projects may extend beyond the 180 day stated limitation, but shall not exceed the expenditure plan of the projects;

D. No-load SEC-registered money market funds, each approved specifically before use by DCTA; ~~and~~

E. Constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act; ~~and,~~

If additional types of securities are approved for investment by public funds by state statutes, they will not be eligible for investment by DCTA until this policy has been amended and the amended version approved by the DCTA Board.

Competitive Bidding Requirements

All securities, including certificates of deposit, will be purchased or sold after three (3) offers/bids are taken to verify that DCTA is receiving fair market value/price for the investment.

Delivery versus Payment

All security transactions, including collateral for repurchase agreements, entered into by DCTA, shall be conducted on a delivery versus payment (DVP) basis.

IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

All investments made by DCTA will be made through either DCTA's banking services bank or a primary dealer. DCTA will review the list of authorized broker/dealers annually. A list of at least three broker/dealers will be maintained in order to assure competitive bidding.

Securities broker/dealers must meet certain criteria as determined by the Investment Officer. The following criteria must be met by those firms on the list:

- A. provision of an audited financial statement each year,
- B. proof of certification by the Financial Industry Regulatory Authority (FINRA) and provision of CRD number,

- C. proof of current registration with the State Securities Commission, and
- D. Completion of a DCTA questionnaire.

Every broker/dealer and bank with which DCTA transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the investment program. A representative of the firm will be required to return a signed certification stating that the Policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to DCTA.

DCTA may appoint one or more investment advisors to assist the financial staff in the management of DCTA funds. The investment advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and also be registered with the Texas State Securities Board as an investment advisor. To be eligible for consideration, an investment advisor shall demonstrate knowledge of, and experience in, the management of public funds. An appointed investment advisor shall act solely in an advisory and administrative capacity, within the guidelines of this Investment Policy, and without any discretionary authority to transact business on behalf of DCTA.

If DCTA has contracted with a Registered Investment Advisor for the management of its funds, the advisor shall be responsible for performing due diligence on and maintaining a list of broker/dealers with which it shall transact business on behalf of DCTA. The advisor shall recommend broker selection criteria to the DCTA Investment Officer for approval. The advisor shall annually present a list of its authorized broker/dealers to ~~the~~ DCTA for review and likewise shall execute the aforementioned written instrument stating that the advisor has reviewed the DCTA investment policy and has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities. The advisor shall obtain and document competitive bids and offers on all transactions and present these to DCTA as part of its trade documentation.

X. DIVERSIFICATION AND MATURITY LIMITATIONS

It is DCTA’s policy to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

Security Type	Max % of Portfolio
U.S. Treasury obligations	100%
U.S. Government agencies and instrumentalities	Not to exceed 75%
Fully insured or collateralized CDs	Not to exceed 30%
Repurchase agreements	100%
Money Market Funds	50%
Local Government Investment Pools	
Liquidity Pools	100%
Maximum percent ownership of pool	Not to exceed 10%

The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investments with anticipated cash flow requirements.

Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to a specific requirement, the Investment Officer may not invest more than 20% of the portfolio for a period greater than one (1) year. Unless matched to a specific requirement, the Investment Officer may not invest any portion of the portfolio for a period of greater than two (2) years.

XI. SAFEKEEPING AND COLLATERALIZATION

The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery-versus-payment (DVP) basis and be held in safekeeping by either DCTA, an independent third party financial institution, or DCTA's designated banking services depository.

All safekeeping arrangements shall be designated by the Investment Officer and an agreement of the terms executed in writing. The third-party custodian shall be required to issue safekeeping receipts to DCTA listing each specific security, rate, description, maturity, CUSIP number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for DCTA or pledged to DCTA.

All securities pledged to DCTA for certificates of deposit or demand deposits shall be held by an independent third-party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank from which the securities are pledged.

Collateralization

Collateralization is required on time and demand deposits over the FDIC insurance coverage of \$250,000, and repurchase agreements.

In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 102% of the market value of the principal and accrued interest. Collateral will be held by an independent third party safekeeping agent.

XII. PERFORMANCE EVALUATION AND REPORTING

A comprehensive quarterly investment report shall be prepared by the Investment Officer or Investment Advisor within ten (10) days following the fiscal quarter end and be presented to the DCTA Board the month following the fiscal quarter end. As required by the Texas Public Funds Investment Act, the report will:

- A. describe in detail the investment position of DCTA on the date of the report;
- B. be signed by the Investment Officer(s)
- C. contain a summary statement that states:
 - a. beginning book and market value for the reporting period;
 - b. ending book and market value for the reporting period; and
 - c. fully accrued interest for the reporting period;
- D. state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
- E. state the maturity date of each separately invested asset that has a maturity date;
- F. state the account or fund for which each investment security was purchased;
- G. compare the portfolio's performance to other benchmarks of performance; and
- H. state the compliance of the investment portfolio with DCTA Investment Policy, Investment Strategy, and the Public Funds Investment Act.

XIII. DEPOSITORIES

DCTA will designate one banking institution through a competitive process as its central banking services provider at least every five years. This institution will be used for normal banking services including disbursements, collections, and safekeeping of securities. Other banking institutions from which DCTA may purchase certificates of deposit will also be designated as a depository after they provide their latest audited financial statements to DCTA.

XIV. TRAINING REQUIREMENT

The DCTA Investment Officer(s) shall attend at least one investment training session within twelve months of taking office or assuming duties, and not less often than once in a two-year period that begins on the first day of the fiscal year and consists of the two consecutive years after that date, and shall receive not less than ten hours of instruction relating to investment responsibilities. The investment training session shall be provided by an independent source approved by the Board of Directors. See Attachment I for a list of Board approved independent investment training sources. Contingent upon Board approval, additional “independent sources” from which investment training may be obtained shall include a professional organization, an institute of higher learning, or any sponsor other than a business organization with whom DCTA may engage in an investment transaction. Such training shall include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act.

XV. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of DCTA.

An Investment Officer of DCTA who has a personal business relationship with an organization seeking to sell an investment to DCTA shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to DCTA shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the DCTA Board of Directors.

