

**Board of Directors Strategic Planning  
February 23, 2017**

**Purpose:**

At the end of this session, we will have accomplished the following:

- Confirmed the organizations vision, mission, and strategic goals.
- Discussed and agreed upon the guiding factors for how DCTA will conduct its business moving forward and a SWOT analysis for the organization.
- Agreed on the organization's strategic objectives and priorities.
- Agreed on major action items for the next five years and beyond.

**Agenda:**

- Introduction
  - Opening comments from the Board Chair
  - Opening comments from the DCTA President
  - Review agenda and deliverables
  - Establish session ground rules and review logistics
- Review and confirm the DCTA vision, mission, and strategic goals
- Discuss and confirm the organization's current operating philosophy about how it does business
- Review the four key areas around which priorities will be built for this plan:
  - Operations
  - Relationships
  - People
  - Financial
- Identify priorities, goals, and direction for staff in each of the four planning areas
- Provide guidance to staff on most important priorities
- Discuss how the DCTA Board will define successful progress toward completion of the strategic plan
- Discuss next steps and review session deliverables
- Summary and wrap up

**Length:** 10:30 – 5:30 p.m. with breaks as needed

**Notes:**

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# Denton County Transportation Authority 2017 Strategic Planning Update March 23, 2017 (Projected Date – Format for Final Report)



## **Vision**

Be a leader in advancing public transportation alternatives.

## **Mission**

As a regional partner, the Denton County Transportation Authority is committed to provide safe, customer-focused, and efficient mobility solutions for Denton County.

## **Our Goals and Objectives**

1. Maximize service efficiency and reliability
2. Maximize the effectiveness of service for DCTA's ridership markets
3. Increase the visibility and elevate the image of DCTA
4. Expand DCTA's services into areas where transit has a strong likelihood of success
5. Coordinate regional services with other regional transportation providers
6. Tie the provision of transit to land-use and the resulting demand levels
7. Advocate sustainable development practices that support transit
8. Maintain fiscally sound and sustainable financial plans and budgets that reflect community priorities and values

## **OLD INFO – UPDATE TO CURRENT**

### **About DCTA**

DCTA was established to accelerate transportation solutions critical to reducing traffic congestion, enhancing air quality, while contributing to orderly growth and development and improved the quality of life for current and future residents of Denton County.

DCTA operates 21 fixed routes, a general public demand response service, a 21-mile commuter rail system, vanpool services and demand response/paratransit services. DCTA's 57 peak bus vehicles, eight peak rail vehicles and 196 employees and contracted employees serve over three million passengers annually. The transit system serves three higher-education institutions, connects with the regional transit network and serves key employment, healthcare and government centers.

### *Current DCTA Initiatives:*

- DCTA is in the midst of significant technology advances including positive train control, mobile ticketing, and GPS based rider information system.
- DCTA has made great strides with the incorporation of commuter rail into our system. We must continue to seize opportunities for synergy between bus and rail services while providing an efficient program of services.
- Both bus operations and rail operations contracts will be up for renewal at the end of FY14/FY15.
- The freeway paralleling the A-train commuter rail line (I-35E) is currently under construction.

### **Annual Ridership**

DCTA's aggressive approach to service implementation has resulted in a 129 percent increase in ridership since initiating its service plan in 2005. Bus service improvements and the launch of the A-train have yielded record ridership each year since 2008, resulting in 2.9 million passenger trips in 2012 and 3.1 million passenger trips in 2013. The agency's ridership gains were recognized in 2008 by the Federal Transit Administration with the "Success in Enhancing Ridership" Award.

### **Real-Time Passenger Information**

DCTA recently hired a firm to develop a real-time passenger information system. The "Where's My Ride" real time travel information system will help passengers access the DCTA system more easily. "Where's My Ride" will allow passengers to obtain predictive arrival information for the next bus or train at a passenger's particular stop location via mobile application, SMS text alert, telephone Interactive Voice Response or through the DCTA website. DCTA anticipates deployment of this product late this year. In addition to the "Where's My Ride" system, DCTA has also partnered with DART and The T in developing "GOPass," a regional mobile ticketing application.

