



## Board of Directors Meeting Minutes for:

June 25, 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, Chair presiding on June 25, 2020 remotely and at Highland Village Council Chambers.

#### 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  
Carter Wilson, Frisco (remotely)  
Connie White, Small Cities  
Ron Trees, Little Elm (remotely)  
Joe Perez, The Colony (remotely)

##### Legal Counsel

Joe Gorfida, NJDHS

##### NTMC Voting Members

Richard Hayes, Vice Chair  
Don Combs  
Sara Hensley  
Raymond Suarez

##### 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 Mobility Services and Administration

##### Guest Speakers

Ron Holifield, SGR  
Dee Leggett, LTK  
Tom Ryden, LAN  
Brent Patterson, Stateside

##### Other DCTA Staff Attendees

Lindsey Baker, Director of Government Affairs  
Athena Forrester, Assistant Vice President of Regulatory Compliance/DBE Liaison  
Ann Boulden, Director of Capital Development  
Tim Palermo, Senior Regional Planner  
Troy Raley, Director of Bus Operations/Maintenance  
Amanda Riddle, Senior Manager of Budget  
Whitney Traylor, Grants Manager  
Javier Trilla, Director of Information Technology  
Kyler Hagler, Network Administrator  
Adam Wells, Desktop and Application Support Specialist  
Rusty Comer, Manager of Bus Administration  
Amber Karkauskas, Controller  
Christa Christian, Senior Procurement Specialist  
Geraldine Osinaike, Procurement Specialist  
John Duffy, Financial Analyst  
Katie Cruze, Receptionist  
Linda Blakely, Executive Assistant/Office Coordinator  
Mary Worthington, Community Relations Manager  
Sarah Martinez, Director of Procurement  
Mackenzie Armendariz, Human Resources Manager  
Rose Jerome, Project Controls Coordinator  
Sarah Hultquist, Mobility Services Coordinator  
Jennifer Lovelady, Human Resources Assistant  
Brandy Pedron, Executive Administrator

##### Public Attendees

Claire Powell, Lewisville Alternate  
Paul Cristina, Denton County Alternate  
John Hendrickson, Hendrickson Transportation  
RJ Garza, NTMC Contract General Manager  
Paula Richardson, ATU  
Albert Dirla  
Kristal Gay  
Peggy Heinkel-Wolfe, DRC  
Chris Newport, Accenture  
Louis Litten, Herzog  
Omar Pena  
Brandi Bird, Bird Advocacy & Consulting  
Joyce

CALL TO ORDER – *Chair Costa called the meeting to order and announced the presence of a quorum at 10:08 am. NTMC Vice Chair Hayes call the NTMC meeting to order and announced the presence of a quorum at 10:08 am.*

INVOCATION – *Chris Watts led the Meeting in Prayer.*

NAVIGATION TO THE ZOOM MEETING – *Deputy CEO Holcomb gave attendees a brief navigation to the meeting.*

PUBLIC COMMENT – *Paula Richardson, ATU and Albert Dirla addressed the Board with public comment at this time.*

WORKSHOP – *The DCTA and NTMC Board of Directors held a joint workshop to discuss the following:  
Review DCTA’s Initial Intent for NTMC; Discuss DCTA’s Long Term Options for NTMC; Discuss DCTA & NTMC Board Workflow; Discuss Outstanding Items: Certificate of Formation Modification, Bylaw Modification, General Manager RFP; and DCTA Direction for NTMC Board*

*[Board Chair Costa made a motion to recess the meeting for short break at 10:52 am. The time of recess expired, and the meeting resumed at 11:05 am.]*

- *DCTA Board Member, Cesar Molina, recommended the DCTA Board give the NTMC Board recommendations to pause on moving forward with changes to the NTMC Bylaws and Certificate of Formation and that the DCTA Board direct the DCTA staff to rewrite the Interlocal Agreement (ILA) so that it matches what they want NTMC’s role to be and then bring back to the DCTA Board for review and approval before holding another Joint meeting with both Boards to communicate the ILA changes.. Both the DCTA Board and NTMC Board members all agreed.*

*[Motion to adjourn the NTMC Board meeting was made by Vice Chair Hayes and seconded by Don Combs. All in favor. The NTMC Board meeting was adjourned at 12:54 p.m.]*

CONVENE EXECUTIVE SESSION – *The Board convened into executive session at 12:56 pm for the following:*

- A. *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.*
- B. *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.*

*[Board Member, Chris Watts departed the meeting around 1:55 p.m.]*

RECONVENE OPEN SESSION – *The Board reconvened into open session at 3:20 pm. The following actions were taken:*