XVI. SUBJECT TO AUDIT

A formal annual review of the investment reports will be performed by an independent auditor with the results reported to the Board. All collateral shall be subject to inspection and audit by the DCTA Treasurer or DCTA’s independent auditors.

XVII. INVESTMENT POLICY ADOPTION BY DCTA BOARD

DCTA’s Investment Policy shall be adopted annually by the Board of Directors. The policy and strategies shall be reviewed on an annual basis by the Board or a designated Committee of the

Board. A written resolution approving that review, and changes to the policy from the review, will be passed and recorded by the Board.

Previous Action:

Adopted ~~September 26, 2013~~ October 23, 2014

Board Approved Independent Investment Training Sources

1. Texas Municipal League (TML)
2. Government Finance Officers Association (GFOA)
3. Government Finance Officers Association of Texas (GFOAT)
4. North Central Texas Council of Governments
5. Texas Higher Education Coordinating Board

Denton County Transportation Authority Financial Management Policies

(Adopted May, 2014)



Table of Contents

OPERATING POLICIES

Purpose, objectives.....3

Reserve Fund Policies.....4

Revenue Policies.....5

Expenditure Policies.....6

Accounting and Financial Reporting.....7

Budget Policies.....9

Purchasing.....11

COST ALLOCATION12

DEBT MANAGEMENT POLICY.....13

INVESTMENT POLICY.....14

Purpose

The Comprehensive Financial Management Policy assembles the Denton County Transportation Authority's (DCTA) financial policies in one document. They are the tools to ensure that DCTA is financially able to meet its immediate and long-term service objectives. The individual policies contained herein serve as guidelines for both the financial planning and internal financial management of DCTA consistent with provisions of Chapter 460 of the Texas Transportation Code and adopted DCTA Bylaws.

DCTA is accountable to its constituents for the use of public dollars. Resources must be wisely used to ensure adequate funding for the services, facilities, and infrastructure necessary to meet present and future needs. These policies help safeguard the fiscal stability required to achieve DCTA's goals and objectives.

Objectives

In order to achieve its purpose, the Financial Management Policies have the following objectives for DCTA's fiscal performance.

- A. To guide DCTA Board of Directors (the Board) and management policy decisions that have significant impact.
- B. To set forth operating principles that minimize the cost of government and financial risk.
- C. To employ balanced and fair revenue policies that provide adequate funding for desired services and programs.
- D. To maintain appropriate financial capacity for present and future needs.
- E. To promote sound financial management by providing accurate and timely information on DCTA's financial condition.
- F. To protect DCTA's credit rating and provide for adequate resources to meet the provision of DCTA's debt obligations on all its debt.
- G. To ensure the appropriate use of financial resources through an effective system of internal controls.
- H. To promote cooperation and coordination with other governments, agencies and the private sector in the financing and delivery of services.
- I. To establish long-term objectives for the financial operations of DCTA

Reserve Fund Policies

Adequate reserve levels are a necessary component of DCTA's overall financial management strategy and a key factor in external agencies' measurement of DCTA's financial strength. Funding priorities will be in the order listed.

- a. It will be the policy of DCTA to maintain a Fund Balance Reserve that is equal to three months of the total budgeted operating expenses (less capital project expenses) for the fiscal year. This Fund Balance Reserve is maintained to address unanticipated emergencies and may be allocated with approval by the Board if there are not sufficient resources in unreserved/undesignated retained earnings. An annual contribution will be budgeted from general operating resources as available to maintain the target reserve level.
- b. It will be the policy of DCTA to establish and maintain a Sales Tax Stabilization Fund. This Fund will be used to stabilize revenue received from sales tax in times of economic downturn and will be equal to three percent (3%) of annual sales tax.
- c. It will be the policy of DCTA to establish and maintain a Capital Replacement/Infrastructure Maintenance Fund (State of Good Repair) to provide funding for maintenance of capital assets and infrastructure at a sufficient level to protect DCTA's investment and maintain appropriate service levels. The use of any funds within the Capital Facilities/Infrastructure Maintenance Fund will be approved by the Board within the resources available each fiscal year.
- d. It will be the policy of DCTA to establish and maintain a Fuel Stabilization Fund. On average, the Fuel Stabilization Fund will be equivalent to \$.05 per gallon of budgeted fuel. This will be reviewed each year during the budget process. This fund will be used to mitigate significant fluctuations in fuel prices each year. The use of any funds within the Fuel Stabilization Fund shall be approved by the Board.

Contributions to the Capital Replacement/Infrastructure Maintenance, Sales Tax Stabilization and Fuel Stabilization Funds will be made from available funds as identified in the annual budget, or amended budget. The V-P of Finance/CFO shall make a recommendation to the Board with regard to transfers to and from reserve funds. The Board shall authorize the transfers as the Board shall determine to be appropriate at that time.

Guidelines for their contribution are as follows:

- a. All expenditures drawn from reserve accounts shall require prior Board approval unless previously and specifically authorized by the Board for expenditure in the annual budget or amended budget.
- b. Equipment Replacement – Twenty percent (20%) of bus/fleet replacement costs (reflective of anticipated grants) plus the full cost of one twelve (12) year life bus.
- c. Infrastructure – Available funds within limitations of current cash flow model, in accordance with assessed capital needs which shall be reviewed during the annual budget process.

If after procedures as outlined in the adopted budget contingency plan have been met, and a severe economic downturn or emergency requires draw down of fund balance reserve or sales tax stabilization fund the priority

will be to replenish fund balances. Funds balances will be replenished within three (3) years, from any year-end budget surpluses. These surpluses may be achieved through expenditure reductions or through higher than anticipated revenues. The long range financial plan and annual budget will reflect the timeframe and plan for fund balance replenishment.

