



## Board of Directors Regular Meeting

October 22, 2020 | 10:00 a.m.

To be held by Zoom Video Conference

*NOTICE IS HEREBY GIVEN that the members of the DCTA Board of Directors will be meeting via video conference using Zoom. The meeting will be made available to the public at the following web address <https://zoom.us/j/93282349715> or by joining via telephone by dialing the following number: +1 346 248 7799; Meeting ID: 932 8234 9715*

### CALL TO ORDER

### INVOCATION

### RECOGNITION OF SERVICE

Carter Wilson, Frisco Representative, 8 years of service

### INTRODUCTIONS OF NEWLY APPOINTED BOARD MEMBER AND ALTERNATE

Dennie Franklin, Frisco

Mayor Wilcox, Highland Village Alternate

### PUBLIC COMMENT

This agenda item provides an opportunity for citizens to address the Board of Directors on any agenda item(s) or other matters relating to the DCTA. Each speaker will be given a total of three (3) minutes to address any item(s). Anyone wishing to speak shall be courteous and cordial. Any person who wishes to address the Board of Directors regarding any item(s) may do so by utilizing the "raise hand" function of the Zoom meeting at this time. Citizens that are not able to connect virtually to the Zoom meeting must email his or her public comment to [bpedron@dcta.net](mailto:bpedron@dcta.net) no later than 3:00 pm on Wednesday, October 21, 2020 to ensure the comment will be read. The Board of Directors is not permitted to take action on any subject raised by a speaker during Public Comments. However, the Board of Directors may have the item placed on a future agenda for action; refer the item to the DCTA Administration for further study or action; briefly state existing DCTA policy; or provide a brief statement of factual information in response to the inquiry.

### CONVENE EXECUTIVE SESSION

The Board may convene the Regular Board Meeting into Closed Executive Session for the following:

- A. As Authorized by Section 551.071(2) of the Texas Government Code, the Board of Directors 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 or the Regular Board Meeting Agenda.
- B. 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.
- C. As Authorized by Section 551.076 of the Texas Government Code, the Board of Directors Meeting may be Convened into Closed Executive Session for the purpose of Deliberating regarding security devices or audits: presentation and discussion of the Agency Cybersecurity Assessment Report.



## RECONVENE OPEN SESSION

Reconvene and Take Necessary Action on Items Discussed during Executive Session.

## CONSENT AGENDA

### 1. Consider Approval of September 24, 2020 Meeting Minutes

(packet pages 10-15)

*Action Item*

Presenter: Dianne Costa, Highland Village, Board Chair

Item Summary: Staff recommends approval of the September 24, 2020 Meeting Minutes.

Backup Information: Exhibit 1: September 24, 2020 Board Meeting Minutes

### 2. Consider Approval of Monthly Financial Statements for September 2020 and Quarterly Reports for Q4 FY20

(packet pages 16-34)

*Action Item*

Presenter: Marisa Perry, CFO/VP of Finance

Item Summary: Board approval will be requested of the following items:

- Financial Statements for September 2020
- Capital Projects Budget Report for September 2020
- Quarterly Investment Report Q4 FY20
- Quarterly Grants Report Q4 FY20

Backup Information: Memo: Consider Approval of Monthly Financial Statements for September 2020 and Quarterly Reports for Q4 FY20

Exhibit 1a: Monthly Financial Statements – September 2020 (under separate cover)

Exhibit 1b: Capital Projects Budget Report – September 2020 (under separate cover)

Exhibit 2: Quarterly Investment Report Q4 FY20

Exhibit 3: Quarterly Grants Report Q4 FY20

### 3. Consider Approval of Interlocal Agreement with King County, Washington for Cooperative Purchasing

(packet pages 35-39)

*Action Item*

Presenter: Athena Forrester, AVP of Regulatory Compliance

Item Summary: King County, Washington, wishes to enter into an Interlocal Agreement to utilize the agreements awarded as a result of the MaaS procurement.

Backup Information: Memo: Consider Approval of Interlocal Agreement with King County, Washington for Cooperative Purchasing

Exhibit 1: Interlocal Agreement with King County

4. **Consider Approval of Interlocal Agreement with City of Lubbock, Texas for Cooperative Purchasing**  
(packet pages 40-44)

*Action Item*

Presenter: Athena Forrester, AVP of Regulatory Compliance

Item Summary: The City of Lubbock wishes to enter into an Interlocal Agreement to utilize the agreements awarded as a result of the MaaS procurement.

Backup Information: Memo: Consider Approval of Interlocal Agreement with City of Lubbock, Texas for Cooperative Purchasing

Exhibit 1: Interlocal Agreement with City of Lubbock

INFORMATIONAL REPORTS

1. **Monthly Financial Reports**

(packet pages 45-51)

Item Summary: DCTA staff will answer questions of the Board regarding updates on financial items.

Backup Information: Memo 1: Monthly Sales Tax Receipts

Exhibit 1: FY20 Monthly Sales Tax Report

Memo 2: Monthly Mobility-as-a-Service Update

Memo 3: Budget Information

2. **Ridership Trend Report**

(packet pages 52-58)

Item Summary: Exhibits 1-5 provide an overview of total monthly ridership trends across all DCTA services, comparing FY 19 and FY20 to-date with the associated COVID impacts. A-train and Connect August-September ridership increased by nearly 10 and 82 percent, respectively.

Backup Information: Memo: Ridership Trend Report

Exhibit 1: FY19 & FY20 Total Monthly Ridership - Rail

Exhibit 2: FY19 & FY20 Total Monthly Ridership - Bus

Exhibit 3: FY19 & FY20 Total Monthly Ridership - Access

Exhibit 4: FY19 & FY20 Total Monthly Ridership – On-Demand

Exhibit 5: A-train Ridership Pre- and During COVID-19 Comparison

3. **Election 2020 Free Ride Campaign Overview**

(packet page 59)

Item Summary: During election years, DCTA provides passengers with the opportunity to ride for free when traveling for the purpose of voting. This year, DCTA will provide free rides on select agency services for Election Day 2020. Staff will be prepared to answer questions from the Board.

Backup Information: Memo: Election 2020 Free Ride Campaign Overview

#### 4. DCTA Board of Directors Terms and Reappointments

(packet pages 60-61)

Item Summary: With upcoming Board terms ending, staff wanted to provide the Board with some information from our Bylaws regarding the DCTA Board of Director terms and reappointments.

Backup Information: Memo: DCTA Board of Directors Terms and Reappointments  
Exhibit 1: Current Terms of the Board of Directors Table

#### REGULAR AGENDA

#### 1. Discuss and Consider Resolution R20-21 Authorizing the Issuance of “Denton County Transportation Authority Sales Tax Refunding Bonds, Series 2020”

(packet pages 62-97)

*Action Item*

Presenter: Marisa Perry, CFO/VP of Finance  
Laura Alexander, Hilltop Securities Inc.  
Robert Dransfield, Norton Rose Fulbright US LLP

Item Summary: Staff recommends adoption of Resolution R20-21 authorizing the issuance of such bonds and providing for the redemption of the bonds being refunded.

Backup Information: Memo: Discuss and Consider Resolution R20-21 Authorizing the Issuance of “Denton County Transportation Authority Sales Tax Refunding Bonds, Series 2020”  
Exhibit 1: Bond Resolution R20-21

#### 2. Discuss and Consider Approval of Excess Rail Liability Coverage

(packet page 98)

*Possible Action Item*

Presenter: Marisa Perry, CFO/VP of Finance  
Robert Waggoner, McGriff, Seibels, & Williams Inc

Item Summary: Information regarding excess rail liability coverage will be presented, and the Board will be requested to authorize the CEO to secure \$125 million coverage in order to satisfy requirements of the DART/DCTA interlocal agreement regarding DCTA’s ability to operate rail service on DART’s corridor.

Backup Information: Memo: Discuss and Consider Approval of Excess Rail Liability Coverage



3. **Consider Approval of Resolution R20-20 Approving FY 2020 Budget Revision 2020-10**  
([packet pages 99-111](#))

*Action Item*

Presenter: Kristina Holcomb, Deputy CEO  
Marisa Perry, CFO/VP of Finance

Item Summary: Staff is seeking Board approval of Resolution R20-20 approving FY20 Budget Revision 2020-10 to reopen the Hike & Bike Trail – Eagle Point capital that was previously closed in April 2020 at a total cost of \$2,935,919. At the closure, the project had \$60k remaining in the \$2,995,873 budget. In September 2020, DCTA received a final invoice from Jacobs Engineering Group, Inc. that needs to be charged to this capital project in order to capture the full costs of the project. The invoice was delayed because Jacobs was required to convert all drawings into tagged image file format (TIFF) files for the City of Lewisville and COVID-related closures created drafting staffing shortages for the computer aided design (CAD) formatting of the documents. Budget Revision 2020-10 will allow this capital project to be reopened to increase the budget so that the final invoice can be paid, and the project will be closed upon completion. With the additional expense of \$24,342 to the project, the overall budget will come in under the \$2,995,873 previously approved amount.

Backup Information: Memo: Consider Approval of Resolution R20-20 Approving FY20 Budget Revision 2020-10

Exhibit 1: Resolution R20-20 with the following Exhibits:

“A”: Budget Revision 2020-10

“B”: Change in Net Position (DCTA Only)

“B-1”: Change in Net Position (DCTA & NTMC Combined)

Exhibit 2: Capital Improvement & Major Maintenance Plan

Exhibit 3: Year-to-Date FY2020 Budget Revisions

4. **Discuss Transformation Initiative Progress Report**  
([packet page 112](#))

*Possible Action Item*

Presenter: Nicole Recker, VP of Mobility Services and Administration

Item Summary: The Board-led Transformation Initiative successfully launched on August 7, 2020. An overview of progress has been included in the packet for review and any necessary discussion. Routine progress reports will be provided to the board in each Friday email as well as included on each board agenda. Staff will be prepared to answer questions from the Board.

Backup Information: Memo: Discuss Transformation Initiative Progress Report

5. **Discuss Process for Priority Legislative Communications during the 87<sup>th</sup> Texas Legislative Session**  
(packet page 113)

*Discussion Item*

Presenter: Lindsey Baker, Director of Government Affairs  
Rick Dennis and Kate Kuhlmann, HillCo

Item Summary: During the September Board meeting the Board requested further discussion regarding communications on legislative activities. Staff and HillCo will have a discussion and propose a communications strategy for the Board's consideration.

Backup Information: Memo: Discuss Process for Priority Legislative Communications during the 87<sup>th</sup> Texas Legislative Session

6. **Discuss Bus Operations and Maintenance Options Update**  
(packet page 114)

*Discussion Item*

Presenter: Raymond Suarez, CEO

Item Summary: Staff will provide an update to the Board regarding activities associated with potential options for the operations and maintenance of DCTA's bus service.

Backup Information: Memo: Discuss Bus Operations and Maintenance Options Update

7. **Consider Approval of Resolution R20-19 Authorizing CEO to Execute the Consent and Novation Agreement for DCTA Rail Operations and Maintenance Contractor Transition**  
(packet pages 115-146)

*Action Item*

Presenter: Kristina Holcomb, Deputy CEO

Item Summary: First Transit USA recently informed DCTA of its intent to sell its US operations which directly impacts DCTA's rail operations and maintenance contract. Staff seeks DCTA Board approval for the reassignment of DCTA's rail operations and maintenance contract from First Transit to Rio Grande Pacific Corporation (RGPC). RGPC has served as First Transit's subcontractor on DCTA's rail operations and maintenance contract. Staff anticipates a seamless transition with the proposed contractor and recommends approval of the contract reassignment to RGPC.

