



## Board of Directors Meeting Minutes for:

April 23, 2020

### Board of Directors Regular Meeting Minutes

The Board of Directors of the Denton County Transportation Authority convened the Regular Meeting of the Board of Directors with Dianne Costa, Vice Chair presiding on April 23, 2020 virtually.

#### Attendance

##### Voting Members

Dianne Costa, Chair, Highland Village  
TJ Gilmore, Vice Chair, Lewisville  
Sam Burke, Secretary, Denton County  
Chris Watts, Denton  
Cesar Molina, Denton County

##### Non-voting Members

Tom Winterburn, Corinth  
Mark Miller, Flower Mound  
Carter Wilson, Frisco  
Connie White, Small Cities  
Joe Perez, The Colony

##### Legal Counsel

Joe Gorfida, NJDHS

##### DCTA Executive Staff

Raymond Suarez, Chief Executive Officer  
Kristina Holcomb, Deputy Chief Executive Officer  
Marisa Perry, Chief Financial Officer/Vice President of Finance  
Nicole Recker, Vice President of Marketing and Administration  
Michelle Bloomer, Vice President of Operations

##### Guest Speakers

Chris Yeary, Avenu Insights  
Brenda Anderson, Avenu Insights

##### Other DCTA Staff Attendees

Javier Trilla, Director of Information Technology  
Lindsey Baker, Director of Strategic Partnerships  
Athena Forrester, Assistant Vice President of Regulatory Compliance/DBE Liaison  
Amber Karkauskas, Controller  
Tim Palermo, Senior Regional Planner  
Troy Raley, Director of Bus Operations/Maintenance  
Amanda Riddle, Senior Manager of Budget  
Whitney Trayler, Grants Manager  
John Duffy, Financial Analyst  
Brandy Pedron, Executive Administrator

##### Public Attendees

Claire Powell, Lewisville Alternate  
Michael Leavitt, Highland Village Alternate  
Paul Christina, Denton County Alternate  
Stan Nixon, UNT Assistant Director, Transit and Special Projects  
Peggy Hinkle-Wolf, DRC  
Brandi Bird, Bird Advocacy & Consulting  
Chris Giglio, Capital Edge  
Paula Richardson  
Ehren Bingaman

ROLLCALL – *Chair Costa performed a rollcall prior to calling the meeting to order.*

CALL TO ORDER – *Chair Costa called the meeting to order and announced the presence of a quorum at 10:07 am.*

GUEST PRESENTER – *Marisa Perry introduced Chris Yeary, Vice President, Sales & Use Taxes with Avenu Insights & Analytics presented an overview of the sales tax information provided by the Comptroller and an update on recent legislation involving sales tax for remote sellers and marketplace providers and sellers.*

PUBLIC COMMENT – *There were no public comments made.*

CONSENT AGENDA



1. Approval of March 26, 2020 Minutes
2. Approval of Monthly Financial Statements for March 2020
  - *A Motion to approve Consent Agenda item 1 and 2 as presented was made by Chris Watts. The motion was seconded by Sam Burke. All board members voted yes. Motion passed unanimously by the Board with no abstentions.*

INFORMATIONAL REPORTS – *The following information reports were presented to the Board in the Board Packets for review.*

1. Monthly Financial Reports for February 2020 – *No questions were asked.*
2. Transformation Initiative Update – *No questions were asked.*
3. Performance Measures by Route – *Board Member questions for clarification were answered by staff. The data presented was built on expenses and did not include funding received. Staff will provide data including funding received to the Board.*
4. Monsignor King Outreach Center to Our Daily Bread Shuttle Update – *No questions were asked.*
5. Public Transit Agency Safety Plan (PTASP) Overview – *No questions were asked.*

*[Board Chair Costa made a motion to recess the meeting for short break at 11:37 am. The time of recess expired, and the meeting resumed at 11:42 am.]*

#### REGULAR AGENDA

1. Coronavirus (COVID-19) Response Update
  - *Kristina Holcomb gave a detailed briefing of DCTA's response and action to COVID-19, partnerships with regional agencies, effects on ridership, enhanced process and protocols for front-line workers, employee and ridership safety and statistics of trail utilization increasing by 220 percent last month and by 120 percent overall for the year.*
2. Suspension of Service
  - *Michelle Bloomer discussed with the Board the suspension of Denton Connect Route 5 and Route 8. Due to COVID-19 and the associated stay-at-home orders currently in place, ridership has declined system-wide. Based on recommendations contained in the Comprehensive Operational Analysis (COA), Denton Connect Routes 5 and 6, and Denton Connect Routes 7 & 8 were designed to overlap in high traffic areas to increase frequency in these corridors. As a result, there are large portions of Route 5 that are also served by Route 6, and the same for Routes 7 and 8. After reviewing the coverage of each route, as well as ridership, staff anticipates suspending Denton Connect Route 5 and Denton Connect Route 8 effective Sunday, May 10. This suspension would remain in effect until further notice. Currently, ridership does not support the currently level of service and a suspension in service would result in cost savings.*
  - *Per the request of Vice Chair Gilmore, staff will provide the data on cost savings with this reduction in service at the next board meeting.*