Revenue Policies

- a. To the extent possible, a diversified and stable revenue system will be maintained to shelter service delivery from short-run fluctuations in any one revenue source due to changes in economic conditions. Trends analyzing the dependence on distinct revenue sources shall be included in the budget documents for consideration by the Board.
- b. Revenue forecasts will assess the full spectrum of resources that can be allocated for service delivery. Each year the Board shall review potential sources of revenue as part of the annual budget process.
- c. Revenue forecasts shall be realistically estimated and based on the best information available. DCTA shall use a conservative, objective and analytical approach when preparing revenue estimates and follow a vigorous policy of collecting revenues. Shortfalls anticipated based on this forecast will be addressed as follows:
 - i. Short-term (anticipated less than one year) economic downturns and temporary gaps in cash flow: Expenditure reductions or restrictions may be imposed as outlined in the Budget Contingency Plan adopted as part of the annual budget by the Board. The Board may approve a contribution from the Sales Tax Stabilization Fund or Fund Balance Reserve Fund to address temporary downturns in revenues.
 - ii. Long-term (greater than one year) revenue downturns: Deficit financing and borrowing to support on-going operations is not the policy of DCTA. Revenue forecasts will be revised. Expenses will be reduced to conform to the revised long-term revenue forecast and fare increases will be considered.
- d. All potential grants shall be carefully examined for matching requirements. Some grants may not be accepted if the local matching funds cannot be justified. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted.
- e. DCTA shall develop and maintain fair and equitable fares for all public transportation services which it operates. A fare structure establishing a base fare, categories of prepaid fares and special fare programs shall be adopted by the Board and reviewed no less than every two years. The fare structure should be competitive and offer seamless integration for passengers within the regional transportation system.
- f. Services provided on a contract basis may be set at levels sufficient to cover the entire cost of service delivery, or the service may be subsidized, as the Board deems appropriate. DCTA will systematically review fees and consider adjustments as necessary to take into account the effects of additional service costs and inflation. Studies shall be conducted to ensure that the fees will continue to support direct and indirect costs of operations, administration, maintenance, debt service, depreciation of capital assets, and moderate system expansion. Based on a market analysis, fees for similar services in other communities may also be considered. The criteria used to evaluate recommended target rates (equity, cost recovery policy, market demand, etc.) shall be included in the review. Such review should be scheduled periodically and be incorporated into the budget process for possible action by the Board.
- g. DCTA will review contracts and leases, which result in revenues to DCTA on a timely basis for careful consideration by the Board.

Expenditure Policies

DCTA will only propose operating expenditures which can be supported from on-going revenues. Before undertaking any agreements that would create fixed on-going expenses, the cost implications of such agreements will be fully determined for current and future years. Capital expenditures may be funded from one-time revenues, but the operating budget expenditure impacts of capital expenditures will be reviewed for compliance with this policy provision.

- a. Department heads are responsible for managing budgets within the total appropriation. DCTA will conduct a regular review and analysis of major expenditure categories to help assure the most efficient use of resources
- b. DCTA will maintain expenditure categories according to state statute and administrative regulation.
- c. Emphasis is placed on improving individual and work group productivity rather than adding to the work force. DCTA will consider investing in technology and other efficiency tools to maximize productivity. DCTA will hire additional staff only after the need for such positions has been demonstrated and documented.
- d. All compensation planning will focus on the total cost of compensation, which includes direct salary, health care benefits, pension contributions, training allowance, and other benefits of a non-salary nature, which are a cost to DCTA. A compensation study shall be conducted bi-annually to insure that DCTA maintains a competitive position in the market, with a goal to stay at the mid-point of the market range.

Accounting, Auditing and Financial Reporting

DCTA will maintain a system of financial monitoring, control, and reporting for all operations and funds in order to provide effective means of ensuring that overall DCTA goals and objectives are met.

- a. Accounting Records and Reporting. DCTA will maintain its accounting records in accordance with state and federal regulations. Financial statements will conform to generally accepted accounting principles (GAAP) of the Governmental Accounting Standards Board (GASB).
- b. Auditing. As required under Chapter 460.402 of the Texas Transportation Code, an outside independent CPA firm will annually perform the DCTA's financial Audit. Results of the annual audit will be provided to the Board in a timely manner. The external audit firm is accountable to the Board of Directors and will have access and direct communication with the Board. The Single Audit Report will be prepared and presented to the Board by the external auditors along with the audited financial statements. The Single Audit Report shall list the status and current operations of all federal, state and local grant funds awarded and received.
- c. Simplified Fund Structure. To the extent possible, DCTA will minimize the number of Funds.

The Finance Department will develop, maintain, and consistently seek to improve cash management systems which ensure the accurate and timely accounting, investment, and security of all cash assets.

Budget and Operating Policies

- a. Decisions of the Agency will be within the context of the long-range financial plan and the service plan. Staff shall provide a review of the implications of budgetary proposals on long-range plans.
- b. Chapter 460.403 of the Texas Transportation Code requires the Board to prepare an annual budget. The annual budget shall be developed consistent with state law and in a manner which encourages early involvement with the public and Finance Committee of the Board of Directors and the Board. A calendar of events related to budget development shall be presented to Finance Committee each year prior to the start of the annual budget process.
- c. The Finance Department will maintain a system for monitoring the DCTA's budget performance. The system will provide the DCTA Finance Committee and the Board with monthly and / or quarterly information in a timely manner on fund level resource collections and category level expenditures.
- d. Revised Budget Policy: The budget should be adjusted during the budget period should unforeseen events require changes to the original budget plan. The budget is a plan based on a set of assumptions that may not always match actual experiences during the execution phase. DCTA staff shall watch for significant deviations from expectations and make adjustments so that the plan is consistent with revised expectations as follows:
 - i. Operating Fund Expenditures
 1. DCTA is required to control operating costs and maintain the total expenditures incurred at or below the total annual adopted operating expense budget or budget as amended.
 2. The President may authorize budget transfers between expense categories and departments, in an aggregate amount – not to exceed 5% of the total annual Operating Expenses budget without Board approval.
 3. The Board may during the revised budget process, authorize a budget amendment for approval of new contracts and unbudgeted expenditures.
 - ii. Capital Project Fund Expenditures
 1. Expenditures for capital projects must be approved with the fiscal year capital project budget; or
 2. By Board approval of a capital project budget amendment and approval of the purchase during the fiscal year. Capital project budget amendments will be incorporated during the revised budget process.
 - iii. All DCTA amendments and transfers will be reflected in the appropriate period for the budget year and long range financial plan.
 - iv. Definitions:
 1. *Budget Amendment* – Shall mean a change in the fiscal year budget based on the following criteria:
 - a. Operating – an increase to the total bottom line operating fund expenditure budget
 - b. Capital – (a) addition of a new project; (b) change in Capital Projects Fund annual appropriation; (c) an increase to the total approved budget of

a specific project.