Backup Information: Memo: Consider Approval of Resolution R20-19 Authorizing CEO to Execute the Consent and Novation Agreement for DCTA Rail Operations and Maintenance Contractor Transition

Exhibit 1: Resolution R20-19 Authorizing CEO to Execute the Consent and Novation Agreement for DCTA Rail Operations and Maintenance Contractor Transition

with the following exhibit:

Exhibit "A": Consent and Novation Agreement

Exhibit 2: First Transit Rail Operations and Maintenance Agreement 07.01.2016

8. Discuss and Consider Approval of the Transportation Reinvestment Program (TRiP) Policy  
(packet pages 147-184)

*Possible Action Item*

- Presenter: Kristina Holcomb, Deputy CEO  
Andrew Ittigson, Project Manager/Senior Transit Planner for AECOM
- Item Summary: The DCTA Transportation Reinvestment Program (TRiP) policy is intended to provide financial assistance to DCTA member cities for transit-supportive projects consistent with and beneficial to DCTA's Long-Range Service Plan goals. As a follow up from the September Board meeting, DCTA planning consultant AECOM will facilitate a discussion to address feedback received from the DCTA board discussion in an effort to finalize the draft policy for Board consideration and approval.
- Backup Information: Memo: Discuss and Consider Approval of the Transportation Reinvestment Program (TRiP) Policy  
Exhibit 1: TRiP Policy Final Draft 10.14.20 (Redline Version)  
Exhibit 2: TRiP Policy Final Draft 10.14.20 (Clean Version)  
Exhibit 3: Board Presentation with Recent Feedback Summary

9. Ratification of Emergency Expenditure for Repairs to the Bus Operations and Maintenance Facility  
(packet pages 185-186)

*Action Item*

- Presenter: Kristina Holcomb, Deputy CEO
- Item Summary: An emergency declaration related to repair of the parking lot at the Bus O&M facility on October 7<sup>th</sup> was executed by the CEO to ensure ongoing operations of bus service. The original project was competitively bid and awarded, and work began September 23 on 156 sq. yds of flatwork. As demolition began it became apparent that an additional 92 sq. yds. needed repair. The resulting change order in the amount of \$14,158.65 exceeds the 25% statutory maximum. Any delay of completion will prevent fuel trucks from accessing the fuel tanks. The intent of this item is to request ratification of the declaration of emergency.
- Backup Information: Memo: Ratification of Emergency Expenditure for Repairs to the Bus Operations and Maintenance Facility  
Exhibit 1: Change Order Estimate

10. **Discuss Current Interlocal Agreement with Trinity Metro Providing Lyft Service to the Alliance, Texas Area**

(packet pages 187-204)

*Discussion Item*

Presenter: Lindsey Baker, Director of Government Affairs

Item Summary: The current Interlocal Agreement with Trinity Metro for Mobility Services expires on January 31, 2021. The agreement provides for on-demand rideshare services to the Alliance, Texas area through a task order with Lyft. Trinity Metro staff has expressed an interest in executing a two-year extension of the ILA. DCTA shall apply a 60 percent administrative fee, per the Board of Directors' administrative fee policy adopted in April 2020. The ILA is funded through a grant from the North Central Texas Council of Governments to Trinity Metro, which then reimburses DCTA for the direct cost of service and an administrative fee. The intent of this item is to seek direction from the Board on Trinity Metro's request to execute a two-year extension.

Backup Information: Memo: Discuss Current Interlocal Agreement with Trinity Metro Providing Lyft Service to the Alliance, Texas Area

Exhibit 1: Original Interlocal Agreement with Trinity Metro for Mobility Services

Exhibit 2: First Amended Interlocal Agreement with Trinity Metro for Mobility Services

11. **Consider Approval of Resolution R20-18 Electing the Officers of the Board of Directors**

(packet pages 205-206)

*Action Item*

Presenter: Dianne Costa, Highland Village, Board Chair

Item Summary: The Board will be requested to elect Officers of the DCTA Board of Directors and approve Resolution R20-18 Electing the Officers of the Board of Directors to take effect November 1, 2020.

Backup Information: Memo: Consider Approval of Resolution R20-18 Electing the Officers of the Board of Directors

Exhibit 1: Resolution R20-18 Electing the Officers of the Board of Directors

12. **Discuss Local & Regional Transportation and Legislative Issues**

*Information Item*

Presenters: Dianne Costa, Highland Village, Board Chair  
Raymond Suarez, CEO  
Kristina Holcomb, Deputy CEO

Item Summary: The Board Chair and staff will provide an update on local and regional transportation initiatives and discuss state and federal legislative issues.



#### FUTURE AGENDA ITEMS AND BOARD MEMBER REQUESTS

Staff will discuss proposed future agenda items. Board members may request an informational item or action item to be added to the next Board meeting agenda.

Backup Information: Exhibit 1: Board Agenda Outlook as of 10.16.2020  
([packet page 207](#))

#### REPORT ON ITEMS OF COMMUNITY INTEREST

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.

#### ADJOURN

##### Board Members:

Dianne Costa, Highland Village, *Chair*  
TJ Gilmore, Lewisville, *Vice Chair*  
Sam Burke, Denton County Seat 2, *Secretary*  
Cesar Molina, Denton County Seat 1  
Chris Watts, Denton

##### Non-Voting Board Members:

Mark Miller, Ron Trees, Connie White, Carter Wilson, Tom Winterburn, Joe Perez

##### Staff Liaison:

Raymond Suarez, CEO

This notice was posted on 10/16/2020 at 1:44 PM.

  
Brandy Pedron, Executive Administrator, Board Support | FOIA



## Board of Directors Meeting Minutes for:

September 24, 2020

### 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 September 24, 2020 remotely using Zoom Meeting.

#### Attendance

##### Voting Members

Dianne Costa, Chair, Highland Village  
TJ Gilmore, Vice Chair, Lewisville (@ 10:30),  
Claire Powell Alternate until 10:30  
Sam Burke, Secretary, Denton County  
Chris Watts, Denton  
Cesar Molina, Denton County

##### Non-voting Members

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

##### Legal Counsel

Joe Gorfida, NJDHS

##### DCTA Executive Staff

Raymond Suarez, CEO  
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

Laura Alexander, Hilltop Financial  
Chris Newport, Accenture  
Rick Dennis, HillCo  
Kate Kuhlmann, HillCo  
Andrew Ittigson, AECOM  
Kristen Lueken, AECOM  
Jason April, AECOM

##### 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  
Kyler Hagler, Network Administrator  
Rusty Comer, Manager of Bus Administration  
Geraldine Osinaike, Procurement Specialist  
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  
Rony Philip, Senior Director of Rail Operations  
Adrienne Hamilton, Senior Manager of Marketing &  
Communications  
Amber Karkauskas, Controller  
Katie Cruze, Receptionist  
Guadalupe Acosta, Marketing Coordinator  
Javier Trilla, Director of IT  
Alex McGlinchey, Senior Manager of Rail Operations  
Brandy Pedron, Executive Administrator

##### Public Attendees

Claire Powell, Lewisville Alternate  
Paul Cristina, Denton County Alternate  
Shannon Joski, Denton County Alternate  
Mayor Wilcox, Highland Village  
Lauri Mullins, Highland Village  
Paul Stevens, Highland Village  
Ken Heerman, Highland Village  
RJ Garza, NTMC  
Gordon Glass, First Group  
Brandi Bird, Bird Advocacy & Consulting  
Justin Grass, DRC

CALL TO ORDER – *Chair Costa called the meeting to order and announced the presence of a quorum at 10:05 am.*

INVOCATION – *Chair Costa led the Meeting in Prayer.*

PUBLIC COMMENT – *Dianne Costa read a public comment submitted by Jim Owen.*

#### CONSENT AGENDA

1. **Approval of August 27, 2020 Minutes**
2. **Approval of Monthly Financial Statements for August 2020**
3. **Approval of the Interlocal Agreement with the City of Frisco for Mobility Services** – *Lindsey Baker briefed the Board last month on this item. Budget and effective date information was provided in the memo.*
4. **Approval of Resolution R20-16 Approving Financial Management Policies and Annual Investment Policy for FY2021** – *This item was discussed at the August Board meeting.*
  - *A Motion to approve Consent Agenda items 1 - 4 as presented was made by Secretary Burke. The motion was seconded by Chris Watts. 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 49.64% 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 September, receipts were favorable compared to the revised budget. Sales tax for sales generated at retail in the month of July and received in September was \$2,412,772. This represents an increase of 134.44% or \$1,383,596 compared to revised budget for the month and an increase of 8.44% or \$187,754 compared to the original budget for the month. Compared to the same month last year, sales tax receipts are \$34,423 or 1.41% lower. Resolution R20-17 was presented to the Board for approval to increase the FY20 sales tax budget to capture the year-to-date increases above revised budget. Member city collections for the month compared to prior year are as follows: City of Lewisville down 10.36% (Audit collection of \$392k); City of Denton up down 5.99%; and City of Highland Village down 5.74%.*

*As requested by the Board of Directors, staff is providing a monthly update on all Mobility-as-a-Service commitments, activities and expenses. Task Order #1 – Lewisville Lakeway Zone and Denton Evening Zone was issued to Spare Labs, Inc. for Platform-as-a-Service (Spare Platform). The task order was approved for award at the June Board meeting and was issued on 6/30/2020 for a not-to-exceed amount of \$50,000 per year with an initial term of two years and one two-year option to extend (total of 4 years). No funds have been expended to date. Task Orders #2 & #3 – On-Demand Services for Member Cities and Contracted Cities was discussed at the June Board meeting and will be presented at the September Board meeting for negotiation authorization of two task orders. If approved, staff will bring the negotiated price information to the October Board meeting.*

*There were no budget transfers completed in the month of August to report.*



2. **Ridership Trend Report** - *Beginning in March 2020, DCTA staff began a series of special COVID-related ridership tabulations to gain a better understanding of the ridership impacts associated with the pandemic and ensuing service changes. An overview of total monthly ridership trends across all DCTA services--comparing FY19 and FY20 with the associated COVID impacts was provided to the Board. A-train and Connect May-August ridership each increased by approximately 29 and 133 percent respectfully. August 2020 A-train passenger trips increased by nearly eight percent compared to July. Average monthly A-train passenger trips during COVID (March-August 2020) are down 73 percent from prior months.*
3. **Community Advisory Committee Meeting Recap Report (August 2020)** – *The Community Advisory Committee Meeting Recap Report was provided to the Board in the board packet.*

#### REGULAR AGENDA

1. **Discussion of Transformation Initiative Progress Report** - *An update on the transformation initiative was provided by Chris Newport and by memo in the board packet. Updates included information on financial impact, milestone dates, weekly status reports from Accenture, and timeline updates. No action was taken.*
2. **Presentation by HillCo and Discuss and Consider Approval of DCTA's State Legislative Agenda for the 87<sup>th</sup> Texas State Legislature** – *Rick Dennis and Kate Kuhlmann with HillCo gave a presentation to the Board regarding the upcoming legislative session and methods of communication to expect including bill tracks, committee hearing overviews, and frequency of debriefs. Lindsey Baker led continued discussion regarding the development and consideration of DCTA's State Legislative Agenda for the 87<sup>th</sup> Texas State Legislature.*
  - *Chris Watts requested the taxpayer funded lobby bill that was considered last session be shared with the Board.*
  - *Vice Chair Gilmore requested a policy or process on how DCTA makes decisions regarding legislation be put together and presented to the Board. For example, the Chair and Vice Chair be contacted for prior discussion if DCTA wants to take action on an item. Chair Costa stated she would want the entire Board involved.*
  - *Rick Dennis responded that HillCo will work on designing a system that will keep the Board apprised on any potential action and incorporate it into the bill tracking chart. This will be presented to the Board next month.*
  - *A Motion to approve Regular Item 2 as presented was made by Cesar Molina. The motion was seconded by Chris Watts. All board members voted yes. Motion passed unanimously by the Board with no abstentions.*
3. **Approval of Debt Refinancing Structure** - *Hilltop Securities presented two refinancing scenarios at the August Board meeting and requested consensus on which structure the Board preferred. Hilltop requested additional direction and guidance from the Board in order to solicit bids and provide a stated "basis for award" to potential banks. Two refinancing scenarios were provided in the packet: Option 1- This option maintains the current term for the debt, reducing total debt service costs due to the lower interest rate. This option results in roughly \$1.7 million in total present value savings; Option 2- This option extends the term of the Series 2009 bonds by 3 years, which reduces annual debt service requirements by extending the repayment term. This results in roughly \$1.4 million in total present value savings. This option offers the most flexibility for future capital projects or expansion goals and would provide additional debt service capacity, resulting in a lower rate for any future debt issuance. Staff recommended consensus from the Board to pursue refinancing the Series 2009 bonds under Option 2. This option provides greater financial flexibility by reducing debt service needs and creating future debt capacity. Final approval of a bid will be requested at the October Board meeting.*



- A Motion to approve Regular Item 3 Option 2 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.

*[Board Chair Costa made a motion to recess the meeting for short break at 11:45 a.m. The time of recess expired, and the meeting resumed at 12:20 p.m.]*

4. **Discussion and Approval of the Transportation Reinvestment Policy (TRiP) – Recommended Policy Refinements and Proposed Implementation Strategy** – *Subsequent to the August 27, 2020 Board discussion, DCTA staff sought and received Board input regarding a draft recommended TRiP policy and implementation strategy. Staff and consultant partner, AECOM summarized Board member comments received and presented the recommended changes to the Board for consideration and approval.*
  - Board had lengthy discussion on the length of the policy.
  - Staff will send out the updated draft policy to the Board for feedback recommendations and will bring back the policy for final consideration next month.