3. **Contracted Service Agreement Overview** – *Marisa Perry provided contracted service agreements overview and identified what each line item entailed. Raymond Suarez provided additional information regarding UNT and the level of service to expect as things change. Chair Costa recognized that unintended consequences need to be taken in to account as we make those changes and questioned what those changes look like. Raymond Suarez discussed those changes and the variables and informed the Board that staff reached out to other peer agencies to discuss subsidies especially for university services.*
  - *Connie White posed a requested clarification on the backup data provided in the packet regarding facility expenses allocation. Marisa Perry clarified that Rail facility expenses are for Rail, and Frisco, CCT and Bus O&M overhead is attributed to contracts but not for taxi services, only demand response.*
  - *Cesar Molina posed a question regarding CCT. Raymond Suarez provided an overview of CCT program and Marisa Perry answered that DCTA will need to renegotiate the taxi voucher program.*
  - *Chris Watts asked for clarification on how the percentages were calculated. Marisa Perry answered provided the formula to the Board.*
  - *Chris Watts posed questions regarding fleet revenue and federal funding. Staff briefed the Board on the federal funding for fleet revenue and gave details regarding UNT federal funds.*
  - *Marisa Perry clarified the table calculations after a question from Carter Wilson.*
  - *Secretary Burke asked if any of the contracts comply with the Admin Fee Policy in the packet. Marisa Perry answered that the universities would pay 75 percent of the operational and capital costs with the proposed policy, therefore UNT and NCTC would be compliant. Frisco and Collin County Transit are at 74 and 64 percent, so they would not be in line with the policy because it proposes 100 percent.*
  - *Secretary Burke stated that he was not comfortable with the Frisco admin fee because he is not confident that it accurately reflects staff salaries. Marisa Perry provided clarification that these are allocated based on numbers for the agency as a whole. Further discussion was had amongst the Board and staff regarding administrative fees with the contracted services. Secretary Burke expressed concern about how this allocation works with the proposed policy in the packet and would like to know both the cost of the allocation and the economic effect of the agency.*
  - *Secretary Sam expressed worry about the TTI cost allocation model because it does not state the need to rework it.*
  - *Vice Chair Gilmore asked if DCTA lost the contract what is the total loss including grants? Raymond Suarez answered that there are no grants attributed to Frisco or McKinney Urban Transit District or Collin County Transit. Marisa Perry gave further explanation on this and noted that Frisco does pay a 20 percent administrative fee equaling \$60 thousand, therefore, we would lose \$60 thousand if we cut the Frisco contract.*
  - *Cesar Molina is in favor of 100 percent recovery of non-member city contracts.*
  
4. **Discussion and Approval of Contract Service Agreement Administrative Fee Policy** – *Marisa Perry provided an overview of the item. Each agreement for DCTA contract services has been constructed based on desired service levels, mobility solution chosen, and estimates of work effort needed to administer the respective contracts. DCTA executed a work authorization with Texas A&M Transportation Institute (TTI) in September 2018 to develop a multi-model service costing model to fully allocate costs to each of DCTA's transit modes and services. This model allows DCTA to allocate all indirect costs between member city service and DCTA's contract services. The proposed Contracted Service Agreement Administrative Fee Policy establishes an administrative fee for contracted services provided to entities other than DCTA's three member cities based on a minimum cost recovery. Upon approval, DCTA will renegotiate existing contracts for service to align with this policy.*
  - *A Motion to approve the Contract Service Agreement Administrative Fee Policy was made by Cesar Molina. The motion was seconded by Vice Chair Gilmore. All Board members voted in favor. Motion carries and is passed unanimously by the Board with no abstentions.*

5. Consider Approval to Amend the North Central Texas College (NCTC) Contracted Service Agreement – *Nicole Recker briefed the Board on this item. In December of 2019, the Board approved a six-month extension of the existing contract service agreement with North Central Texas College (NCTC), effective January 1, 2020 through June 30, 2020. DCTA currently provides contracted shuttle bus service for the NCTC students, faculty and staff.*
  - *The Board discussed terms of extension.*
  - *A Motion to extend the agreement to July 31, 2020 was made by Cesar Molina. The motion was seconded by Vice Chair Gilmore. Chair Costa, Vice Chair Gilmore, Chris Watts and Cesar Molina voted in favor. Sam Burke voted not in favor. Motion carries and is passed by the Board.*
  