2. Approval by the DCTA Board of Directors in the form of a resolution is required to authorize an amendment as specified in this section.

v. *Budget Transfers* – Shall mean transfer of funds between departments or specific operating expense line items that neither increase nor decrease the total adopted operating fund budget authorization.

- e. A Budget Contingency Plan will be adopted each year as part of the annual budget process. This allows DCTA to be positioned to respond quickly to economic or market fluctuations. The Plan shall identify triggers, key action plans and monitoring processes to allow DCTA to recover and/or adjust to serious downturns effectively.
- f. Fixed asset inventories. Accurate inventories of all physical assets, their condition, life spans, and cost will be maintained to ensure proper stewardship of public property. The V-P of Finance/CFO will establish policies and appropriate procedures to account for fixed assets, including establishing the threshold dollar amount for which fixed asset records are maintained and how often physical inventories are taken.

Purchasing

DCTA will follow and maintain purchasing procedures that comply with applicable State and Federal Laws and Board resolutions and policies regarding procurement. The policy of the Board of Directors is to:

- a. Provide equal access to all vendors participating through competitive acquisition of goods and services.
- b. Conduct the procurement process and disposal of property in a manner that promotes and fosters public confidence in the integrity of DCTA's procurement procedures.
- c. Protect the interest of taxpayers without regard to any undue influence or political pressure.

Federal Funds: When procurement involves the expenditure of federal funds, purchasing shall be conducted in accordance with all applicable federal laws or regulations.

Grants: When procurement involves the expenditure of a grant, purchasing shall be conducted in accordance with all applicable grant laws or regulations.

Emergency procurement: The DCTA President or his/her designated agent may make or authorize others to make emergency procurements of materials, supplies, equipment or services when there exists a threat to public health, welfare, or safety. The Executive Committee of the Board will be notified immediately of such action. State laws relating to emergency purchases will be followed.

Cost Allocation

DCTA desires to comply with all laws and recommendations in calculating and receiving full cost recovery for services rendered and for allocating appropriate indirect costs related to grant funded projects.

Cost allocation is a method to identify and distribute indirect costs. Direct costs are costs assignable to a specific objective, whereas indirect costs are costs incurred for multiple cost objectives or not assignable to a specific cost objective without effort disproportionate to the benefit received. DCTA will prepare or have prepared an annual cost allocation plan to identify direct and indirect costs to use for recovering allowable costs under OMB Circular A-87 and in the development of cost of services as applicable for use in contracts for service delivery with outside entities. The plan will be prepared consistent with guidelines established by:

The Federal Office of Management and Budget (OMB) Circular A-87

OMB Circular A-87 establishes cost principals for State, local, and Indian Tribal Governments for determining costs for Federal Awards. Item 5 of the Circular states that, “The principals are for determining allowable costs only.” In defining allowable costs, the Circular provides a definition of allocable costs on Attachment A, paragraph C.3.a, “A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.” The Circular further outlines costs that are allowable for charging the Federal government and distinguishes those that are specifically excluded from recovery.

Governmental Accounting Standards Board (GASB)

GASB is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments. While GASB is not a governmental agency and does not have enforcement authority, compliance with GASB is tested by the external auditor in the annual audit of DCTA.

Debt Management Policy

The objectives of the DCTA's Debt Management Policy will be:

- A. To reduce the use of debt so that debt service payments will be a predictable and manageable part of the operating budget.
- B. To raise capital at the lowest cost, consistent with the need to borrow.

These will be accomplished by:

- a. Securing and maintaining a high credit rating (while making attempts to strengthen credit rating) (Long Term goal)
- b. Maintaining a good reputation in the credit markets by implementing and maintaining a sound capital program and managing the annual budget responsibly.
- c. Selecting professional service providers (underwriters, financial advisors, bond insurer's, etc. through negotiation, RFQ process or as defined for professional services under DCTA's procurement procedures.
- d. Issuance of debt on a competitive basis (except when conditions make a negotiated sale preferable) and award to the bidder who produces the lowest true interest cost and underwriting cost. Revenue bonds can be issued through a negotiated sale when the issue is unusually large, the project is speculative or complex, the issue is a refunding, or the market is unstable.
- e. Long-term debt issued will not exceed the life of the projects financed. Current operations will not be financed with long-term debt.
- f. Short-term borrowing will not be used for operating purposes.
- g. Compliance with continuing disclosure reporting requirements and its obligation to inform the Municipal Securities Rulemaking Board through the EMMA website (Electronic Municipal Market Access) of any and all continuing disclosure documents and annual financial statements. This site is used by the ratings agencies and investors. The DCTA's annual audited financial report will be sent to EMMA as soon as the external auditor issues the report and it has been presented to the Board of Directors
- h. Ensure no debt is issued for which DCTA is not confident that a sufficient, specifically identified revenue source is available for repayment. The V-P of Finance/CFO shall prepare an analytical review for this purpose prior to the issuance of any debt.
- i. Limit bonded indebtedness to levels that permit sufficient borrowing to support a reasonable rate of capital programming, permits a level and pace of debt amortization within the DCTA's ability to pay, and supports the DCTA's credit rating objectives. Credit enhancements shall be considered with a cost/benefit analysis for each long-term bond issue.
- j. Reserve accounts shall be maintained as required by bond ordinances and where deemed advisable by the Board. DCTA shall structure such debt service reserves to avoid violation of IRS arbitrage regulations.
- k. DCTA will maintain debt service coverage ratios as required for any bond issues but not less than an internal debt service coverage of 1.25X.

Investment Policy (As adopted 9/26/2013)

I. POLICY STATEMENT

The Denton County Transportation Authority (DCTA) policy is that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of DCTA and conforming to all applicable state statutes governing the investment of public funds.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. DCTA shall maintain a comprehensive cash management program which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms, Board Policy, and the management of banking services.

Receiving a market rate of interest will be secondary to the requirements for safety and liquidity. DCTA intends to be in complete compliance with local law and the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). Investment earnings will be used in a manner that best serves the interests of DCTA.