*[Board Chair Costa made a motion to recess the meeting for short break at 2:40 p.m. The time of recess expired, and the meeting resumed at 2:52 p.m.]*

5. **Approval of Resolution R20-17 Approving FY2020 Budget Revision 2020-09** – *Due to the COVID-19 pandemic and the ever-changing economic climate, staff identified major items that need to be adjusted in the FY20 operating budget. (1) Contract service revenues have experienced a sharp decline in recent months due to reduced service hours for the UNT contract and the NCTC service elimination after March 2020. This revision includes an overall decrease in contract service revenue of \$1 million to true up the FY20 budget with current projections. (2) With the decrease in revenues, there is also a decrease in overall operating expenses of \$668k. This includes identified savings due to the new direction of the agency or project delays, reduction in fuel expense and a reduction in purchased transportation services based on current contract spend. (3) Budget Revision 2020-09 also includes an increase of \$5.3 million in sales tax revenue to capture additional amounts received for the months of June – September 2020 (sales generated in April – July 2020). (4) Revisions to NTMC expenses include an additional \$204k for COVID pay for NTMC employees, offset by \$85k in expense reductions due to the elimination of NCTC service, therefore the DCTA Transfer Out to fund NTMC has been increased by \$119k. The total budget impact of Budget Revision 2020-09 is an increase to the FY20 net position of the agency of \$4,872,811. Staff recommended the Board of Directors approve Resolution R20-17 approving Budget Revision 2020-09 for the FY 2020 operating budget.*
  - Chris Watts asked staff to memorialize the UNT decrease reasoning and send to the Board in the Friday Update email.
  - A Motion to approve Regular Item 5 as presented was made by Chris Watts. The motion was seconded by Chair Costa. All board members voted yes. Motion passed unanimously by the Board with no abstentions.
6. **Approval of Resolution R20-15 Adopting FY2021 Operating and Capital Budget** – *Staff recommended the approval of Resolution R20-15, adopting the FY 2021 Operating & Capital Budget, Long Range Financial Plan, and Budget Contingency Plan as presented.*
  - The Board discussed the impacts of the 5-year versus the 1-year TRiP program on the Long Range Financial Plan.
  - The Long Range Financial Plan was updated real-time to reflect a 5-year program instead of a 1-year program with the understanding that the TRiP policy has not be finalized and adopted and that a budget amendment will need to be brought to the Board if a 5-year TRiP program is adopted.
  - A Motion to approve Regular Item 6 with the updated Long Range Financial Plan was made by Chris Watts. The motion was seconded by Vice Chair Gilmore. In-favor votes casted by Vice Chair

*Gilmore, Chris Watts and Cesar Molina. Opposed voted casted by Chair Costa and Secretary Burke. Motion passed as a favorable major decision vote by the Board with no abstentions.*

7. **Exploration of Bus Operations and Maintenance Contracting Options** – *Staff provided an update and sought feedback from the Board regarding activities associated with options to address DCTA's bus operations and maintenance.*
  - *Chair Costa shared that there is interest in joint operations from Trinity Metro which will be discussed further in October at a follow-up meeting with Trinity Metro's CEO and Board Chair. Raymond followed with the benefits of a joint operation with Trinity Metro to include cost sharing, general manager sharing, CDL training, ATU Agreement, Joint Procurement, and so forth.*
  - *Chair Costa asked the Board for a grace period to determine opportunities.*
  - *Discussion only. No action taken.*
8. **Approval of MaaS Task Order #2: On-Demand Services for Member Cities and Contracted Cities** – *Staff issued solicitation 2007-001 to identify and implement origin-to-destination, on-demand service options to improve DCTA service delivery which may augment or replace conventional fixed-route services. The solutions implemented will enhance mobility, increase service coverage, and promote increased ridership. The financial impact of solicitation 2007-001 will be determined by firm negotiation responses and board approval. Portions of the scope of work have the potential to be federally reimbursed. The extent of federal reimbursement is dependent on the service solutions selected. Staff recommended the Board of Directors authorize the CEO to negotiate two tasks orders: Task Order #2 with Spare Labs/Lyft and Task Order #3 with RiverNorth (Via). Upon board approval, staff will work with the selected providers to formalize service delivery and cost. The recommended service delivery and cost will then be brought to the board for final review and approval.*
  - *A Motion to approve Regular Item 8 as presented 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.*
9. **Approval of Interlocal Cooperation Agreement with Denton County for Law Enforcement Services** – *Annual Renewal of Agreement between DCTA and Denton County for FY 2021 to provide DCTA with dedicated law enforcement services was presented to the Board. The current agreement expires September 30, 2020. The FY2021 Annual estimate budget is \$101,600 (rate is set by the Denton County Commissioners Court). The amount is budgeted for FY21 under Rail Operations General Services. DCTA staff recommended approval of the annual contract renewal, effective October 1, 2020 through September 30, 2021, with Denton County for law enforcement services.*
  - *A Motion to approve Regular Item 9 as presented was made by Chris Watts. The motion was seconded by Cesar Molina. All board members voted yes. Motion passed unanimously by the Board with no abstentions.*
10. **Discuss Draft DCTA & NTMC Interlocal Agreement Amendment** – *Staff seeks board feedback regarding the draft Interlocal Agreement with the North Texas Mobility Corporation (NTMC) amendment for bus operations and maintenance services. A draft mark-up with edits addressing previous discussions with the DCTA Board was provided to the Board and will be the focus of a joint DCTA-NTMC Board meeting slated for October.*
  - *Chris Watts stated the Board needs clarification on the level of autonomy and communication with the Board.*
  - *Chair Costa and Kristina Holcomb discussed deferring the joint meeting with NTMC.*
  - *Secretary Burke stated that the Board need to give staff and NTMC Board guidance on what is policy and how it should operate, and the Board should hold on this until it's worked out and the transformation initiative further along.*



- *Discussion only. No action taken.*

**11. Discuss CEO Performance Measures** – *Chair Costa led discussion on the Board's suggestions on DCTA's CEO performance evaluation measuring tools.*

- *Vice Chair Gilmore wants to see what the actionable items are and asked Raymond to write a letter on what he wants to get done and send it to him.*
- *Secretary Burke stated that his understanding was that the Board needed to have a strategic plan in place before outlining CEO performance measures.*
- *Cesar Molina suggested that once the transformation initiative is done and a report is given that the Chair select a committee of 2 Board members to put the CEO goals [performance measures] together.*
- *Chris Watts is okay with waiting a month to get more information from Accenture.*
- *Discussion only. No action taken.*

**12. Discussion of Regional Transportation and Legislative Issues** – *Raymond Suarez updated the Board on DART 3.0.*

**FUTURE AGENDA ITEMS AND BOARD MEMBER REQUESTS**

- *The Board Agenda Outlook as of 09.18.2020 was presented to the Board in the Board packet.*
- *Chris Watts discussed Officer Elections for next month.*

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

**CONVENE EXECUTIVE SESSION** – *The Board did not convene into executive session.*

**RECONVENE OPEN SESSION** – *The Board did not convene into executive session.*

**ADJOURN** – *Motion to adjourn the meeting was made and the meeting was adjourned at 4:58 p.m.*

The minutes of the August 27, 2020 Board of Directors Meeting were passed and approved by a vote on this 22nd day of October 2020.

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Dianne Costa, Chair

ATTEST

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Sam Burke, Secretary



## Board of Directors Memo

October 22, 2020

SUBJECT: Consider Approval of Monthly Financial Statements for September 2020 and Quarterly Reports for Q4 FY20

### Background

Over the past three weeks, technical issues on the part of DCTA's cloud vendor caused unexpected outages to the financial software platform, resulting in delays in the month-end close process. The Financial Statements and Capital Projects Budget Report for the fiscal year-to-date September 2020 will be sent out under separate cover when available.

### Identified Need

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

### Recommendation

N/A

### Exhibits

Exhibit 1a: Monthly Financial Statements – September 2020 (under separate cover)

Exhibit 1b: Capital Projects Budget Report – September 2020 (under separate cover)

Exhibit 2: Quarterly Investment Report Q4 FY20

Exhibit 3: Quarterly Grants Report Q4 FY20

Submitted by:

Amber Karkauskas  
Controller

Final Review:

Marisa Perry, CPA  
Chief Financial Officer/VP of Finance



## Investment Portfolio Summary

### Denton County Transportation Authority



For the Quarter Ended  
September 30, 2020

Prepared by  
HilltopSecurities Asset Management



## Table of Contents / Market Recap

### Report Name

Certification Page
Executive Summary
Benchmark Comparison
Detail of Security Holdings
Change in Value
Earned Income
Investment Transactions
Amortization and Accretion
Projected Fixed Income Cash Flows

#### MARKET RECAP - SEPTEMBER 2020:

The U.S. economy continued to recover with some areas, housing in particular, doing exceptionally well. On the whole, economic data reporting during September was better than expected. The economy contracted at an annualized -31.4% rate during the second quarter, but the Atlanta Fed's GDPNow model is projecting a remarkable +34.6% rebound in the third quarter. The government clearly succeeded in keeping consumption afloat with stimulus including \$1200 checks for individuals, \$600 weekly unemployment supplements, and the Paycheck Protection Program. With those measures having expired, the question now is whether Americans can keep up the pace of spending into the fourth quarter.

There are still areas of concern, most notably on the employment front. Nonfarm payrolls added back another 1.4 million jobs during August and at this point, 10.5 million jobs have returned, which is still less than half of the 22 million jobs lost in March and April. The headline unemployment rate dropped from 10.2% to 8.4%, well below the 9.8% median forecast, but the broader U6 measure, the so called "under-employment rate" which is arguably a more accurate indicator, remains quite high 14.2%. Weekly initial claims for unemployment benefits remain elevated with the four-week moving average ending September at 867k, roughly four times higher than pre-pandemic levels. On the brighter side, the ISM manufacturing index for August showed another month of improving optimism with the factory index climbing from 54.2 to 56.0, while the services index slipped from 58.1 to 56.9, indicating a more moderate pace of expansion. Retail sales for August came in below the +1.0% forecast at +0.6% but were still up +2.6% year-over-year. This seems remarkable considering around 20 million Americans were still jobless. Housing data has been nothing short of stunning. Existing home sales, which represent about 85% of the market, rose +14.6% in June, a record +24.7% in July and another +2.5% in August to climb above the 6 million annualized unit pace for the first time since late 2006. New home sales, making up a smaller (but very important) portion of the market rose a record +22.5% in May, +20.5% in June, +14.7% in July and another +4.8% in August to reach the 1 million annualized unit pace, also for the first time in almost 14 years. Americans with the financial means, no longer tethered to their office buildings, are apparently taking advantage of record low mortgage rates to exit big cities in search of the tranquil suburbs.

At the annual Jackson Hole Economic Policy Symposium in late-August, Fed Chairman Jay Powell announced a major shift in the Fed's inflation policy: a new pledge to focus on *maximum* employment and a commitment to an *average* inflation target that will let inflation run above 2% for a time. This suggests the overnight fed funds target will remain near zero for years to come. Treasury yields rose modestly in September, but we don't expect any significant changes in the near-term. Treasuries out to three years are trading below 0.16%, and it's not until five years that a modest upward slope can be observed, with the 5-year Treasury at 0.28% and the 10-year at 0.68%. Bloomberg's September survey of economists continues to forecast a zero-rate environment until at least 2023.