- *Vice Chair Gilmore moved that the Chief Executive Officer and any other officer of the Authority be authorized to sign on behalf of DCTA the agreement presented to the Board this day to purchase Lot 1, Block A, Elm Fork Industrial Park, an Addition to the City of Lewisville, Texas, for a purchase price not to exceed \$2,300,000.00 plus all closing and other acquisition costs, including, but not limited to, relocation costs required by state and federal law, and to sign such other agreements, documents, and any amendments thereto, as the Chief Executive Officer, in consultation with the General Counsel, deems reasonable and necessary with respect to the closing of said transaction. Vice Chair Gilmore further moved that the DCTA’s budget for the Fiscal Year 2019-2020 be amended*

*in the manner recommended this date by the Chief Executive Officer to provide for current funds for the purchase of the above-described property. The motion was seconded by Cesar Molina. All board members voted yes; with the exception of Chris Watts who was not present for the vote. Motion passed unanimously by the Board with no abstentions.*

- *A Motion to approve an amendment to Raymond Suarez employment agreement to extent the term of employment through September 13, 2023 and increase the severance to nine (9) months and further authorize Dianne Costa to execute the amendment was made by Secretary Burke. The motion was seconded by Cesar Molina. All board members voted yes; with the exception of Chris Watts who was not present for the vote. Motion passed unanimously by the Board with no abstentions.*

*In the essence of time, the Board held the remainder of the agenda items out of order. The order they were addressed is outlined below:*

#### REGULAR AGENDA

2. **Corinth Station Concept Planning and Performance Study** - *The Board received an update regarding the recent Corinth Station Concept Planning and Performance Study conducted by Lockwood, Andrews and Newnam, Inc. (LAN).*
  - *Vice Chair Gilmore requested additional data: anticipated ridership changes and a schedule-per-schedule on how DCTA would sync with DART*

*[Board Member, Chris Watts returned to the meeting at 3:47 p.m.]*

#### CONSENT AGENDA

1. **Approval of MAY 27, 2020 Minutes**
2. **Approval of Monthly Financial Statements for May 2020**
  - *A Motion to approve Consent Agenda item 1 and 2 as presented was made by Secretary Burke. The motion was seconded by Vice Chair Gilmore. All board members voted yes. Motion passed unanimously by the Board with no abstentions.*

#### REGULAR AGENDA (continued)

10. **Consider Award of RFP 20-14 for Sales and Use Tax Review Services** - *A request for proposals was issued on May 8, 2020, seeking qualified firms to perform a review of DCTA's sales/use tax remittances and related information to ensure that DCTA is receiving all the sales taxes to which it is entitled. Six thousand, six hundred, seventy-five (6,675) entities were successfully invited to view the documents on the electronic procurement platform used by DCTA. On May 26, 2020, DCTA received four (4) proposals in response to the RFP: Avenu Insights and Analytics, LLC; Azavar Government Solutions; HdL Companies; TriStem, Ltd. Staff conducted a review and evaluation of the proposals and is recommending award to HdL Companies. Work to be performed includes identifying any misallocations, reporting errors, or other factors causing DCTA to receive less than the proper amount of taxes due. Consultant will be asked to document and report findings and to perform any necessary analysis and other work that will help ensure that DCTA is realizing all the sales tax revenue to which it is entitled. Consulting services including forecasting, legislative and regulatory policy tracking, and analysis will also be included in the service. DCTA has contracted for Sales and Use Tax Review services for the last five years. The agreement is for a three (3) year term commencing September 1, 2020, through and including August 31, 2023, with the option to renew for two (2) additional one (1) year*

terms. The total anticipated cost for the contract includes flat fees of \$36,000 over the five (5) year term or \$7,200 per year plus a 22.5% fee on recovered (past) and increased (prospective) sales taxes. Staff recommended the Board approve the award of Sales and Use Tax Review services and authorize the CEO to execute a contract with HdL Companies.

- A Motion to approve Regular Item 10 was made by Chris Watts. The motion was seconded by Secretary Burke. All board members voted yes. Motion passed unanimously by the Board with no abstentions.

11. Consider Approval of Resolution R20-11 Appointing a Board of Director's ADA Liaison to the Access Appeal Panel - With the resignation of former Board Member Dave Kovatch who previously served as the Board of Director's ADA Liaison, there is a current vacancy on the Access Appeal Panel. In addition, according to the AAP policy, the appointed ADA Liaison reserves the right to designate a DCTA staff member to serve in his or her absence. Staff recommended the Board consider making an appointment to fill the vacant seat of the Board of Director's ADA Liaison and designate Nicole Recker, VP of Mobility Services & Administration to serve in his/her absence.