II. SCOPE

This investment policy applies to all the financial assets and funds of DCTA. However, this policy does not apply to the assets administered for the benefit of DCTA by outside agencies under deferred compensation programs.

DCTA may commingle its funds into one pooled investment fund for investment purposes for efficiency, and maximum investment opportunity.

III. OBJECTIVES AND STRATEGY

DCTA's policy is that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety of principal, liquidity, diversification and yield. Investments are to be chosen in a manner which promotes diversity by market sector, credit, and maturity. The choice of high-grade government investments and high-grade money market instruments is designed to assure the marketability of those investments should liquidity needs arise. To best meet anticipated cash flow requirements, the weighted average maturity (WAM) of the overall portfolio may not exceed 18 months.

Safety of Principal

Safety of principal is the foremost objective of DCTA. Investments of DCTA shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The safety of principal is best achieved by limiting maximum maturities to two years or no further than expected project cashflow forecasts, limiting investment types to those specifically authorized by this policy, diversifying investments, and monitoring credit ratings on selected investment types.

Liquidity

DCTA's investment portfolio will be based on a cash flow analysis of needs and will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated. The portfolio will be structured so that investments mature concurrent with cash needs. Because all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in investments that offer same-day liquidity for

unanticipated cash demands. In addition, a portion of the portfolio will consist of securities with active secondary or resale markets.

Diversification

The portfolio will be diversified by maturity and market sector and will include the use of a number of broker/dealers for diversification and market coverage. Competitive bidding, as defined herein, will be used on each sale and purchase.

Yield

DCTA's investment portfolio shall be designed with the objective of attaining a market yield-to-maturity taking into account DCTA's risk constraints and the cash flow needs of the portfolio. "Market yield-to-maturity" may be defined as the rolling average yield of the current six-month Constant Maturity Treasury (CMT).

DCTA has selected the weighted-average yield-to-maturity as its preferred measure of investment performance. The weighted-average yield-to-maturity shall be calculated on a monthly basis by multiplying each individual security's yield-to-maturity at time of purchase by its book value, totaling the product of these calculations, and dividing by the total book value of the portfolio.

IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"). The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public fund deposits. All investments will be made in accordance with these statutes.

V. DELEGATION OF INVESTMENT AUTHORITY

The Chief Financial Officer acting on behalf of DCTA is designated as the Investment Officer and the President of DCTA is designated as the Alternate Investment Officer of DCTA. The Investment Officer is responsible for investment management decisions and activities. The Investment Officer is also responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy. Procedures will include reference to safekeeping, require and include Master Repurchase Agreements (as applicable), wire transfer agreements, banking services contracts and other investment related activities.

The Investment Officer shall be responsible for all transactions undertaken and shall regulate the activities of subordinate officials and staff. The Investment Officer shall designate in writing a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer and Alternate Investment Officer are not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established.

Authorization Resolution

A Trading Resolution is established with this investment policy and attached hereto authorizing the Investment Officer to engage in investment transactions on behalf of DCTA. The persons authorized by the Trading Resolution to transact business for DCTA are also authorized to approve wire transfers used in the process of investing.

VI. PRUDENCE

The standard of prudence to be used in the investment function shall be the “prudent person” standard and shall be applied in the context of managing the overall portfolio. This standard states that:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.”

Limitation of Personal Liability

The Investment Officer and those delegated investment authority under this Policy, when acting in accordance with the written procedures and this Policy and in accord with the Prudent Person Rule, shall be relieved of personal liability in the management of the portfolio provided that deviations from expectations for a specific security’s credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate actions are taken to control adverse market effects.

VII. INTERNAL CONTROLS

The Investment Officer shall establish a system of written internal controls which will be reviewed annually with the independent auditor of DCTA. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes or imprudent actions by employees of the DCTA.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of DCTA. Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes.

VIII. AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below and as further described by the Public Funds Investment Act.

A. Obligations of the United States Government, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC), agencies and instrumentalities and government sponsored enterprises, excluding collateralized mortgage obligations (CMO’s), not to exceed two years to stated maturity with the exception of project funds which may be invested in longer maturities but not to exceed forecasted expenditure dates;

B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas, not to exceed two years to stated maturity. In addition, separate CDs issued by depositories wherever located, bundled together into a single investment with the full amount of principle and interest of each CD insured by the Federal Deposit Insurance Corporation (FDIC) may be purchased through a broker that has its main office in Texas and is selected from a list adopted by the DCTA board or a selected

depository institution with its main office or branch office in Texas. This broker or depository shall act as the custodian for the various certificates on behalf of DCTA.

C. Repurchase agreements and reverse repurchase agreements as defined by the Act, not to exceed 180 days to stated maturity, provided an executed Master Repurchase Agreement is on file with DCTA and the counterparty bank or primary dealer. Flexible repurchase agreements used specifically for capital projects may extend beyond the 180 day stated limitation, but shall not exceed the expenditure plan of the projects;

D. No-load SEC-registered money market funds, each approved specifically before use by DCTA;

E. Constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act; and,

If additional types of securities are approved for investment by public funds by state statutes, they will not be eligible for investment by DCTA until this policy has been amended and the amended version approved by the DCTA Board.

Competitive Bidding Requirements

All securities, including certificates of deposit, will be purchased or sold after three (3) offers/bids are taken to verify that DCTA is receiving fair market value/price for the investment.

Delivery versus Payment

All security transactions, including collateral for repurchase agreements, entered into by DCTA, shall be conducted on a delivery versus payment (DVP) basis.

IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

All investments made by DCTA will be made through either DCTA's banking services bank or a primary dealer. DCTA will review the list of authorized broker/dealers annually. A list of at least three broker/dealers will be maintained in order to assure competitive bidding.

Securities broker/dealers must meet certain criteria as determined by the Investment Officer. The following criteria must be met by those firms on the list:

- A. provision of an audited financial statement each year,
- B. proof of certification by the Financial Industry Regulatory Authority (FINRA) and provision of CRD number,
- C. proof of current registration with the State Securities Commission, and
- D. Completion of a DCTA questionnaire.

Every broker/dealer and bank with which DCTA transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the investment program. A representative of the firm will be required to return a signed certification stating that the Policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to DCTA.