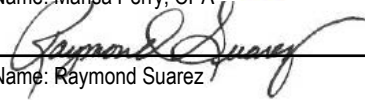
**Denton County Transportation Authority**  
**Investment Officers' Certification**

**For the Quarter Ended**  
**September 30, 2020**

This report is prepared for the **Denton County Transportation Authority** (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

**Officer Names and Titles:**

	
Name: Marisa Perry, CPA	Title: Chief Financial Officer/VP of Finance
	
Name: Raymond Suarez	Title: Chief Executive Officer



**Denton County Transportation Authority**  
**Executive Summary**  
*As of 09/30/20*

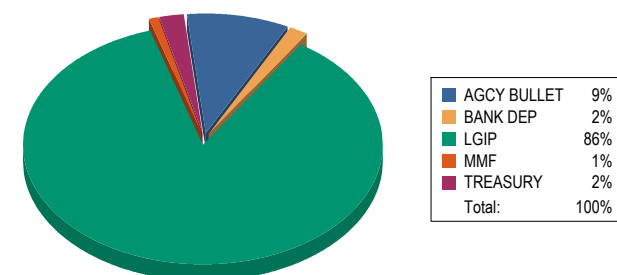
### Account Summary

### Allocation by Security Type

Beginning Values as of 06/30/20

Ending Values as of 09/30/20

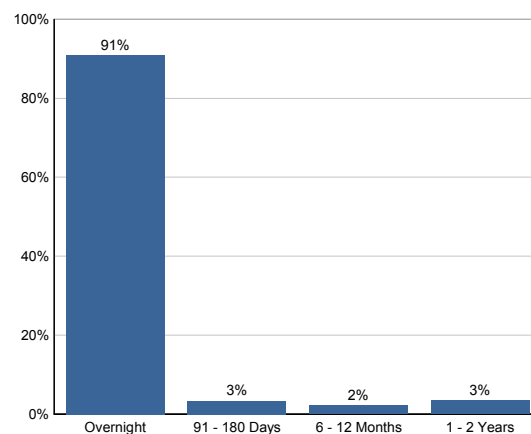
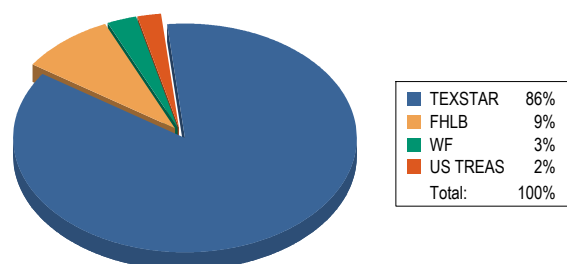
Par Value	33,521,911.66	44,780,777.93
Market Value	33,606,245.86	44,845,124.28
Book Value	33,568,044.74	44,817,798.40
Unrealized Gain/(Loss)	38,201.12	27,325.88
<b>Market Value %</b>	<b>100.11%</b>	<b>100.06%</b>
Weighted Avg. YTW	0.365%	0.270%
Weighted Avg. YTM	0.365%	0.270%



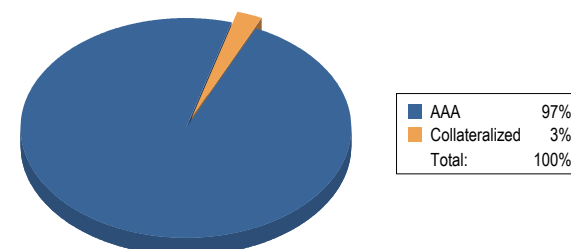
### Allocation by Issuer

### Maturity Distribution %

### Credit Quality



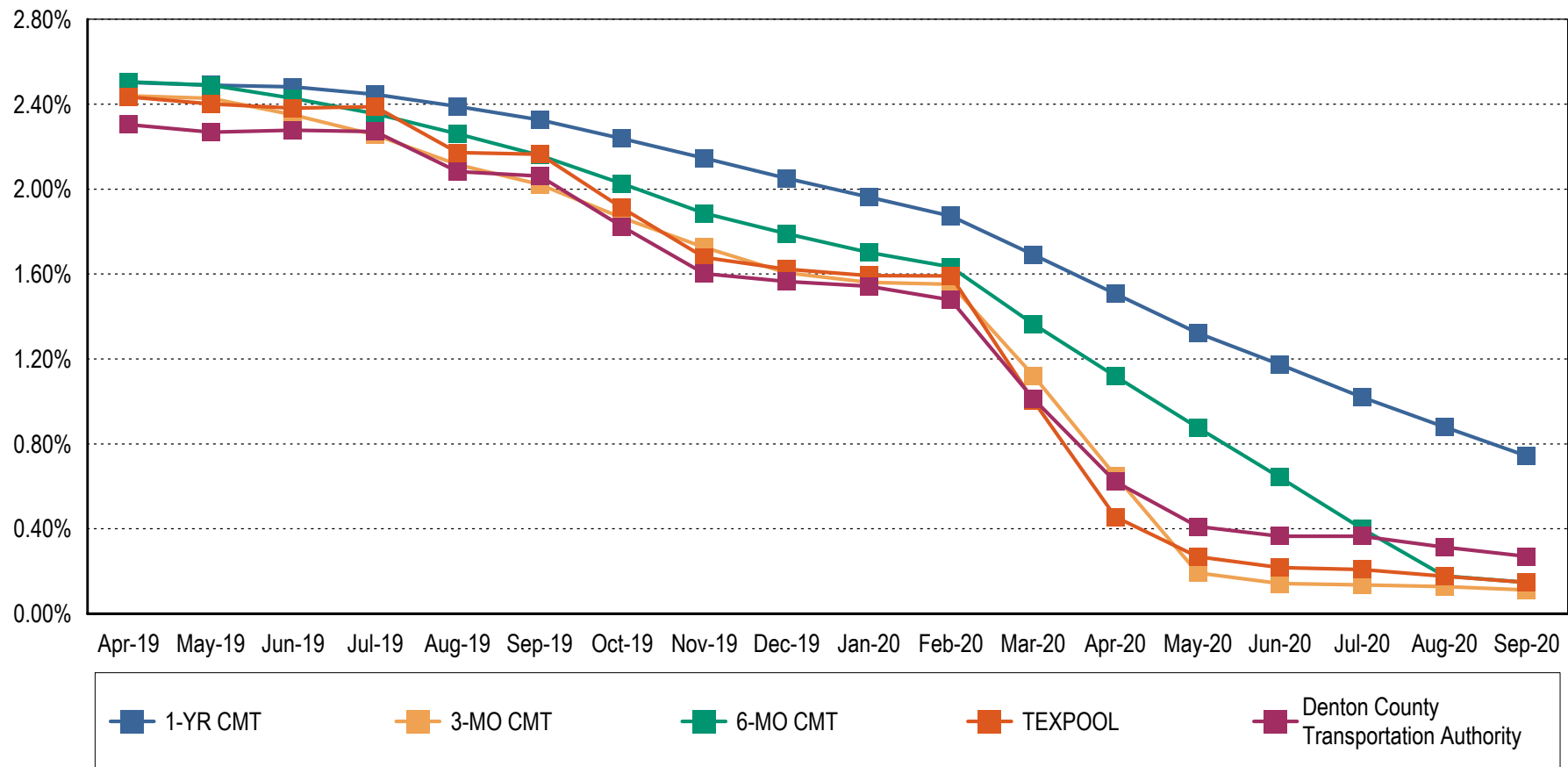
**Weighted Average Days to Maturity: 28**







**Denton County Transportation Authority**  
**Benchmark Comparison**  
*As of 09/30/2020*



**Note 1:** CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

**Note 2:** Benchmark data for TexPool is the monthly average yield.



**Denton County Transportation Authority**  
**Detail of Security Holdings**  
*As of 09/30/2020*

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
<b>2011 Bond Fund</b>																	
WF-MANA		BANK DEP	Wells Fargo Managed Rate					839,855.82	100.000	839,855.82	839,855.82	100.000	839,855.82	1		0.160	0.160
<b>Total for 2011 Bond Fund</b>								<b>839,855.82</b>	<b>100.000</b>	<b>839,855.82</b>	<b>839,855.82</b>	<b>100.000</b>	<b>839,855.82</b>	<b>1</b>		<b>0.160</b>	<b>0.160</b>
<b>Additional Reserve Fund</b>																	
TEXSTAR		LGIP	TexSTAR					738,452.81	100.000	738,452.81	738,452.81	100.000	738,452.81	1		0.134	0.134
<b>Total for Additional Reserve Fund</b>								<b>738,452.81</b>	<b>100.000</b>	<b>738,452.81</b>	<b>738,452.81</b>	<b>100.000</b>	<b>738,452.81</b>	<b>1</b>		<b>0.134</b>	<b>0.134</b>
<b>Bond Fund</b>																	
TEXSTAR		LGIP	TexSTAR					9,930.58	100.000	9,930.58	9,930.58	100.000	9,930.58	1		0.134	0.134
<b>Total for Bond Fund</b>								<b>9,930.58</b>	<b>100.000</b>	<b>9,930.58</b>	<b>9,930.58</b>	<b>100.000</b>	<b>9,930.58</b>	<b>1</b>		<b>0.134</b>	<b>0.134</b>
<b>Operating Fund</b>																	
WF-SWEEP		MMF	Wells Fargo Sweep					335,917.89	100.000	335,917.89	335,917.89	100.000	335,917.89	1		0.000	0.000
<b>Total for Operating Fund</b>								<b>335,917.89</b>	<b>100.000</b>	<b>335,917.89</b>	<b>335,917.89</b>	<b>100.000</b>	<b>335,917.89</b>	<b>1</b>		<b>0.000</b>	<b>0.000</b>
<b>Reserve Fund</b>																	
TEXSTAR		LGIP	TexSTAR					8,263,119.05	100.000	8,263,119.05	8,263,119.05	100.000	8,263,119.05	1		0.134	0.134
3130AEWA4	09/12/19	AGCY BULET	FHLB	2.625	10/01/20			1,000,000.00	100.836	1,008,360.00	1,000,000.00	100.000	1,000,000.00	1		1.819	1.819
3130A7CV5	02/14/20	AGCY BULET	FHLB	1.375	02/18/21			1,500,000.00	99.836	1,497,540.00	1,499,070.83	100.465	1,506,975.90	141		1.539	1.539
9128284G2	01/17/20	TREAS NOTE	U.S. Treasury	2.375	04/15/21			1,000,000.00	100.941	1,009,414.06	1,004,103.07	101.207	1,012,070.30	197		1.606	1.606
313378CR0	03/13/20	AGCY BULET	FHLB	2.250	03/11/22			1,500,000.00	103.110	1,546,650.00	1,533,846.57	103.020	1,545,300.15	527		0.677	0.677
<b>Total for Reserve Fund</b>								<b>13,263,119.05</b>	<b>100.474</b>	<b>13,325,083.11</b>	<b>13,300,139.52</b>	<b>100.492</b>	<b>13,327,465.40</b>	<b>92</b>		<b>0.593</b>	<b>0.593</b>



**Denton County Transportation Authority**  
**Detail of Security Holdings**  
*As of 09/30/2020*

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
<b>Sales Tax Fund</b>																	
TEXSTAR		LGIP	TexSTAR					29,593,501.78	100.000	29,593,501.78	29,593,501.78	100.000	29,593,501.78	1		0.134	0.134
<b>Total for Sales Tax Fund</b>								<b>29,593,501.78</b>	<b>100.000</b>	<b>29,593,501.78</b>	<b>29,593,501.78</b>	<b>100.000</b>	<b>29,593,501.78</b>	<b>1</b>		<b>0.134</b>	<b>0.134</b>
<b>Total for Denton County Transportation Authority</b>								<b>44,780,777.93</b>	<b>100.141</b>	<b>44,842,741.99</b>	<b>44,817,798.40</b>	<b>100.146</b>	<b>44,845,124.28</b>	<b>28</b>		<b>0.270</b>	<b>0.270</b>



**Denton County Transportation Authority**  
**Change in Value**  
*From 06/30/2020 to 09/30/2020*

CUSIP	Security Type	Security Description	06/30/20 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	09/30/20 Book Value	06/30/20 Market Value	09/30/20 Market Value	Change in Mkt Value
<b>2011 Bond Fund</b>											
WF-MANA	BANK DEP	Wells Fargo Managed Rate	896,143.74	0.00	(56,287.92)	0.00	0.00	839,855.82	896,143.74	839,855.82	(56,287.92)
<b>Total for 2011 Bond Fund</b>			<b>896,143.74</b>	<b>0.00</b>	<b>(56,287.92)</b>	<b>0.00</b>	<b>0.00</b>	<b>839,855.82</b>	<b>896,143.74</b>	<b>839,855.82</b>	<b>(56,287.92)</b>
<b>Additional Reserve Fund</b>											
TEXSTAR	LGIP	TexSTAR	675,599.79	62,853.02	0.00	0.00	0.00	738,452.81	675,599.79	738,452.81	62,853.02
<b>Total for Additional Reserve Fund</b>			<b>675,599.79</b>	<b>62,853.02</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>738,452.81</b>	<b>675,599.79</b>	<b>738,452.81</b>	<b>62,853.02</b>
<b>Bond Fund</b>											
TEXSTAR	LGIP	TexSTAR	1,633,899.42	700,687.90	(2,324,656.74)	0.00	0.00	9,930.58	1,633,899.42	9,930.58	(1,623,968.84)
<b>Total for Bond Fund</b>			<b>1,633,899.42</b>	<b>700,687.90</b>	<b>(2,324,656.74)</b>	<b>0.00</b>	<b>0.00</b>	<b>9,930.58</b>	<b>1,633,899.42</b>	<b>9,930.58</b>	<b>(1,623,968.84)</b>
<b>Operating Fund</b>											
WF-MANA	BANK DEP	Wells Fargo Managed Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WF-SWEEP	MMF	Wells Fargo Sweep	631,171.07	0.00	(295,253.18)	0.00	0.00	335,917.89	631,171.07	335,917.89	(295,253.18)
<b>Total for Operating Fund</b>			<b>631,171.07</b>	<b>0.00</b>	<b>(295,253.18)</b>	<b>0.00</b>	<b>0.00</b>	<b>335,917.89</b>	<b>631,171.07</b>	<b>335,917.89</b>	<b>(295,253.18)</b>
<b>Reserve Fund</b>											
TEXSTAR	LGIP	TexSTAR	8,240,658.00	22,461.05	0.00	0.00	0.00	8,263,119.05	8,240,658.00	8,263,119.05	22,461.05
WF-PREM	BANK DEP	Wells Fargo Premium Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3130AEWA4	AGCY BULET	FHLB 2.625 10/01/20	1,001,996.50	0.00	0.00	(1,996.50)	0.00	1,000,000.00	1,006,132.60	1,000,000.00	(6,132.60)
3130A7CV5	AGCY BULET	FHLB 1.375 02/18/21	1,498,462.85	0.00	0.00	607.98	0.00	1,499,070.83	1,511,100.00	1,506,975.90	(4,124.10)
9128284G2	TREAS NOTE	U.S. Treasury 2.375 04/15/21	1,006,005.03	0.00	0.00	(1,901.96)	0.00	1,004,103.07	1,017,421.90	1,012,070.30	(5,351.60)
313378CR0	AGCY BULET	FHLB 2.250 03/11/22	1,539,668.70	0.00	0.00	(5,822.13)	0.00	1,533,846.57	1,549,679.70	1,545,300.15	(4,379.55)
<b>Total for Reserve Fund</b>			<b>13,286,791.08</b>	<b>22,461.05</b>	<b>0.00</b>	<b>(9,112.61)</b>	<b>0.00</b>	<b>13,300,139.52</b>	<b>13,324,992.20</b>	<b>13,327,465.40</b>	<b>2,473.20</b>