- Chair Costa nominated Cesar Molina to fill the vacant seat of the Board of Director's ADA Liaison and designated Nicole Recker, VP of Mobility Services & Administration to serve in his absence. A Motion to approve the nominations as outlined was made by Chair Costa. The motion was seconded by Chris Watts. All board members voted yes. Motion passed unanimously by the Board with no abstentions.

12. Consider Award of Web Services Contract - A request for proposals was issued on February 12, 2020, seeking firms to provide a range of web services to support DCTA's website, blog, e-commerce solution, PCI compliance and security (PCI compliance and security refer to encryption requirements and secure processing of credit cards). One hundred and thirty (130) entities viewed the documents on the electronic procurement platform used by DCTA. On March 12, 2020, DCTA received five (5) proposals in response to the RFP: American Eagle; HCK2; Inreact; Park Circle; and Planeteria Media. Staff conducted a review and evaluation of the proposals and is recommending award to Planeteria Media. The agreement is for a three (3) year term with the option to renew for two (2), one (1) year terms. The total anticipated cost for the contract is not to exceed \$200,000, over the five (5) year term, if all terms are exercised. Annual departmental budgets are incorporated into each fiscal year's budget. Staff recommended the Board approve the award of Digital Web Services in the amount of \$200,000 and authorize the CEO to execute a contract with Planeteria Media.

- A Motion to approve Regular Item 12 was made by Secretary Burke. The motion was seconded by Chair Costa. All board members voted yes. Motion passed unanimously by the Board with no abstentions.

13. Consider Award of MaaS Task Order #1: Lakeway Zone and Denton Evening Zone - The Lakeway Zone began as a pilot program on January 14, 2019, replacing a portion of existing Lewisville Connect Route 21 in the Lakeway Business Park area. On September 15, 2019, the program went live as a normal DCTA zone. On March 23, 2020, additional evening zones were created to supplement fixed route bus service in order to allow for connections with DCTA's A-train and last-mile connections. The Task Order is for a two (2) year term, commencing September 14, 2020 through September 30, 2022, with the option to renew for one (1) term ending September 30, 2024. The total anticipated cost for the contract is not to exceed \$50,000 per year, over the four-year term, if the option period is exercised. The task order will be funded from the Operating Budget. Annual departmental budgets are incorporated into each fiscal year's budget. DCTA staff recommended the Board approve and authorize the CEO to execute the MaaS Task Order #1 Lakeway Zone to Spare Labs, Inc. in the amount not to exceed \$50,000, per year.

- Vice Chair Gilmore requested ridership data on this item.



- *A Motion to approve Regular Item 13 was made by Vice Chair Gilmore. The motion was seconded by Chair Costa. All board members voted yes. Motion passed unanimously by the Board with no abstentions.*

14. **Consider Approval of Fourth Amendment to the City of McKinney MUTD Interlocal Agreement** - *At the April 23, 2020 board meeting the DCTA Board of Directors approved an extension to the City of McKinney contracted service agreement, originally expiring May 31, 2020, to July 31, 2020. DCTA coordinated new contract terms in line with the agency's Cost Allocation Model and Administrative Fee Policy. The MUTD Board of Directors held a meeting on June 17 at which they considered and approved a proposed fourth amendment to the City of McKinney/DCTA ILA through December 31, 2020, inclusive of the cost allocation administrative fee. The proposed fourth amendment and associated exhibits were provided in the packet. The proposed fourth amended ILA also includes a programmatic revision. At the April MUTD Board meeting, they received a presentation from Spare Labs, who conducted a rate analysis to propose a new rate structure. As a result, the MUTD Board approved a rate change to a \$3 flat fare for future services. The City of McKinney included this change in the fourth amended ILA. In addition to the proposed fourth amendment, the MUTD Board authorized city staff to issue an RFQ for transit services contingent upon the DCTA Board of Directors approval of the fourth Amended ILA and extension. All related fees have been incorporated into the new contract terms per Exhibit A in the Proposed Fourth Amendment.*