6. Consider Approval to Amend the City of McKinney Interlocal Agreement Providing Service to the McKinney Urban Transit District (MUTD) by Authorizing a Month-to-Month Extension through September 30, 2020 – *In May 2017, the DCTA board approved an Interlocal Agreement (ILA) with the City of McKinney, effective June 1, 2017, to provide public transportation services to operate as Collin County Transit (CCT) in the McKinney Urban Transit District (MUTD). The MUTD added Prosper to its member cities in June 2019, which also include Celina, Lowry Crossing, McKinney, Melissa, and Princeton. Services include demand-response transit (Access) and an FTA-compliant taxi voucher program through Irving Holdings. The program supports MUTD member city residents who are 65 years of age or older, disabled, or low-income (up to 150% of federal poverty guidelines). Passengers can request a trip to and from MUTD member cities and anywhere within Collin County. MUTD ridership increased by 117% in FY 2019 over FY 2018. The term of the original ILA with the City of McKinney was for one year with the option to renew for successive one-year terms at \$350,000 per year. The ILA has been amended twice and extended within the current term parameters of the agreement. The City of McKinney Interlocal Agreement expires on May 31, 2020. DCTA staff recommends a month-to-month extension, not to extend beyond September 30, 2020, to allow time to establish a new service rate and administrative fee in order to comply with DCTA's cost allocation model and administrative fee policy. The new fee shall cover all expenses associated with the agreement and shall have no negative financial impact on DCTA.*
  - *A Motion to extend the agreement to July 31, 2020 was made by Chris Watts. The motion was seconded by Vice Chair Gilmore. All Board members voted in favor. Motion carries and is passed unanimously by the Board with no abstentions.*
  
7. Board Strategic Guidance Session: DCTA's 5-year Look-back – *Raymond Suarez provided an overview to the Board on DCTA's 5-year look-back and walked them through the data presented in the packet that covered the following: Historical Events Impacting DCTA Finances and Operations; Ridership and Performance Measures; Financial Information; and NTMC Historical Perspective and Progress to Date. Staff will provide information regarding the past 5 years of performance data, major events that have influenced agency and operational performance, a summary of the progress made over the past 18 months and a summary look-back at the creation and progress to date of the North Texas Mobility Corporation, Local Government Corporation. Board members and staff discussed the reasons and history of increases in costs and line item details.*
  - *Vice Chair Gilmore requested to see the actions, programs, thoughts and ideas that staff and the agency have done to address the decline in both bus and rail [ridership] over that 5-year time period and turn-over trends over the last 5 years.*
  - *Chris Watts asked for clarification on actual numbers and budget numbers. Staff offered clarification.*
  
8. FY21 Budget Discussion – *Raymond Suarez opened the item with a comment regarding changes from last years budget with what we think will happen for FY21. Marisa Perry walked the Board through the presentation slides and discussed the proposed direction of the agency in preparation for the start of the FY21 budget process and the assumptions staff presented.*



- Staff answered Board questions on the requirements for CARES Act dollars.
- Vice Chair Gilmore would like to explore something like an Administrative Overhead Policy to get an idea of the ratio between overhead to service as an overall percent.
- Vice Chair Gilmore would like to have conversations of policy regarding ELAP to help drive ridership and connectivity.

#### 9. Discussion of Regional Transportation and Legislative Issues

- Dianne Costa read a briefing by Michael Morris regarding the decline in transportation revenues in light of COVID. It was noted that there as a 35% decrease in traffic for March.
- Kristina Holcomb gave updates on State and Congressional briefings.

FUTURE AGENDA ITEMS AND BOARD MEMBER REQUESTS – Chair Costa made mention of the Board Agenda Outlook included in the Board packets and noted that at this point there is no good way for DCTA to go into closed session and come out it. Vice Chair Gilmore suggests reaching out to the City of Lewisville and see how they were able to go into closed session.

- Kristina Holcomb reviewed the Board Agenda Outlook exhibit; stated performance measures by routes data would be included and reviewed item request detailed during the meeting.

REPORT ON ITEMS OF COMMUNITY INTEREST – No reports on items of community interest were given.

CONVENE EXECUTIVE SESSION – The Board convened into executive session at 4:13 pm for the following:

- As Authorized by Section 551.072 of the Texas Government Code, the Board of Directors Meeting may be Convened into Closed Executive Session for the Purpose of Deliberation regarding Real Property: Discuss acquisition, sale or lease of real property related to long-range service plan within the cities of Denton, Lewisville, Highland Village, or the A-train corridor.
- As Authorized by Section 551.074 of the Texas Government Code, the Board Meeting may be Convened into Closed Executive Session for Deliberation of Personnel: Annual CEO's Performance Review.

RECONVENE OPEN SESSION – The Board reconvened into open session at 4:50 pm. No action was taken.

ADJOURN – Motion to adjourn the meeting was made by Chris Watts and seconded by Vice Chair Gilmore. All in favor. The meeting was adjourned at 4:52 p.m.

The minutes of the April 23, 2020 Board of Directors Meeting were passed and approved by a vote on this 27<sup>th</sup> day of May 2020.

  
Dianne Costa, Chair

ATTEST

  
Sam Burke, Secretary