DCTA may appoint one or more investment advisors to assist the financial staff in the management of DCTA funds. The investment advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and also be registered with the Texas State Securities Board as an investment

advisor. To be eligible for consideration, an investment advisor shall demonstrate knowledge of, and experience in, the management of public funds. An appointed investment advisor shall act solely in an advisory and administrative capacity, within the guidelines of this Investment Policy, and without any discretionary authority to transact business on behalf of DCTA.

If DCTA has contracted with a Registered Investment Advisor for the management of its funds, the advisor shall be responsible for performing due diligence on and maintaining a list of broker/dealers with which it shall transact business on behalf of DCTA. The advisor shall recommend broker selection criteria to the DCTA Investment Officer for approval. The advisor shall annually present a list of its authorized broker/dealers to the DCTA for review and likewise shall execute the aforementioned written instrument stating that the advisor has reviewed the DCTA investment policy and has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities. The advisor shall obtain and document competitive bids and offers on all transactions and present these to DCTA as part of its trade documentation.

X. DIVERSIFICATION AND MATURITY LIMITATIONS

It is DCTA’s policy to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

<u>Security Type</u>	<u>Max % of Portfolio</u>
U.S. Treasury obligations	100%
U.S. Government agencies and instrumentalities	Not to exceed 75%
Fully insured or collateralized CDs	Not to exceed 30%
Repurchase agreements	100%
Money Market Funds	50%
Local Government Investment Pools	
Liquidity Pools	100%
Maximum percent ownership of pool	Not to exceed 10%

The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investments with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to a specific requirement, the Investment Officer may not invest more than 20% of the portfolio for a period greater than one (1) year. Unless matched to a specific requirement, the Investment Officer may not invest any portion of the portfolio for a period of greater than two (2) years.

XI. SAFEKEEPING AND COLLATERALIZATION

The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery-versus-payment (DVP) basis and be held in safekeeping by either DCTA, an independent third party financial institution, or DCTA’s designated banking services depository.

All safekeeping arrangements shall be designated by the Investment Officer and an agreement of the terms executed in writing. The third-party custodian shall be required to issue safekeeping receipts to DCTA listing each specific security, rate, description, maturity, CUSIP number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for DCTA or pledged to DCTA.

All securities pledged to DCTA for certificates of deposit or demand deposits shall be held by an independent third-party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank from which the securities are pledged.

Collateralization

Collateralization is required on time and demand deposits over the FDIC insurance coverage of \$250,000, and repurchase agreements.

In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 102% of the market value of the principal and accrued interest. Collateral will be held by an independent third party safekeeping agent.

XII. PERFORMANCE EVALUATION AND REPORTING

A comprehensive quarterly investment report shall be prepared by the Investment Officer or Investment Advisor within ten (10) days following the fiscal quarter end and be presented to the DCTA Board the month following the fiscal quarter end. As required by the Texas Public Funds Investment Act, the report will:

- A. describe in detail the investment position of DCTA on the date of the report;
- B. be signed by the Investment Officer
- C. contain a summary statement that states:
 - a. beginning book and market value for the reporting period;
 - b. ending book and market value for the period; and
 - c. fully accrued interest for the reporting period;
- D. state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
- E. state the maturity date of each separately invested asset that has a maturity date;
- F. state the account or fund for which each investment security was purchased;
- G. compare the portfolio's performance to other benchmarks of performance; and
- H. state the compliance of the investment portfolio with DCTA Investment Policy, Investment Strategy, and the Public Funds Investment Act.

XIII. DEPOSITORIES

DCTA will designate one banking institution through a competitive process as its central banking services provider at least every five years. This institution will be used for normal banking services including disbursements, collections, and safekeeping of securities. Other banking institutions from which DCTA may purchase certificates of deposit will also be designated as a depository after they provide their latest audited financial statements to DCTA.

XIV. TRAINING REQUIREMENT

The DCTA Investment Officer shall attend at least one investment training session within twelve months of taking office or assuming duties, and not less often than once in a two-year period that begins on the first day of the fiscal year and consists of the two consecutive years after that date, and shall receive not less than ten hours of instruction relating to investment responsibilities. The investment training session shall be provided by an independent source approved by the Board of Directors. See Attachment I for a list of Board approved independent investment training sources. Contingent upon Board approval, additional "independent sources" from which investment training may be obtained shall include a professional organization, an institute of higher learning, or any sponsor other than a business organization with whom DCTA may engage in an investment

transaction. Such training shall include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act.

XV. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of DCTA.

An Investment Officer of DCTA who has a personal business relationship with an organization seeking to sell an investment to DCTA shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to DCTA shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the DCTA Board of Directors.

XVI. SUBJECT TO AUDIT

A formal annual review of the investment reports will be performed by an independent auditor with the results reported to the Board. All collateral shall be subject to inspection and audit by the DCTA Treasurer or DCTA’s independent auditors.

XVII. INVESTMENT POLICY ADOPTION BY DCTA BOARD

DCTA’s Investment Policy shall be adopted annually by the Board of Directors. The policy and strategies shall be reviewed on an annual basis by the Board or a designated Committee of the Board. A written resolution approving that review, and changes to the policy from the review, will be passed and recorded by the Board.