- *A Motion to approve Regular Item 14 was made by Chair Costa. The motion was seconded by Secretary 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** - *Sales tax represents the single largest source of revenue for DCTA at 52.46% for the Fiscal Year 2020 budget. The annual revised sales tax budget for FY20 is \$21,464,452. 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. For the month of June, receipts were favorable compared to the revised budget. Sales tax for sales generated at retail in the month of April and received in June was \$2,185,555. This represents an increase of 84.63% or \$1,001,824 compared to budget for the month. Compared to the same month last year, sales tax receipts are \$298,886 or 12% lower. Member city collections for the month compared to prior year are as follows: City of Lewisville down 13.45%; City of Denton down 14.38%; City of Highland Village down 12.17%. As requested by the Board of Directors, staff is providing a monthly update on all Mobility-as-a-Service commitments, activities and expenses. No task orders have been issued to date. There were no budget transfers completed in the month of May to report, other than the budget revision presented to and approved by the Board of Directors at the May Board meeting.*
2. **Information Requested by Board Members at the April Board Meeting** - *The following information was provided per the request of Board Members at the April Board Meeting: Contracted Service Agreements Monthly Progress Report; and Five Year History of Efforts to Drive Ridership.*

REGULAR AGENDA (continued)

1. **Coronavirus (COVID-19) Response Update** – *This item was not discussed.*



3. **Mobility as a Service (MaaS) Task Order for Member City Services** – *Raymond Suarez led a brief discussion regarding the initiation of a task order to deploy on-demand services within member cities with anticipated service strategy recommendations by August.*
4. **Transformation Initiative Executive Summary** – *Nicole Recker led a brief discussion regarding this item leading into items 5 and 6 on the agenda.*
5. **Consider Approval of Resolution R20-09 Approving FY20 Budget Revision 2020-05 for Task Order 1 and Transformation Initiative Consultant** – *Marisa Perry provided an overview of the item. The Transformation Initiative is an agency-wide study to help the DCTA Board of Directors develop a cohesive vision for DCTA's future, improve operations, address perceived concerns, and respond to evolving markets, technology and consumer preferences. DCTA's Financial Management Policies require approval of a Board resolution to authorize a budget amendment that increases the total adopted fiscal year budget. The total budget impact of Budget Revision 2020-05 is an increase to the operating budget of \$667,000. The Transformation Initiative board-appointed evaluation committee recommended the Board of Directors approve Resolution R20-09 approving Budget Revision 2020-05 for the FY 2020 operating budget.*
  - *A Motion to approve Regular Item 5 awarding the Contract and modifying the Budget without money spent until the Scope of Services is reviewed by the Board and not to exceed \$667,000, as stated by Secretary Burke, was made by Vice Chair Gilmore. The motion was seconded by Cesar Molina. All board members voted yes. Motion passed unanimously by the Board with no abstentions.*
6. **Consider Approval of Agency Transformation Initiative Consultant and Task Order 1**
  - *A Motion to authorize the CEO to negotiate and enter into an agreement was made by Secretary Burke. The motion was seconded by Vice Chair Gilmore. All board members voted yes. Motion passed unanimously by the Board with no abstentions.*
7. **August Service Change Overview** – *Nicole Recker led a brief discussion of the information provided in the presentation for this item. This item will be brought to the July Board Meeting for approval.*
  - *Vice Chair Gilmore requested staff to provide data on the cost savings between 30- and 60-minute headways.*
8. **Hazard/Hero Pay Options** – *Information for this item was provided to the Board in the presentation and will be sent out in the Friday email.*
9. **Lakeway Administration Building Lease Extension** – *Kristina Holcomb gave a brief overview and recommended approval of the ILA for maintenance of the A-train Rail Trail in the City of Lewisville.*
  - *A Motion to approve City of Lewisville Trail Maintenance Agreement was made by Vice Chair Gilmore. The motion was seconded by Chris Watts. All Board members voted in favor. Motion carries and is passed unanimously by the Board with no abstentions.*
10. **Consider Approval of Train the Trainer Task Order** – *Nicole Recker asked the Board to review the information on this item provided in the presentation on page 77. Staff will bring the contract to the July Board Meeting for approval. The terms in the extension were set based on the existing contract; it is not a negotiation, but an extension.*
15. **Discussion of Regional Transportation and Legislative Issues** – *Chair Costa briefly noted that staff would be bringing forward discussions on the development of a formal legislative program for the 87<sup>th</sup> legislative session.*



FUTURE AGENDA ITEMS AND BOARD MEMBER REQUESTS

- *Kristina Holcomb notified the Board that the Friday Email will be sent on Monday, July 29.*

REPORT ON ITEMS OF COMMUNITY INTEREST – *This item was not discussed.*

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 5:21 p.m.*

The minutes of the June 25, 2020 Board of Directors Meeting were passed and approved by a vote on this 23rd day of July 2020.

  
Dianne Costa, Chair

ATTEST

  
Sam Burke, Secretary