### **Long Range Service Plan**

The DCTA Board adopted its service plan in 2002 with subsequent revisions in 2003 and 2011. The most recent update included near term improvements to the existing transit network and the identification of priority transit corridors which include two new rail segments and a planned extension of the existing A-train.

Supporting bus services are also recommended to provide better connections between the cities facing explosive growth within Denton County.

### **Positive Train Control**

DCTA has taken significant steps to advance its efforts, including preparation and submittal of the PTCIP, approved by the FRA in December 2010, and the incorporation of PTC provisions within DCTA's DMUs.

Recently, DCTA and its consultant team have partnered with DART and The T to pursue a regional PTC system. This effort will allow for increased cost efficiencies and streamlined implementation. However, even with these advancements, DCTA faces several major financial, programmatic and technical challenges in implementing the program within the required timeframe.

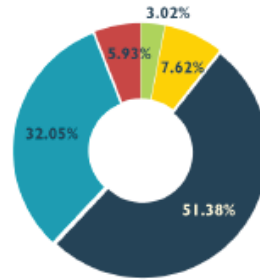
## Overall Financials

### Meet Financial Policies

	Goal	FY17 Revised Budget	Trend
Operating Reserve	90 days	\$7,148,040	<span style="color: green;">▲</span>
Sales Tax Reserve	3%	\$738,738	<span style="color: green;">▲</span>
Fuel Stabilization	\$50,000	\$450,000	<span style="color: green;">▲</span>
Capital Infrastructure Fund	\$2,000,000	\$2,000,000	<span style="color: green;">▲</span>
Internal Coverage Ratio	>1.25	1.70	<span style="color: green;">▲</span>

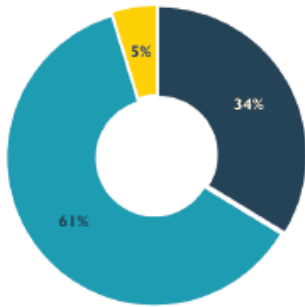
### DCTA Fiscal Year 2017 Total Revenues \$47,966,915

- Fares
- Contract Service
- Sales Tax
- Federal Grants & Reimbursements
- State Grants & Reimbursements



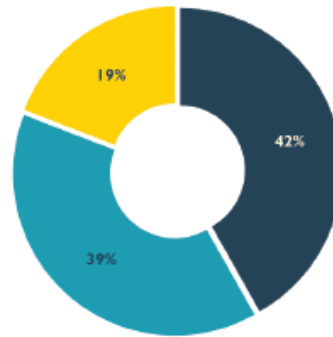
### Capital Improvement Total by Division \$79,343,215