Board Approved Independent Investment Training Sources

1. Texas Municipal League (TML)
2. Government Finance Officers Association (GFOA)
3. Government Finance Officers Association of Texas (GFOAT)
4. North Central Texas Council of Governments
5. Texas Higher Education Coordinating Board



Signal Enhancements/Single Car Operations Status Report

Project Budget: \$868,558

Milestone Schedule:

Signal System Enhancements	Status
Notice to Proceed	10/1/2015
Master Project Schedule	10/29/2015
Functional Design Document	10/31/2015
Safety Plan	11/12/2015
Test Plan	11/12/2015
Product Submittals	11/26/2015
60% Design Review	11/21/2015
90% Design Review	12/28/2015
100% Design Review	1/14/2016
Fiber Optic Construction	12/31/2015
Site Equipment Installation	2/20/2016
Back Office Integration	3/12/2016
Contract Closeout	3/28/2016

Flood Recovery Status

August 20, 2015	FEMA kick-off meeting
September 2, 2015	First field review of damage
September 11, 2015	Second field review of damage
September 22, 2015	Third field review of damage
October 26, 2015	Received informal proposal for concrete injections at crossings
October 27, 2015	FEMA inspection of Trinity Mills Crossing
October 30, 2015	Received bids for GPR
November 3, 2015	Received mold mitigation proposal

Issue	Initial Cost	Alternative	Status
Emergency Response	\$ 191,500		PW in progress
Track wash-out repairs	\$ 27,818		PW in progress
Replace crossings	\$2,341,871*		In-depth analysis in progress Alternative concrete injection has been rejected by DCTA & Herzog. Awaiting results of GPR

Bus O&M Electrical Repairs	\$ 14,616		PW in progress
Signal & Comm. System	\$ 609,306*	\$150,000	In-depth analysis Alternative possible mold mitigation in signal house. Insurance is pending
Scouring & Wash-outs	\$ 59,844*		PW in progress
Rail OMF drainage	\$ 111,690*		PW in progress
Replace flume at Pockrus Page	\$ 193,695*		PW in progress
Undercut ballast	\$1,553,064*		In-depth analysis. GPR survey scheduled

*Includes estimated engineering and project management

NOTES:

FEMA will have PW ready for submission to Austin in mid to late November for the following:

Emergency response
Track wash-out repairs
Bus O&M electrical repairs
Scouring and wash-out repairs
Flume at Pockrus Page
Rail OMF drainage

Crossing replacement	Awaiting GPR results
Signal House replacement	Awaiting insurance carrier decision
Ballast Undercutting	Awaiting GPR results

Submitted by: _____

Raymond Suarez, COO



2015-2016 Finance Committee Calendar

Board of Director Meetings

Finance Committee Meetings (2-4pm)

October '15						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

October 22: Board of Directors Meeting

November '15						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

November 9: Finance Committee @ 2pm
November 19: Board of Directors Meeting

December '15						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

December 17: Board of Directors Meeting

January '16						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

January 18: Finance Committee @ 2pm
January 28: Board of Directors Meeting

February '16						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

February 25: Board of Directors Meeting

March '16						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

March 24: Board of Directors Meeting

April '16						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

April 28: Board of Directors Meeting

May '16						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

May 16: Finance Committee @ 2pm
May 26: Board of Directors Meeting

**June '16						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

June 23: Board of Directors Meeting

**July '16						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

July 18: Finance Committee @ 2pm
July 28: Board of Directors Meeting

**August '16						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August 25: Board of Directors Meeting

September '16						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

September 22: Board of Directors Meeting

October '16						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

October 17: Finance Committee @ 2pm
October 27: Board of Directors Meeting

***Calendar for FY17 budget meetings will be set in May 2016*



1955 Lakeway Drive, Suite 260
Lewisville, Texas 75057
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 the work session of the Board of Directors with Chairman Charles Emery presiding at 1:32 p.m. October 22, 2015 at 1955 Lakeway Drive, Suite 260, Lewisville, Texas 75057. A quorum was present.

Attendance

Small Cities

Skip Kalb

Denton County at Large

Dave Kovatch

Large Cities

Charles Emery, Lewisville, Chairman
Paul Pomeroy, Highland Village, Vice-Chair
Richard Huckaby, Denton, Secretary
Carter Wilson, Frisco
Tom Winterburn, Corinth
Doug Peach, Little Elm

Denton County Unincorporated

Don Hartman
George A. Campbell (arrived 1:54 p.m.)

Board Members Absent

Connie White – Small Cities
Allen Harris, The Colony
Jim Robertson, Flower Mound

Legal Counsel

Joe Gorfida, General Counsel

DCTA Staff

Jim Cline, President
Raymond Suarez, Chief Operating Officer
Nicole Recker, Vice President of Marketing
and Communications
Kristina Brevard, Vice President Planning
and Development
Anna Mosqueda, Chief Financial Officer

Others in Attendance

Marisa Perry – Controller
Allison Meshnick – Transit Management of
Denton County
Michael Chinn – Transit Management of
Denton County
Jim Owen – Transit Management of Denton
County
Alan Hendrix – Freese Nichols

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

1. Routine Briefing Items

- a. Financial Reports – Anna Mosqueda reported on items 1(a)i-v, item 1(a)vi will be held until the Finance Committee has met to discuss.
 - i. Financial Statements
 - ii. Capital Projects Report
 - iii. Sales Tax Report
 - iv. Procurement Report

- v. 4th Quarter Investment Report
 - vi. Investment Policy Annual Review
 - b. Strategic Planning / Development – Kristina Brevard reported on these items
 - i. Priority Projects Update
 - ii. Outreach Efforts
 - c. Marketing and Communications – Nicole Recker reported on these items and also distributed an updated timeline on for Interstate 35E construction.
 - i. Marketing and Communications Initiatives
 - ii. Marketing and Communications Metrics
 - iii. Customer Service Metrics
 - d. Capital Projects Update – Raymond Suarez reported on these items
 - i. Signal System Enhancements
 - ii. Positive Train Control (PTC)
 - iii. Flood Repairs/FEMA
 - iv. Transit Enhancements
 - v. Lewisville Bike Trail - Complete
 - vi. Rail Facility Drainage – Complete
 - e. Transit Operations – Raymond Suarez reported on these items
 - i. Rail Operations
 - ii. Bus Operations
2. Items for Discussion
- a. Rail Operations and Maintenance Agreement
 - b. Federal and State Funding Overview
 - Jim Cline gave an updated overview of the status of the rail operations and maintenance agreements for insurance and dispatch
 - Item 2b was postponed until after the Finance Committee has been able to discuss in depth
3. Discussion of Regular Board Meeting Agenda Items (October 2015)
- There were no comments on this item
4. Discussion of Future Agenda Items
- a. Board Member Requests – none

Work session was adjourned at 2:55 p.m.

<Break 2:55 p.m. – 3:07 p.m.>



1955 Lakeway Drive, Suite 260
Lewisville, Texas 75057

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

Board Meeting Minutes

The regular meeting of the Board of Directors of the Denton County Transportation Authority was convened with Chairman Charles Emery presiding at 3:07 p.m. October 22, 2015 at 1955 Lakeway Drive, Suite 260, Lewisville, Texas 75057. A quorum was present.