**Denton County Transportation Authority**  
**Change in Value**  
*From 06/30/2020 to 09/30/2020*

CUSIP	Security Type	Security Description	06/30/20 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	09/30/20 Book Value	06/30/20 Market Value	09/30/20 Market Value	Change in Mkt Value
<b>Sales Tax Fund</b>											
TEXSTAR	LGIP	TexSTAR	16,444,439.64	13,265,471.98	(116,409.84)	0.00	0.00	29,593,501.78	16,444,439.64	29,593,501.78	13,149,062.14
<b>Total for Sales Tax Fund</b>			<b>16,444,439.64</b>	<b>13,265,471.98</b>	<b>(116,409.84)</b>	<b>0.00</b>	<b>0.00</b>	<b>29,593,501.78</b>	<b>16,444,439.64</b>	<b>29,593,501.78</b>	<b>13,149,062.14</b>
<b>Total for Denton County Transportation Authority</b>			<b>33,568,044.74</b>	<b>14,051,473.95</b>	<b>(2,792,607.68)</b>	<b>(9,112.61)</b>	<b>0.00</b>	<b>44,817,798.40</b>	<b>33,606,245.86</b>	<b>44,845,124.28</b>	<b>11,238,878.42</b>



## Denton County Transportation Authority

## Earned Income

From 06/30/2020 to 09/30/2020

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
<b>2011 Bond Fund</b>									
WF-MANA	BANK DEP	Wells Fargo Managed Rate	0.00	345.46	345.46	0.00	0.00	0.00	345.46
<b>Total for 2011 Bond Fund</b>			<b>0.00</b>	<b>345.46</b>	<b>345.46</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>345.46</b>
<b>Additional Reserve Fund</b>									
TEXSTAR	LGIP	TexSTAR	0.00	289.31	289.31	0.00	0.00	0.00	289.31
<b>Total for Additional Reserve Fund</b>			<b>0.00</b>	<b>289.31</b>	<b>289.31</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>289.31</b>
<b>Bond Fund</b>									
TEXSTAR	LGIP	TexSTAR	0.00	715.16	715.16	0.00	0.00	0.00	715.16
<b>Total for Bond Fund</b>			<b>0.00</b>	<b>715.16</b>	<b>715.16</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>715.16</b>
<b>Operating Fund</b>									
<b>Total for Operating Fund</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Reserve Fund</b>									
TEXSTAR	LGIP	TexSTAR	0.00	3,461.05	3,461.05	0.00	0.00	0.00	3,461.05
3130AEWA4	AGCY BULET	FHLB 2.625 10/01/20	6,562.50	6,562.50	0.00	0.00	13,125.00	(1,996.50)	4,566.00
3130A7CV5	AGCY BULET	FHLB 1.375 02/18/21	7,619.79	5,156.25	10,312.50	0.00	2,463.54	607.98	5,764.23
9128284G2	TREAS NOTE	U.S. Treasury 2.375 04/15/21	4,996.58	5,969.95	0.00	0.00	10,966.53	(1,901.96)	4,067.99
313378CR0	AGCY BULET	FHLB 2.250 03/11/22	10,312.50	8,437.50	16,875.00	0.00	1,875.00	(5,822.13)	2,615.37
<b>Total for Reserve Fund</b>			<b>29,491.37</b>	<b>29,587.25</b>	<b>30,648.55</b>	<b>0.00</b>	<b>28,430.07</b>	<b>(9,112.61)</b>	<b>20,474.64</b>
<b>Sales Tax Fund</b>									
TEXSTAR	LGIP	TexSTAR	0.00	7,865.44	7,865.44	0.00	0.00	0.00	7,865.44
<b>Total for Sales Tax Fund</b>			<b>0.00</b>	<b>7,865.44</b>	<b>7,865.44</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7,865.44</b>



## Denton County Transportation Authority

**Earned Income***From 06/30/2020 to 09/30/2020*

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
<hr/>									
<hr/>									
<hr/>									
<b>Total for Denton County Transportation Authority</b>			<b>29,491.37</b>	<b>38,802.62</b>	<b>39,863.92</b>	<b>0.00</b>	<b>28,430.07</b>	<b>(9,112.61)</b>	<b>29,690.01</b>



**Denton County Transportation Authority**  
**Investment Transactions**  
*From 07/01/2020 to 09/30/2020*

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
<b>Reserve Fund</b>															
<b>Income Payments</b>															
08/18/20	08/18/20	3130A7CV5	AGCY BULET	FHLB	1.375	02/18/21				0.00	10,312.50	10,312.50			
09/11/20	09/11/20	313378CR0	AGCY BULET	FHLB	2.250	03/11/22				0.00	16,875.00	16,875.00			
<b>Total for: Income Payments</b>										<b>0.00</b>	<b>27,187.50</b>	<b>27,187.50</b>			





**Denton County Transportation Authority**  
**Investment Transactions**  
*From 07/01/2020 to 09/30/2020*

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
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**Total for All Portfolios**

Transaction Type	Quantity	Total Amount	Realized G/L	YTM	YTW
Total Income Payments	0.00	27,187.50			



**Denton County Transportation Authority**  
**Amortization and Accretion**  
*From 06/30/2020 to 09/30/2020*

CUSIP	Settle Date	Security Type	Security Description	Next Call Date	Purchase Qty	Orig Price	Original Cost	Amrt/Accr for Period	Total Amrt/Accr Since Purch	Remaining Disc / Prem	Book Value
<b>Reserve Fund</b>											
3130AEWA4	09/12/19	AGCY BULET	FHLB 2.625 10/01/20		1,000,000.00	100.836	1,008,360.00	(1,996.50)	(8,360.00)	0.00	1,000,000.00
3130A7CV5	02/14/20	AGCY BULET	FHLB 1.375 02/18/21		1,500,000.00	99.836	1,497,540.00	607.98	1,530.83	929.17	1,499,070.83
9128284G2	01/17/20	TREAS NOTE	U.S. Treasury 2.375 04/15/21		1,000,000.00	100.941	1,009,414.06	(1,901.96)	(5,310.99)	(4,103.07)	1,004,103.07
313378CR0	03/13/20	AGCY BULET	FHLB 2.250 03/11/22		1,500,000.00	103.110	1,546,650.00	(5,822.13)	(12,803.43)	(33,846.57)	1,533,846.57
<b>Total for Reserve Fund</b>					<b>5,000,000.00</b>		<b>5,061,964.06</b>	<b>(9,112.61)</b>	<b>(24,943.59)</b>	<b>(37,020.47)</b>	<b>5,037,020.47</b>
<b>Total for Denton County Transportation Authority</b>					<b>5,000,000.00</b>		<b>5,061,964.06</b>	<b>(9,112.61)</b>	<b>(24,943.59)</b>	<b>(37,020.47)</b>	<b>5,037,020.47</b>



## Denton County Transportation Authority

**Projected Cash Flows***Cash Flows for next 180 days from 09/30/2020*

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
<b>Reserve Fund</b>						
3130AEWA4	AGCY BULET	FHLB 2.625 10/01/20	10/01/20	13,125.00	1,000,000.00	1,013,125.00
9128284G2	TREAS NOTE	U.S. Treasury 2.375 04/15/21	10/15/20	11,875.00	0.00	11,875.00
3130A7CV5	AGCY BULET	FHLB 1.375 02/18/21	02/18/21	10,312.50	1,500,000.00	1,510,312.50
313378CR0	AGCY BULET	FHLB 2.250 03/11/22	03/11/21	16,875.00	0.00	16,875.00
<b>Total for Reserve Fund</b>				<b>52,187.50</b>	<b>2,500,000.00</b>	<b>2,552,187.50</b>



## Denton County Transportation Authority

**Projected Cash Flows***Cash Flows for next 180 days from 09/30/2020*

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
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**Total for All Portfolios**

	October 2020	25,000.00	1,000,000.00	1,025,000.00
	February 2021	10,312.50	1,500,000.00	1,510,312.50
	March 2021	16,875.00	0.00	16,875.00
<b>Total Projected Cash Flows for Denton County Transportation Authorit</b>		<b>52,187.50</b>	<b>2,500,000.00</b>	<b>2,552,187.50</b>

## Board of Directors Memo

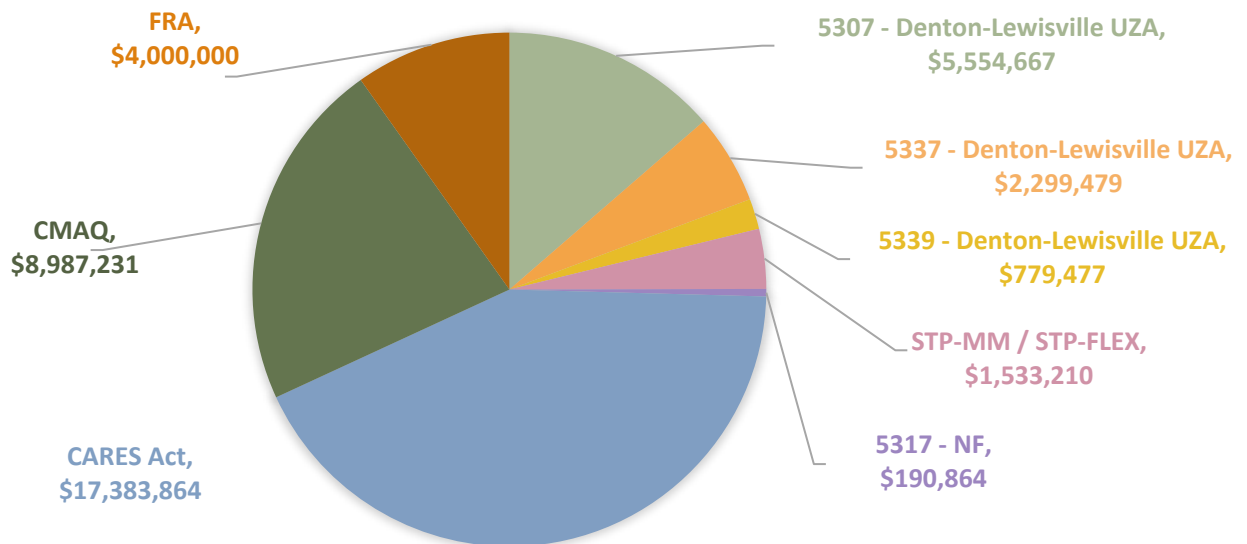
October 22, 2020

SUBJECT: Quarterly Grants Report Q4 FY20

### Grant Activities This Period

DCTA currently has 12 open, fully executed grants that provide reimbursements for various capital projects, rail and bus preventive maintenance, operating assistance and ADA paratransit service. The grant funding sources include Federal Transit Administration (FTA), Federal Railroad Administration (FRA), and North Central Texas Council of Governments (NCTCOG). Total grant balance was \$40.7 million as of 9/30/2020. Of this total, \$5.1 million is obligated for Positive Train Control (PTC), \$6.3 million is obligated for the FY16-19 Program of Projects, \$17.3 million is obligated for the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and \$8.9 million is obligated for the Congestion, Mitigation & Air Quality (CMAQ) program. This quarter, DCTA fully executed five grants totaling \$24.3 million. Unfortunately, DCTA's hydrogen ecosystem project was not selected for FTA's FY20 Bus and Bus Facilities Program.