- Bus Services
- Rail Services
- General & Admin



### Fiscal Year 2017 Operating Expense by Division

- Contract Rail Operations
- Contract Bus Operations
- General & Admin



Key Performance Indicators									
		Metric	Goal	1Q	2Q	3Q	4Q	YTD	Trend
Safety	Bus	Accidents / 100K Miles	2	1.94				1.94	Note 1
	Rail	FRA Reportable Incidents	<3	0				0	
		Metric	Goal	1Q	2Q	3Q	4Q	YTD	Trend
Ridership	Bus – Fixed Route <sup>1</sup>	Total Riders	591,888	133,849				133,849	Note 2
	Bus – Demand-Response <sup>2</sup>	Total Riders	29,984	8,247				8,247	
	Bus – Contract Services <sup>3</sup>	Total Riders	1,786,741	637,384				637,384	Note 2
	Rail	Total Riders	555,423	140,357				140,357	Note 3
		Metric	Goal	1Q	2Q	3Q	4Q	YTD	Trend
OTP	Bus – All	On-Time %	>90%	91%				91%	
	Rail	On-Time %	>98%	98%				98%	
		Metric	Goal	1Q	2Q	3Q	4Q	YTD	Trend
Customer Service	Provide Excellent Customer Service	Calls Received	>50,000	18,985				18,985	
		GORequest Entries/ 10K Boardings	≥2	2.8				2.8	
		Metric	Goal	1Q	2Q	3Q	4Q	YTD	Trend
Outreach	Brand Impressions	Global Brand Impressions	400,000	3,391				3,391	
		Media Buy Impressions	16.2M	3.7M				3.7M	
	Media Relations	Articles Mentioning DCTA	350	164				164	
		Media Relations Impressions	165M	35.7M				35.7M	
	Social Media	Increase in Facebook Likes	4,000	545				545	
		Increase in Twitter Followers	1,200	170				170	
	Digital	Website Total Sessions	380,000	102,637				102,637	
Blog Total Pageviews		9,000	1,221				1,221		
		Metric	Goal	1Q	2Q	3Q	4Q	YTD	Trend
Operating Costs (Direct)	Bus – Fixed Route <sup>1</sup>	Cost Per Rider	<\$9.71	\$8.85				\$8.85	
	Bus – Demand-Response <sup>2</sup>	Cost Per Rider	<\$45.13	\$38.41				\$38.41	
	Bus – Contract Services <sup>3</sup>	Cost Per Rider	<\$2.43	\$1.52				\$1.52	
	Rail	Cost Per Rider	<\$21.45	\$22.49				\$22.49	
	Bus – All	Revenue Recovery	>50%	51%				51%	Note 4
	Rail	Revenue Recovery	>6.8%	6.8%				6.8%	

<sup>1</sup>Includes Connect, Connect Shuttle and North Texas Xpress

<sup>2</sup>Includes Access and Community On-Demand

<sup>3</sup>Includes UNT, NCTC and Frisco

Critical Projects							
Single Car Operations				Positive Train Control			
	Target Date	Complete?	Trend		Target Date	Complete?	Trend
Award Signal Enhancement Project	Sep-15	Complete		Award PTC Contract	Oct-15	Complete	
Project Completion	Mar-16	Complete		Issue NTP	Nov-15	Complete	
Commence Single Car Operations	Apr-16	Complete		Submit new form PTCIP to FRA	Jan-16	Complete	
Additional Testing / Implementation	Aug-16	Complete		Design Complete	Nov-16 Feb-17	In Progress	Note 6
Phase II Implementation	Mar-17	In Progress	Note 5	Revise PTCIP	Nov-16 Mar-17	In Progress	Note 6
				Revenue Service Testing	Dec-17		
				FRA Approval	Dec-18		

Current Operating Environment – Map of Denton and Collin County with designations for who provides service

**Key Relationships**

- Current Member Cities/County
- NCTCOG/RTC
- DART/FWTA
- Potential Service Locations
- UNT/TWU/NCTC (Higher Education)
- Transportation Coalitions (DRMC/TRTC)
- Corridor Groups (35W/NCP, etc.)
- Trade Organizations (APTA/SWTA/TTA)

**How We Do Business**

- Meet the needs of our financially contributing members
- Protect what makes us unique – innovative, nimble, entrepreneurial
- Enterprise mind-set
- Access multiple funding sources
- Bring solutions to problems our customers are facing – Not imposing solutions that are desperately seeking problems.

Community Survey Results - Summary Results, focused on future decisions

NCTCOG 2040 Travel Patterns – Maps showing trends within our Area



## **Current Project Focus Areas**

- Service/Operations
  - Single Car Operations
  - Positive Train Control
  - Bus COA Improvements
  - Infrastructure Development
  - Building Ridership
- Marketing Communications
  - Build ridership
  - Brand awareness
  - Passenger communication
- Technology
  - Network improvements
  - Security
- Financial
  - Sustain policies
  - Strong audit results
  - Transparency
- Planning/Development
  - Property acquisition
  - Innovative Services
  - Partnerships