Attendance

Small Cities

Skip Kalb

Denton County at Large

Dave Kovatch

Large Cities

Charles Emery, Lewisville, Chairman
Paul Pomeroy, Highland Village, Vice-Chair
Richard Huckaby, Denton, Secretary
Carter Wilson, Frisco
Tom Winterburn, Corinth
Doug Peach, Little Elm

Denton County Unincorporated

Don Hartman
George A. Campbell

Board Members Absent

Connie White – Small Cities
Allen Harris, The Colony
Jim Robertson, Flower Mound

Legal Counsel

Joe Gorfida, General Counsel

DCTA Staff

Jim Cline, President
Raymond Suarez, Chief Operating Officer
Nicole Recker, Vice President of Marketing
and Communications
Kristina Brevard, Vice President Planning
and Development
Anna Mosqueda, Chief Financial Officer

Others in Attendance

Allison Meshnick – Transit Management of
Denton County
Michael Chinn – Transit Management of
Denton County
Jim Owen – Transit Management of Denton
County

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 – Jim Cline introduced Jim Owen with Transit Management of Denton County

1. CONSENT AGENDA

- a. Approval of Minutes Board Meeting September 24, 2015
- b. Acceptance of Financial Reports – September

- c. Acceptance of 4th Quarter Investment Report
 - d. Approval of Resolution 15-12 adopting the Annual Investment Policy for FY2016
 - e. Approval of Award of New and Remanufactured Automotive Parts
 - f. FY16 Operating and Capital Budget Revisions
 - g. Authorize the purchase of Heavy Duty Buses
 - Motion to approve Consent Agenda Items a-c and e-g made by Doug Peach. 2nd by George A. Campbell. Motion carried unanimously.
 - Item 1d was postponed until next board meeting after the Finance Committee has been able to discuss in depth
2. REGULAR AGENDA
- a. Award of contract for Legal Services
 - Motion to approve the award of contract for Legal Services made by Richard Huckaby. 2nd by George A. Campbell. Motion carried unanimously.
3. CHAIR REPORT – Charles Emery gave an update on these issues
- a. Discussion of Regional Transportation Issues
 - b. Discussion Legislative Issues
 - i. Regional
 - ii. State
 - iii. Federal
4. PRESIDENT’S REPORT – Jim Cline provided information on the following items
- a. Budget Transfers – none were required
 - b. Regional Transportation Issues
5. REPORT ON ITEMS OF COMMUNITY INTEREST
- 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.
 - Jim Cline reminded the board of the Salute to Veterans luncheon in Highland Village.
6. Convene Executive Session – at 3:26 p.m.- 4:24 p.m. Moved from work session Item 4b&c
- a. 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.
 - b. As Authorized by Texas Government Code Section 551.072 Deliberation regarding Real Property: Discuss acquisition, sale or lease of real property related to long-range service plan within the cities of Denton, Lewisville, or Highland Village.

7. Reconvene Open Session – at 4:24 p.m.
 - a. Reconvene and Take Necessary Action on Items Discussed during Executive Session.
 - No action was taken as result of executive session.

8. ADJOURN 4:24 p.m.
 - Motion to adjourn made by Dave Kovatch. 2nd by George A. Campbell. Motion carried unanimously.

The minutes of the October 22, 2015 meeting of the Board of Directors were passed, and approved by a vote on this 19th day of November, 2015.

Charles Emery, Chairman

ATTEST

Richard Huckaby, Secretary



Board of Directors Memo November 19, 2015

Subject: Award of Contract for Fleet Collision Repair and Painting Services

Background

A request for bids was released on October 12, 2015 on BidSync for Fleet Collision Repair and Painting Services. Bids were received on October 28, 2015. The bids were reviewed based on responsiveness, repair schedules, hourly rates, etc.

On October 28, 2015 DCTA received two (2) bids in response to our RFB:

- 1. Keith's Collision Center
- 2. North Texas RV Repair

Staff conducted a review and evaluation of the bids received and is recommending award to Keith's Collision.

Identified Need


DCTA has the need for a local repair company to provide services for damage repair to fleet in order to maintain the appearance and performance of its fleet and safety to passengers.

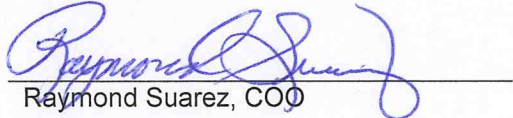
Financial Impact

Expenditures for fleet repair and painting services are reimbursed by FTA funds at 80% from preventative maintenance grant funds. Repairs and painting services will be performed on an as needed basis for a two (2) year term.

Recommendation

Staff recommends the Board approve the award to Keith's Collision Center.

Submitted by: 
Athena Forrester, Senior Procurement
Manager

Approval: 
Raymond Suarez, COO

**Board of Directors Memo****November 19, 2015****Subject: 1(e) Approve Task Order No. 9 to HNTB for Debris Inventory and Inspection at Rail Facility****Background**

The purpose of the requested services is to survey the vacant property northwest of the Rail O&M facility and identify the location of drums, tires and other undesirable debris, and determine the contents of the drums. Large articles or large piles of other debris that are observed will be photographed, described and noted for a technical memorandum. A contractor specializing in waste handling and disposal will be retained by the DCTA to remove drums, tires, and other debris identified during the site reconnaissance.

Identified Need

A scope of services and fees has been negotiated with HNTB to provide visual inventory of debris and inspection at the Rail Facility. Upon completion of the inspection a waste management contractor will be procured to remove and dispose of the debris.

Financial Impact

The fee for the services is \$36,000 and will be paid for with operating funds.

Recommendation

Staff recommends the Board of Directors authorize the President to execute the task order with HNTB in the amount not-to-exceed \$36,000

Submitted by:

A handwritten signature in black ink, appearing to read "A Forrester", written over a horizontal line.

Athena Forrester
Senior Procurement Manager

Approval:

A handwritten signature in blue ink, appearing to read "Raymond Suarez", written over a horizontal line.

Raymond Suarez, COO