### GRANTS FUNDING LEVELS \$40.7 MILLION AS OF 9/30/2020



Program	Q3 FY20 Balance	Q4 FY20 Balance	Grant Activity
Denton-Lewisville UZA (5307)	\$ 3,709,236	\$ 5,554,667	Fleet Replacement, Preventive Maintenance, Safety & Security, ADA Paratransit
STP-MM / STP-FLEX	1,840,936	1,533,210	PTC Implementation & Vanpool
Job Access, Reverse Commute (JARC) (5316)	6,445	-	35W North Texas Xpress (NTX) Operating Assistance
New Freedom (NF) Funding (5317)	237,323	190,864	Train-the-Trainer
Bus and Bus Facilities (5339)	377,955	779,477	Fleet Replacement
CARES Act	23,461,867	17,383,864	Operating Assistance, Safety & Security
Fixed Guideway (5337)	-	2,299,479	Rail Preventive Maintenance
Congestion Mitigation & Air Quality	-	8,987,231	Land Acquisition and Construction (Old Town)
CRISI (FRA)	-	4,000,000	PTC Enhancements
<b>Total</b>	<b>\$ 29,633,762</b>	<b>\$ 40,728,792</b>	

### Pending Funding and Other Grant Activity

In July, DCTA's planning project along the existing Kansas City Southern freight rail line was incorporated into the Unified Planning Work Program (UPWP), a condition to receive the recently awarded \$600,000 in funding from FTA's Pilot Program for Transit-Oriented Development (TOD) Planning.

In August, NCTCOG notified DCTA of its decision to reallocate \$1.6 million in Congestion Mitigation & Air Quality (CMAQ) funding to another project due to approaching expiration of the funds. DCTA had planned to use the funding to purchase buses for 35W North Texas Xpress.

In October 2019, the Regional Transportation Council (RTC) approved the addition of FY19 Program of Projects (POP) formula funding to the Transportation Improvement Program (TIP) in the amount of \$9.1 million. In February 2020, FTA released its annual appropriations of FY20 POP formula funding in which DCTA was apportioned \$8.8 million. Staff will discuss options for programming federal funds with the Board upon conclusion of the ongoing Transformation Initiative.

The table below provides information on all pending grants that have not yet been fully executed.

Program	Amount	Grant Activity	Funding Status
FY17 Bus & Bus Facilities	2,625,000	Light maintenance facility	Development; pending project planning by DCTA
FY18 5339 Formula	572,056	Fleet replacement	Pending FTA Review
FY19 TOD	600,000	KCS line TOD planning	Development; pending project planning by DCTA
FY19 5339 Formula	530,768	Fleet replacement, enhanced ADA access	Development; pending project planning by DCTA
FY20 POP Formula	8,829,088	Not currently programmed	To be programmed by DCTA
FY20 5307 Flex	301,600	Vanpool	Pending FTA Review
<b>TOTAL</b>	<b>\$ 13,458,512</b>		

Submitted by: Whitney Trayler  
Whitney Trayler  
Grants Manager

Final Review: Marisa Perry  
Marisa Perry, CPA  
Chief Financial Officer/VP of Finance



## Board of Directors Memo

October 22, 2020

SUBJECT: Consider Approval of Interlocal Agreement with King County, Washington for Cooperative Purchasing

### Background

King County approached DCTA to utilize the Mobility-as-a-Service Procurement and agreements. The procurement conducted by DCTA allows other government agencies the ability to utilize the firms selected during the procurement process. King County is a political subdivision of the State of Washington and a local government as defined by the Interlocal Cooperation Act.

### Identified Need

King County staff have expressed an interest in utilizing the agreements to purchase like goods and services to avoid duplicate procurement efforts and obtain the benefits of volume purchasing. The parties desire to enter into cooperative purchasing agreement which will afford each party the ability to purchase goods and services under each other's competitively procured contracts and agreements and to complete joint procurements. DCTA and King County will enter into separate agreements with the selected vendors. King County's contracts will have no financial or legal impact to DCTA.

### Financial Impact

There is no financial impact to the budget.


### Recommendation

Staff recommends the Board of Directors authorize the CEO to execute an Interlocal Agreement with King County, Washington for cooperative purchasing.

### Exhibits

Exhibit 1: Interlocal Agreement with King County

Submitted By:   
Athena Forrester, AVP of Regulatory Compliance

Final Review:   
Marisa Perry, CPA  
CFO/VP of Finance

**STATE OF TEXAS                   §**  
**§       INTERLOCAL AGREEMENT FOR**  
**COUNTY OF DENTON       §       COOPERATIVE PURCHASING**

This Interlocal Agreement for Cooperative Purchasing (“Agreement”) is made and entered into as of the Effective Date by and between Denton County Transportation Authority (“DCTA”) and King County, Washington (“County”), (each a “Party” and collectively the “Parties”), acting by and through their authorized representatives.

**RECITALS**

**WHEREAS**, DCTA is a coordinated county transportation authority created under Chapter 460 of the Texas Transportation Code and County is a political subdivision of the State of Washington and a “local government” as defined by the Act; and

**WHEREAS**, the Parties are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act (“Act”), Chapter 791, Texas Government Code; and

**WHEREAS**, DCTA and County are units of local government that have the statutory authority under the Act to perform the services set forth in this Agreement; and

**WHEREAS**, the Parties have each determined a need for a cooperative agreement to purchase like goods and services to avoid duplicate procurement efforts and obtain the benefits of volume purchasing; and

**WHEREAS**, the Parties desire to enter into a cooperative purchasing program which will allow each Party to purchase goods and services, under each other’s competitively bid contracts pursuant to Subchapter F, Chapter 271 of the Texas Local Government Code;

**NOW THEREFORE**, for and in consideration of the mutual obligations and benefits contained herein, the Parties shall agree as follows:

**Article I**  
**Purpose**

The purpose of this Agreement is to establish a cooperative purchasing program between the Parties that will allow each Party to purchase goods and services under each other’s competitively bid contracts pursuant to Subchapter F, Chapter 271 of the Texas Local Government Code in order to avoid duplicate procurement efforts and obtain the benefits of volume purchasing.

**Article II**  
**Term**

2.1 The Initial Term of this Agreement shall begin on the last date of execution hereof (the “Effective Date”) and continue for a period of one (1) year, unless sooner terminated as provided herein. After the Initial Term, DCTA may renew this Agreement for successive one (1)



year terms (each a "Renewal Term") by providing written notice to County thirty (30) days prior to the expiration of the then current Term.

2.2 Either Party may terminate this Agreement for any reason whatsoever, without cause or penalty, by providing the other Party thirty (30) days' prior written notice to terminate.

### **Article III Designated Representative**

The Parties agree that each Party shall respectively designate a person to act under the direction of, and on behalf of, the designated Party (the "Designated Representative").

### **Article IV Purchasing**

At the request of the other Party, the Party that enters into a contract with a vendor for goods or services, including mobility services, (the "First Purchasing Party") shall attempt to obtain the vendor's agreement to offer those goods and services to the other Party (the "Second Purchasing Party") for the same price and on the same terms and conditions as have been offered to the First Purchasing Party. If the vendor so agrees, and if the Second Purchasing Party is agreeable to such terms and conditions, the Second Purchasing Party may enter into its own separate contract with the vendor for the purchase of such goods or services.

### **Article V Payments**

Unless otherwise agreed between the Designated Representatives, payments for a purchase made by the Second Purchasing Party shall be paid directly to the vendor and not to the First Purchasing Party. The Second Purchasing Party shall have the responsibility of determining whether the vendor has complied with any provisions in its contract with the vendor, including but not limited to those relating to the quality of items and terms of delivery, and shall be responsible for enforcement of its contract against the vendor, including all costs of enforcement.

### **Article VI Miscellaneous**

6.1 Federal, State and Local Laws. This Agreement will be subject to all applicable federal, state and local laws, ordinances, rules and regulations.

6.2 Governing Law. If any action, whether real or asserted, at law or in equity, arises on the basis of any provision of this Agreement, venue for such action shall lie in state courts located in Denton County, Texas.

6.3 Severability. If any term or provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal,

invalid or unenforceable term or provision, the parties shall endeavor to agree to a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

6.4 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

6.5 Authorization. The undersigned officers and/or agents are properly authorized to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary actions extending such authority have been duly passed and are now in full force and effect.

6.6 Notices. All notices, requests, demands, and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon the delivery or receipt thereof, as the case may be, if delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, to the respective city representative set out below, or his/her designee.

*(signature page to follow)*

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**Denton County Transportation Authority**

By: \_\_\_\_\_  
Raymond Suarez, Chief Executive Officer

1955 Lakeway Drive, Suite 260  
P. O. Box 96  
Lewisville, Texas 75067  
Phone: (972) 221-4600

Approved as to form:

By: \_\_\_\_\_  
Joseph J. Gorfida, Jr., General Counsel  
(08-25-2020:TM 117569)

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**King County, Washington**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

King County, Washington  
King County Procurement & Payables Section  
Chinook Building – 3<sup>rd</sup> Floor  
401 Fifth Avenue  
Seattle, Washington 98104  
Phone: (206) 263-9291



## Board of Directors Memo

October 22, 2020

SUBJECT: Consider Approval of Interlocal Agreement with City of Lubbock, Texas for Cooperative Purchasing

### Background

The City of Lubbock approached DCTA to utilize the Mobility-as-a-Service Procurement and agreements. The procurement conducted by DCTA allows other government agencies the ability to utilize the firms selected during the procurement process. City of Lubbock is a political subdivision of the State of Texas and a local government as defined by the Interlocal Cooperation Act.

### Identified Need

City of Lubbock staff have expressed an interest in utilizing the agreements to purchase like goods and services to avoid duplicate procurement efforts and obtain the benefits of volume purchasing. The parties desire to enter into cooperative purchasing agreement which will afford each party the ability to purchase goods and services under each other's competitively procured contracts and agreements and to complete joint procurements. DCTA and the City of Lubbock will enter into separate agreements with the selected vendors. The City of Lubbock's contracts will have no financial or legal impact to DCTA.

### Financial Impact

There is no financial impact to the budget.

### Recommendation

Staff recommends the Board of Directors authorize the CEO to execute an Interlocal Agreement with City of Lubbock, Texas for cooperative purchasing.

### Exhibits

Exhibit 1: Interlocal Agreement with City of Lubbock

Submitted By:

Athena Forrester, AVP of Regulatory Compliance

Final Review:

Marisa Perry, CPA  
CFO/VP of Finance

**STATE OF TEXAS                   §**  
**§       INTERLOCAL AGREEMENT FOR**  
**COUNTY OF DENTON       §       COOPERATIVE PURCHASING**

This Interlocal Agreement for Cooperative Purchasing (“Agreement”) is made and entered into as of the Effective Date by and between Denton County Transportation Authority (“DCTA”) and the City of Lubbock, Texas (“City”), (each a “Party” and collectively the “Parties”), acting by and through their authorized representatives.

**RECITALS**

**WHEREAS**, the City of Lubbock, Texas is a home-rule municipality and local governmental entity located within the State of Texas and in the County of Lubbock; and

**WHEREAS**, DCTA is a coordinated county transportation authority created under Chapter 460 of the Texas Transportation Code; and

**WHEREAS**, the Parties are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act (“Act”), Chapter 791, Texas Government Code; and

**WHEREAS**, DCTA and City of Lubbock, Texas are units of local government that have the statutory authority under the Act to perform the services set forth in this Agreement; and

**WHEREAS**, the Parties have each determined a need for a cooperative agreement to purchase like goods and services, including mobility services, to avoid duplicate procurement efforts and obtain the benefits of volume purchasing; and

**WHEREAS**, the Parties desire to enter into a cooperative purchasing program which will allow each Party to purchase goods and services, including mobility services, under each other’s competitively bid contracts pursuant to Subchapter F, Chapter 271, of the Texas Local Government Code;

**NOW THEREFORE**, for and in consideration of the mutual obligations and benefits contained herein, the Parties shall agree as follows:

**Article I**  
**Purpose**

The purpose of this Agreement is to establish a cooperative purchasing program between the Parties that will allow each Party to purchase goods and services, including mobility services, under each other’s competitively bid contracts pursuant to Subchapter F, Chapter 271 of the Texas Local Government Code in order to avoid duplicate procurement efforts and obtain the benefits of volume purchasing.

## **Article II Term**

2.1 The Initial Term of this Agreement shall begin on the last date of execution hereof (the "Effective Date") and continue for a period of one (1) year, unless sooner terminated as provided herein. After the Initial Term, this Agreement shall automatically renew for successive one (1) year terms upon the mutual agreement by both Parties (each a "Renewal Term").

2.2 Either Party may terminate this Agreement for any reason whatsoever, without cause or penalty, by providing the other Party thirty (30) days' prior written notice to terminate.

## **Article III Designated Representative**

The Parties agree that each Party shall respectively designate a person to act under the direction of, and on behalf of, the designated Party (the "Designated Representative").