**SWOT Analysis**

<p style="text-align: center;"><b><u>STRENGTH (Internal)</u></b></p> <ul style="list-style-type: none"> <li>• Record of Success</li> <li>• Solid Staff/Board</li> <li>• No “Legacy” limitations</li> <li>• DCTA Culture</li> <li>• Success with suburban service</li> </ul>	<p style="text-align: center;"><b><u>WEAKNESS (Internal)</u></b></p> <ul style="list-style-type: none"> <li>• Limited opportunity to expand sales tax base</li> <li>• Limited staff resources/depth</li> <li>• Rail R/W Ownership</li> </ul>
<p style="text-align: center;"><b><u>OPPORTUNITY (External)</u></b></p> <ul style="list-style-type: none"> <li>• Rapid growth in area</li> <li>• Limit on highway capacity growth</li> <li>• Successful Partnerships</li> <li>• Chapter 460 Flexibility</li> <li>• Growing interest in transit service</li> </ul>	<p style="text-align: center;"><b><u>THREAT (External)</u></b></p> <ul style="list-style-type: none"> <li>• Automobile</li> <li>• General anti-transit sentiment in TX</li> <li>• Failure to recognize need for transit</li> <li>• Being dwarfed by peer agencies</li> <li>• Federal funding level uncertainty</li> </ul>

**Strategic Plan Criteria**

- Ridership Potential
- Economic Development
- Mobility/Air Quality
- Financing Potential/Cost
- Added System Value

**Potential Strategic Priorities**

- Enhance service effectiveness, safety, and security
- Logical expansion within Denton County
- Logical expansion within Collin County
- Sustain financial strength
- Support Higher Education
- Air Quality/Environmental Improvement
- Maintain and enhance relationships
- Seek opportunities with non-traditional partners
- Sustain the DCTA Culture – Keep what makes us different
- Bringing value beyond transit to the communities we serve

## DEVELOPMENT OF STRATEGIC PRIORITIES (BOARD DRIVEN)

1. Operations
  - a. Make our existing service better
    - i. Rail service
    - ii. 35W Bus
    - iii. Innovative Service
    - iv. Connect Bus
    - v. Added value (Office/TOD/Trails)
    - vi. Strategic Property Acquisition
  - b. Organic growth within Denton County
    - i. Open dialogue with Flower Mound, Corinth, Little Elm, The Colony, 35W corridor
    - ii. Regular outreach
    - iii. Develop options
  - c. Thoughtful expansion into Collin County
    - i. Sustain relationship with Frisco including development of BNSF rail
    - ii. Establish relationship with McKinney UTD
2. Relationships
  - a. Sustain current list
  - b. Any additional candidates?
  - c. Key themes and messages
  - d. Marketing/Communication actions
3. People
  - a. Succession Planning – Build a solid “farm team” capable of being competitive for advancement
  - b. Scalable Growth – Logical steps while retaining our culture
  - c. Hiring/Contracting – Practices to remain lean, nimble, and effective
  - d. Compensation – sustain practices to retain/recruit effective staff members
4. Finance
  - a. Sustain our solid position and practices
  - b. Sustainable funding for improvements and expansion
  - c. Retain fidelity with stakeholders

## **SPECIFIC PROJECT/OPERATIONS ACTIONS (STAFF DRIVEN)**

- Transit Oriented Development near A-train Stations
- Parking Shortage in Denton
- DCTA Office construction
- TOD Opportunity pursuit
- Thoughtful expansion in unserved portions of Denton/Collin County including BNSF Rail
- Improve service in 35W Corridor
  - Improve bus fleet and frequency
- Options for the SH380 Corridor
  - Bus/Rail/Partnership with freight rail
- Leverage additional high intensity bus service
  - FM 1171/SH121/FM 407
- Leverage TNC into service options
  - Options for general public
  - Options for demand responsive service
  - Last mile connection – complete trip
  - Solve regulatory restrictions that arise
- A-train extensions
  - Cotton Belt
  - SH 380
- Implement technology improvements
  - Synchronization of service
  - WIFI
  - Access to TCN's as part of total trip
  - Strength relationships with major education facilities
- Marketing/Communications
  - Tell our story
  - Build our brand
  - Grow ridership
  - Crisis communication
  - Online presence
- Infrastructure
  - Office space
  - Maintenance facilities (expansion of BOMF, remote light maint.)
  - Customer service
- Financing Opportunities
  - Strong Policies
  - Conservative debt issuance
  - Segregation of debt/operations risk