## **Article IV Purchasing**

At the request of the other Party, the Party that enters into a contract with a vendor for goods or services, including mobility services, (the "First Purchasing Party") shall attempt to obtain the vendor's agreement to offer those goods and services to the other Party (the "Second Purchasing Party") for the same price and on the same terms and conditions as have been offered to the First Purchasing Party. If the vendor so agrees, and if the Second Purchasing Party is agreeable to such terms and conditions, the Second Purchasing Party may enter into its own separate contract with the vendor for the purchase of such goods or services.

## **Article V Payments**

Unless otherwise agreed between the Designated Representatives, payments for a purchase made by the Second Purchasing Party shall be paid directly to the vendor and not to the First Purchasing Party. The Second Purchasing Party shall have the responsibility of determining whether the vendor has complied with any provisions in its contract with the vendor, including but not limited to those relating to the quality of items and terms of delivery, and shall be responsible for enforcement of its contract against the vendor, including all costs of enforcement.

## **Article VI Miscellaneous**

6.1 Federal, State and Local Laws. This Agreement will be subject to all applicable federal, state and local laws, ordinances, rules and regulations.

6.2 Governing Law. If any action, whether real or asserted, at law or in equity, arises on the basis of any provision of this Agreement, venue for such action shall lie in state courts located in Denton County, Texas.

6.3 Severability. If any term or provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, the parties shall endeavor to agree to a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

6.4 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

6.5 Authorization. The undersigned officers and/or agents are properly authorized to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary actions extending such authority have been duly passed and are now in full force and effect.

6.6 Notices. All notices, requests, demands, and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon the delivery or receipt thereof, as the case may be, if delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, to the respective city representative set out below, or his/her designee.

*(signature page to follow)*

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**Denton County Transportation Authority**

By: \_\_\_\_\_  
Raymond Suarez, Chief Executive Officer

1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75067  
Phone: (972) 221-4600

Approved as to form:

By: \_\_\_\_\_  
Joseph J. Gorfida, Jr., General Counsel  
(09-29-2020:TM 118628)

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**City of Lubbock, Texas**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

1341 Avenue K  
Lubbock, Texas 79401





## Board of Directors Memo

October 22, 2020

SUBJECT: Monthly Sales Tax Receipts

### Background

Sales tax represents the single largest source of revenue for DCTA at 56.36% for the Fiscal Year 2020 budget. The annual revised sales tax budget for FY20 is \$26,805,374. 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 October, receipts were favorable compared to the revised budget.

- Sales tax for sales generated at retail in the month of August and received in October was \$2,511,707.
- This represents an increase of 120.84% or \$1,374,357 compared to revised budget for the month and an increase of 2.88% or \$70,341 compared to the original budget for the month.
- Compared to the same month last year, sales tax receipts are \$199,283 or 8.62% higher.
- Member city collections for the month compared to prior year are as follows:
  - City of Lewisville up 8.77%
  - City of Denton up 7.16%
  - City of Highland Village down 3.89%

### Identified Need

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

### Recommendation

For information only. No action required.

### Exhibits

Exhibit 1: FY20 Monthly Sales Tax Report

Submitted By:   
Amanda Riddle  
Senior Manager of Budget

Final Review:   
Marisa Perry, CPA  
Chief Financial Officer/VP of Finance

## DENTON COUNTY TRANSPORTATION AUTHORITY

SALES TAX REPORT  
BUDGET TO ACTUAL AND PREVIOUS YEAR COMPARISON

Sales Generated in Month of:	Received in Month of:	2019-2020 Original Budget	2019-2020 Revised Budget	2019-2020 Year Actual	Variance Actual to Original Budget	CY Actual to CY Original Budget % Variance <sup>(A)</sup>	Variance Actual to Revised Budget	CY Actual to CY Revised Budget % Variance <sup>(B)</sup>	2018-2019 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 2,353,270	\$ 2,329,419	\$ 2,329,419	\$ (23,851)	-1.01%	\$ -	0.00%	\$ 2,307,128	\$ 22,291	0.97%
November	January	\$ 2,338,596	\$ 2,188,220	\$ 2,188,220	\$ (150,376)	-6.43%	\$ -	0.00%	\$ 2,292,741	\$ (104,521)	-4.56%
December	February	\$ 2,888,362	\$ 3,191,714	\$ 3,191,714	\$ 303,352	10.50%	\$ -	0.00%	\$ 2,831,728	\$ 359,986	12.71%
January	March	\$ 2,111,018	\$ 2,268,362	\$ 2,268,362	\$ 157,344	7.45%	\$ -	0.00%	\$ 2,069,625	\$ 198,737	9.60%
February	April	\$ 2,064,564	\$ 2,114,448	\$ 2,114,448	\$ 49,884	2.42%	\$ -	0.00%	\$ 2,024,082	\$ 90,366	4.46%
March	May	\$ 2,525,343	\$ 2,503,274	\$ 2,503,274	\$ (22,069)	-0.87%	\$ -	0.00%	\$ 2,475,826	\$ 27,448	1.11%
April	June	\$ 2,534,129	\$ 2,185,555	\$ 2,185,555	\$ (348,574)	-13.76%	\$ -	0.00%	\$ 2,484,440	\$ (298,885)	-12.03%
May	July	\$ 2,234,810	\$ 2,400,743	\$ 2,400,743	\$ 165,933	7.42%	\$ -	0.00%	\$ 2,307,292	\$ 93,451	4.05%
June	August	\$ 2,627,865	\$ 2,819,430	\$ 2,819,430	\$ 191,565	7.29%	\$ -	0.00%	\$ 2,656,359	\$ 163,071	6.14%
July	September	\$ 2,225,018	\$ 2,412,772	\$ 2,412,772	\$ 187,754	8.44%	\$ -	0.00%	\$ 2,447,195	\$ (34,423)	-1.41%
August	October	\$ 2,441,366	\$ 1,137,350	\$ 2,511,707	\$ 70,341	2.88%	\$ 1,374,357	120.84%	\$ 2,312,424	\$ 199,283	8.62%
September	November	\$ 2,674,843	\$ 1,254,087						\$ 2,552,054		
YTD TOTAL		\$ 26,344,341	\$ 25,551,287	\$ 26,925,644	\$ 581,303	2.21%	\$ 1,374,357	5.38%	\$ 26,208,841	\$ 716,803	2.73%
FISCAL YEAR TOTAL		\$ 29,019,184	\$ 26,805,374						\$ 28,760,896		

<sup>(A)</sup> Formula: YTD Variance Actual to Original Budget/YTD Original Budget<sup>(B)</sup> Formula: YTD Variance Actual to Revised Budget/YTD Revised Budget

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department

Prepared By: Denton County Transportation Authority Finance Department

October 8, 2020

DENTON COUNTY TRANSPORTATION AUTHORITY

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:	2018-2019 Year Actual	2019-2020 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance	Sales Generated in Month of:	Received in Month of:	2018-2019 Year Actual	2019-2020 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 3,287,654	\$ 3,282,870	\$ (4,784)	-0.15%	October	December	\$ 319,132	\$ 357,488	\$ 38,356	12.02%
November	January	\$ 3,193,613	\$ 2,904,782	\$ (288,831)	-9.04%	November	January	\$ 311,524	\$ 356,224	\$ 44,700	14.35%
December	February	\$ 4,003,626	\$ 4,407,090	\$ 403,465	10.08%	December	February	\$ 446,811	\$ 521,121	\$ 74,309	16.63%
January	March	\$ 3,029,803	\$ 3,148,942	\$ 119,140	3.93%	January	March	\$ 283,228	\$ 338,734	\$ 55,507	19.60%
February	April	\$ 2,965,849	\$ 2,987,194	\$ 21,344	0.72%	February	April	\$ 258,782	\$ 262,811	\$ 4,029	1.56%
March	May	\$ 3,631,625	\$ 3,733,423	\$ 101,799	2.80%	March	May	\$ 344,912	\$ 322,245	\$ (22,667)	-6.57%
April	June	\$ 3,806,587	\$ 3,294,690	\$ (511,898)	-13.45%	April	June	\$ 304,322	\$ 267,280	\$ (37,043)	-12.17%
May	July	\$ 3,253,159	\$ 3,399,328	\$ 146,168	4.49%	May	July	\$ 340,531	\$ 311,278	\$ (29,254)	-8.59%
June	August	\$ 3,620,748	\$ 4,039,429	\$ 418,682	11.56%	June	August	\$ 523,000	\$ 394,759	\$ (128,242)	-24.52%
July	September	\$ 3,382,881	\$ 3,032,247	\$ (350,634)	-10.36%	July	September	\$ 322,509	\$ 303,996	\$ (18,513)	-5.74%
August	October	\$ 3,226,407	\$ 3,509,227	\$ 282,820	8.77%	August	October	\$ 316,585	\$ 304,285	\$ (12,301)	-3.89%
September	November	\$ 3,574,678				September	November	\$ 382,932			
YTD TOTAL		\$ 37,401,952	\$ 37,739,221	\$ 337,269	0.90%	YTD TOTAL		\$ 3,771,338	\$ 3,740,219	\$ (31,119)	-0.83%
FISCAL YEAR TOTAL		\$ 40,976,630				FISCAL YEAR TOTAL		\$ 4,154,270			

CITY OF DENTON					
Sales Generated in Month of:	Received in Month of:	2018-2019 Year Actual	2019-2020 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 2,875,467	\$ 2,887,178	\$ 11,711	0.41%
November	January	\$ 2,933,274	\$ 2,911,334	\$ (21,940)	-0.75%
December	February	\$ 3,667,687	\$ 4,230,616	\$ 562,929	15.35%
January	March	\$ 2,435,272	\$ 2,902,937	\$ 467,665	19.20%
February	April	\$ 2,397,631	\$ 2,571,667	\$ 174,036	7.26%
March	May	\$ 3,229,426	\$ 3,061,108	\$ (168,318)	-5.21%
April	June	\$ 2,945,196	\$ 2,521,781	\$ (423,415)	-14.38%
May	July	\$ 2,897,074	\$ 2,878,630	\$ (18,444)	-0.64%
June	August	\$ 3,479,089	\$ 3,555,689	\$ 76,601	2.20%
July	September	\$ 3,190,582	\$ 2,999,523	\$ (191,059)	-5.99%
August	October	\$ 2,955,618	\$ 3,167,204	\$ 211,587	7.16%
September	November	\$ 3,396,022			
YTD TOTAL		\$ 33,006,316	\$ 33,687,668	\$ 681,351	2.06%
FISCAL YEAR TOTAL		\$ 36,402,338			

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
Prepared By: Denton County Transportation Authority Finance Department  
October 8, 2020

## ALL TRANSIT AGENCIES

## MONTHLY SALES AND USE TAX COMPARISON SUMMARY

Transit Agency	Current Rate	Net Payment This Period	Comparable Payment Prior Year	% Change	Payments YTD (Calendar)	Prior Year Payments YTD (Calendar)	% Change
Austin MTA	1.00%	\$ 20,318,043	\$ 21,253,622	-4.40%	\$ 216,286,239	\$ 217,135,462	-0.39%
Corpus Christi MTA	0.50%	\$ 2,792,247	\$ 2,970,409	-5.99%	\$ 28,305,847	\$ 29,236,918	-3.18%
Dallas MTA	1.00%	\$ 46,927,194	\$ 53,993,268	-13.08%	\$ 506,498,463	\$ 519,907,023	-2.57%
Denton CTA	0.50%	\$ 2,511,707	\$ 2,312,424	8.61%	\$ 24,596,226	\$ 23,901,713	2.90%
El Paso CTD	0.50%	\$ 3,808,438	\$ 3,721,782	2.32%	\$ 39,809,894	\$ 39,010,451	2.04%
Fort Worth MTA	0.50%	\$ 6,466,227	\$ 6,618,911	-2.30%	\$ 67,174,042	\$ 68,174,644	-1.46%
Houston MTA	1.00%	\$ 57,556,405	\$ 62,633,355	-8.10%	\$ 630,449,716	\$ 649,095,505	-2.87%
Laredo CTD	0.25%	\$ 622,731	\$ 678,171	-8.17%	\$ 6,750,696	\$ 7,041,898	-4.13%
San Antonio ATD	0.25%	\$ 5,597,665	\$ 5,630,179	-0.57%	\$ 58,804,145	\$ 60,044,816	-2.06%
San Antonio MTA	0.50%	\$ 12,359,476	\$ 12,457,807	-0.78%	\$ 130,836,088	\$ 132,717,201	-1.41%
TOTALS		\$ 158,960,132	\$ 172,269,928	-7.73%	\$ 1,709,511,356	\$ 1,746,265,631	-2.10%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
 Prepared By: Denton County Transportation Authority Finance Department  
 October 8, 2020

## Board of Directors Memo

October 22, 2020

SUBJECT: Monthly Mobility-as-a-Service Update

### Background

A Request for Proposals (RFP) was released on January 16, 2019 for Mobility as a Service (MaaS). Firms were invited to submit proposals (for both federal and non-federal funding project categories) to provide innovative mobility service to DCTA member cities, contract communities, partner organizations, as well as large employment centers and other areas as the need arises. On March 12, 2019, DCTA received thirty-seven (37) proposals in response to the RFP. Thirty-three (33) proposals were deemed responsive and were evaluated by the evaluation team. The evaluation team rejected two proposals that scored less than seventy (70) points and recommended award to thirty-one (31) firms. The Board of Directors approved the award of Mobility-as-a-Service to thirty-one firms and reduced the total annual contract value of \$2,400,000 to \$75,000 for all task orders issued under the master on-call contracts. One of the recommended firms will not execute a contract due to business operational changes; therefore, thirty (30) firms remain eligible for contract execution. As requested by the Board of Directors, staff is providing a monthly update on all Mobility-as-a-Service commitments, activities and expenses.