- Risk Management
  - Safety – Accidents
  - Security – Intentional acts
  - Catastrophic Loss
  - Insurance/Debt Covenants
  - Public Information/Missed Opportunities for Agency success
  - Continuity of Operations
- Staffing
  - Succession Planning – Build a solid farm team capable of being competitive for advancement
  - Scalable Growth
    - VP Level – Major project delivery (rail line?)
    - AVP/Business Ops Manager – Address major or cumulative growth by mode and span of control
    - Procurement – add another buyer as needed
    - Accounting – Focus on addition of Sr. Accountant as needed
    - Supervision – As needed to address service quality and span of control
  - Hiring/Contracting
    - Contract bus/rail operations
    - Contract short term need and specific expertise
    - Hire long-term need that is of a sustainable density
    - Stay lean but not emaciated
  - Compensation
    - Focus on recruiting and retention
    - Keep the team together for as long as possible
    - Fill vacancies with skilled people quickly– too small to train all

**EVALUATION OF PROJECTS – BUILDING ON BOARD GUIDANCE**

**Service Improvement/Expansion Inside Service Area**

<b>Project</b>	<b>Ridership Potential</b>	<b>Economic Dev</b>	<b>Mobility / Air Quality</b>	<b>Financing Potential / Cost</b>	<b>Added System Value</b>
Improved Bus Frequency	✓		✓	✓	
Additional Rail Service	✓		✓	✓	
Intermodal Center		✓			
A-train Extension to Belt Line					✓
A-train Extension to SH 380	✓		✓		
35W Service				✓	✓
TCN Expansion				✓	✓

**Service Expansion – Outside Current Service Area**

<b>City</b>	<b>P+E (1)</b>	<b>Ridership Potential</b>	<b>Economic Dev</b>	<b>Mobility / Air Quality</b>	<b>Financing Potential / Cost (2)</b>	<b>Added System Value</b>
Frisco	411,392	✓		✓		
McKinney	314,390	✓		✓		
Allen	144,018					✓
Flower Mound	138,381					✓
Wylie	123,512					
The Colony	84,618					✓
Little Elm	70,370					
Corinth Rail	58,284	✓		✓		✓
Prosper	54,374					✓
Parker	53,117					✓

(1) Total of 2040 population and employment from NCTCOG

(2) Must be self-supporting in contract areas

**Service Expansion – Corridor Projects**

<b>Corridor</b>	<b>Ridership Potential</b>	<b>Economic Dev</b>	<b>Mobility / Air Quality</b>	<b>Financing Potential / Cost (2)</b>	<b>Added System Value</b>
35W Bus Expansion	✓		✓		✓
SH380 Bus	✓		✓		
SH121 Bus	✓		✓		✓
DNT/FM423 Bus	✓		✓		
FM 1171 Bus	✓		✓		✓
FM 407 Bus	✓		✓		✓
BNSF Rail	✓	✓	✓	✓	✓
35W Rail					✓
KCS Rail					✓
SH380 Rail					✓

## **ACTION PLAN**

### **Within Five Years**

- Complete positive train control and single car operation
- Improve rail/bus operations including safety/security and higher education access
- Move into permanent office and facilitate TOD
- Frisco Service with viable plan for BNSF Rail Service
- McKinney UTD Service
- Continue to develop innovative solutions
- A-train extensions (in coordination with Cotton Belt)
- Open opportunities to unserved communities in Denton County
- Sustain strong finance policies
- Sustain our culture and role as a regional partner

### **Beyond Five Years**

- Address E/W corridors (FM 1171/SH121/SH380)
- Additional Rail Corridor development (35W/KCS/SH380)