To date, the following twenty-six contracts have been fully executed:

- |                             |                            |   |
|-----------------------------|----------------------------|---|
| • AJL International         | • Irving Holdings          | • RideCo                                |
| • Bird Rides                | • Iteris                   | • Rideshark Corporation                 |
| • Bubbl Investments, LLC.   | • Kapsch                   | • River North (Via)                     |
| • Dashboard Story dba DUET  | • Lyft                     | • Roundtrip                             |
| • DemandTrans Solutions     | • Moovel                   | • Routematch                            |
| • DoubleMap                 | • Moovit                   | • Spare Labs, Inc.                      |
| • Downtowner Holdings, LLC. | • MV Transportation        | • Spare Labs, Inc. (with First Transit) |
| • First Transit             | • Muve: Quebec, Inc.       | • Transdev North America                |
| • Ford Smart Mobility, LLC. | • Quebec, Inc. dba Transit |   |

The remaining four contracts, all with software companies (Passport, SeatsX, Token Transit and Transloc), have been placed on hold until a need arises to enter into a contract for software.

### Financial Impact

Task Order #1 – Lewisville Lakeway Zone and Denton Evening Zone was issued to Spare Labs, Inc. for Platform-as-a-Service (Spare Platform). The task order was approved for award at the June Board meeting and was issued on 6/30/2020 for a not-to-exceed amount of \$50,000 per year with an initial term of two years and one two-year option to extend (total of 4 years). No funds have been expended to date.

Task Orders #2 & #3 – On-Demand Services in Member Cities and Contracted Cities was discussed at the June Board meeting and was presented at the September Board meeting to authorize negotiation of two task orders. Negotiations are currently being conducted and staff anticipates presenting the resulting task orders at the December Board meeting for approval.

### Identified Need

Provides the Board of Directors a monthly status on Mobility-as-a-Service Contracts.

### Recommendation

For information only. No action required.



Submitted By:

A handwritten signature in blue ink that reads "Athena Forrester". The signature is written over a horizontal black line.

Athena Forrester, AVP of Regulatory Compliance



## Board of Directors Memo

October 22, 2020

SUBJECT: Budget Information

There were no budget transfers completed in the month of September to report.

### Identified Need

Provides the Board of Directors a monthly status on any budget transfers completed.


### Recommendation

For information only. No action required.

### Exhibits

N/A

Submitted By:   
Amanda Riddle  
Senior Manager of Budget

Final Review:   
Marisa Perry, CPA  
Chief Financial Officer/VP of Finance

## Board of Directors Memo

OCTOBER 22, 2020

SUBJECT: Ridership Trend Report

**Background**

Beginning in March 2020, DCTA staff began a series of special COVID-related ridership tabulations to gain a better understanding of the ridership impacts associated with the pandemic and ensuing service changes. Exhibits 1-4 provide an overview of total monthly ridership trends across all DCTA services, comparing FY19 and FY20 with the associated COVID impacts.

Connect Bus and A-train June-September ridership each increased by approximately 239 and 16 percent respectively.

**Unlinked Passenger Trips**

Mode	June	July	August	September	June-Sep % Change	Aug-Sep % Change
Bus	16,164	17,056	30,109	54,773	239%	82%
A-train	7,069	6,846	7,431	8,206	16%	10%
Access	1,193	1,134	1,245	1,229	3%	-1%
On-Demand	742	789	731	747	1%	2%

September 2020 A-train passenger trips increased by about ten percent compared to August. Average monthly A-train passenger trips during the March-September 2020 COVID-impacted months are approximately 73 percent less than prior pre-COVID monthly averages.

**Exhibits**

Exhibit 1: FY19 &amp; FY20 Total Monthly Ridership – Rail

Exhibit 2: FY19 &amp; FY20 Total Monthly Ridership – Bus

Exhibit 3: FY19 &amp; FY20 Total Monthly Ridership – Access

Exhibit 4: FY19 &amp; FY20 Total Monthly Ridership – On-Demand

Exhibit 5: A-train Ridership Pre- and During COVID Comparison

Submitted By:



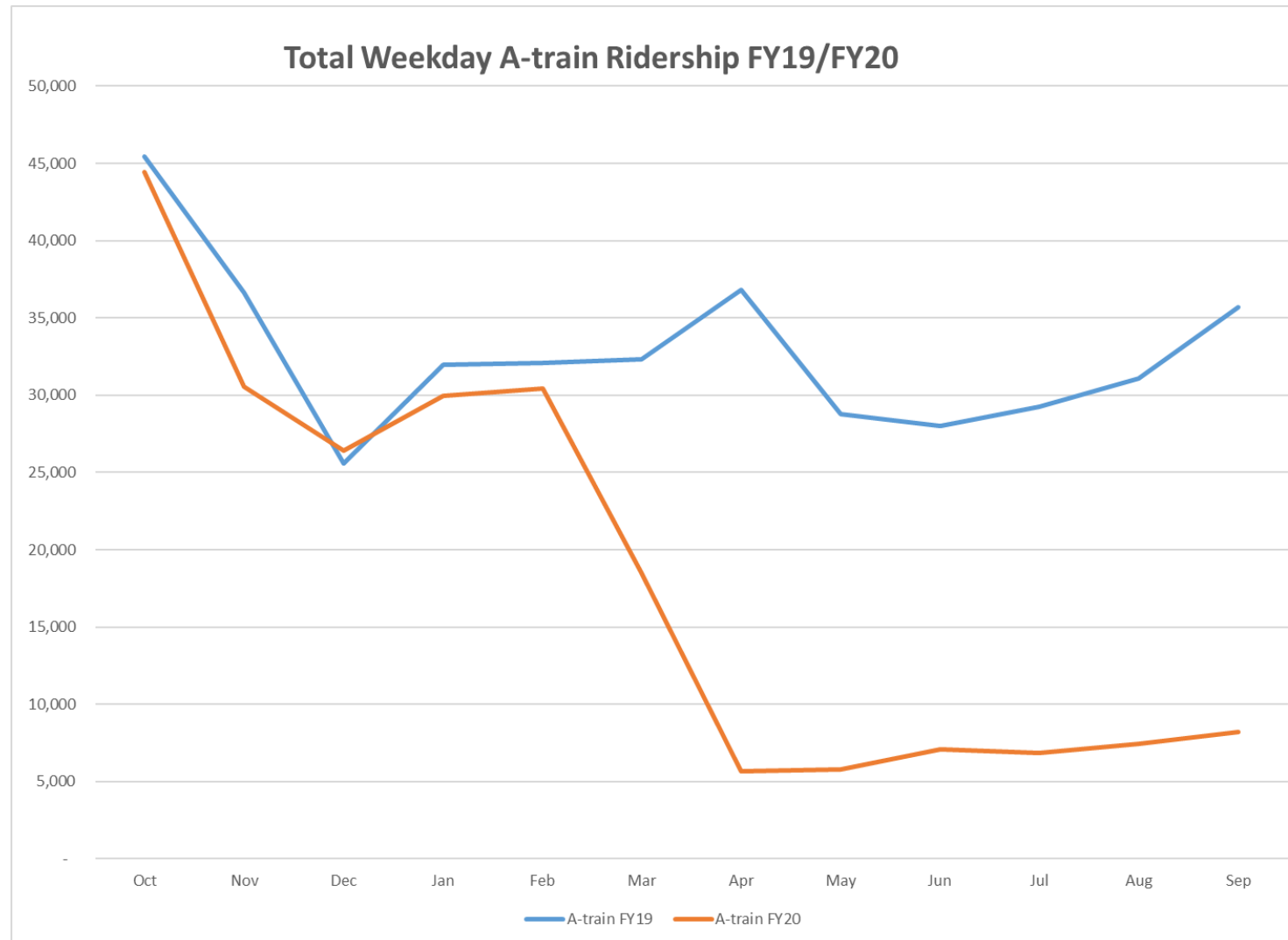
Tim Palermo, Planning &amp; Data Analytics Manager

Approval:

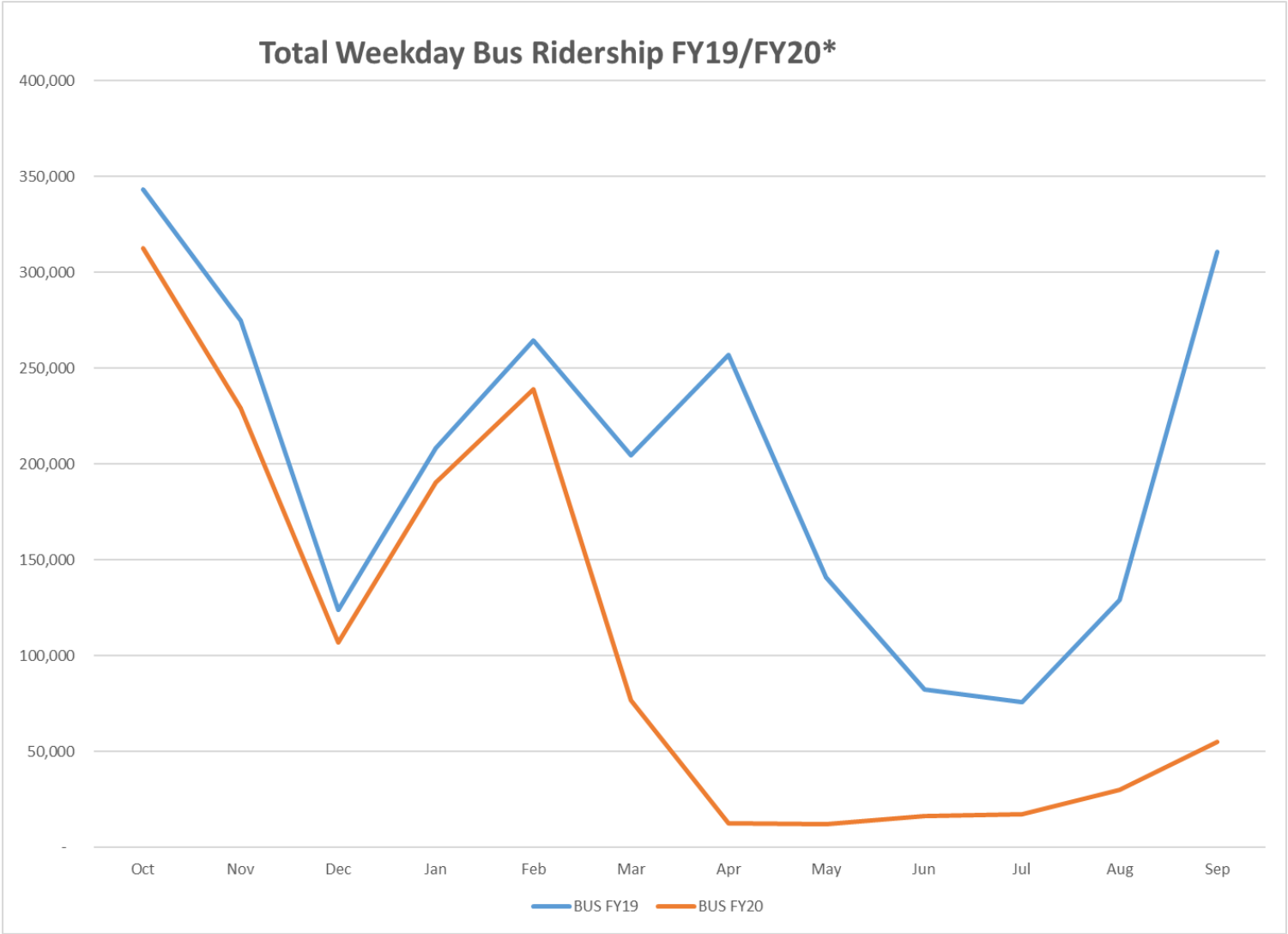
  
Kristina Holcomb, Deputy CEO



# FY19/FY20 Total Monthly Ridership – A-train

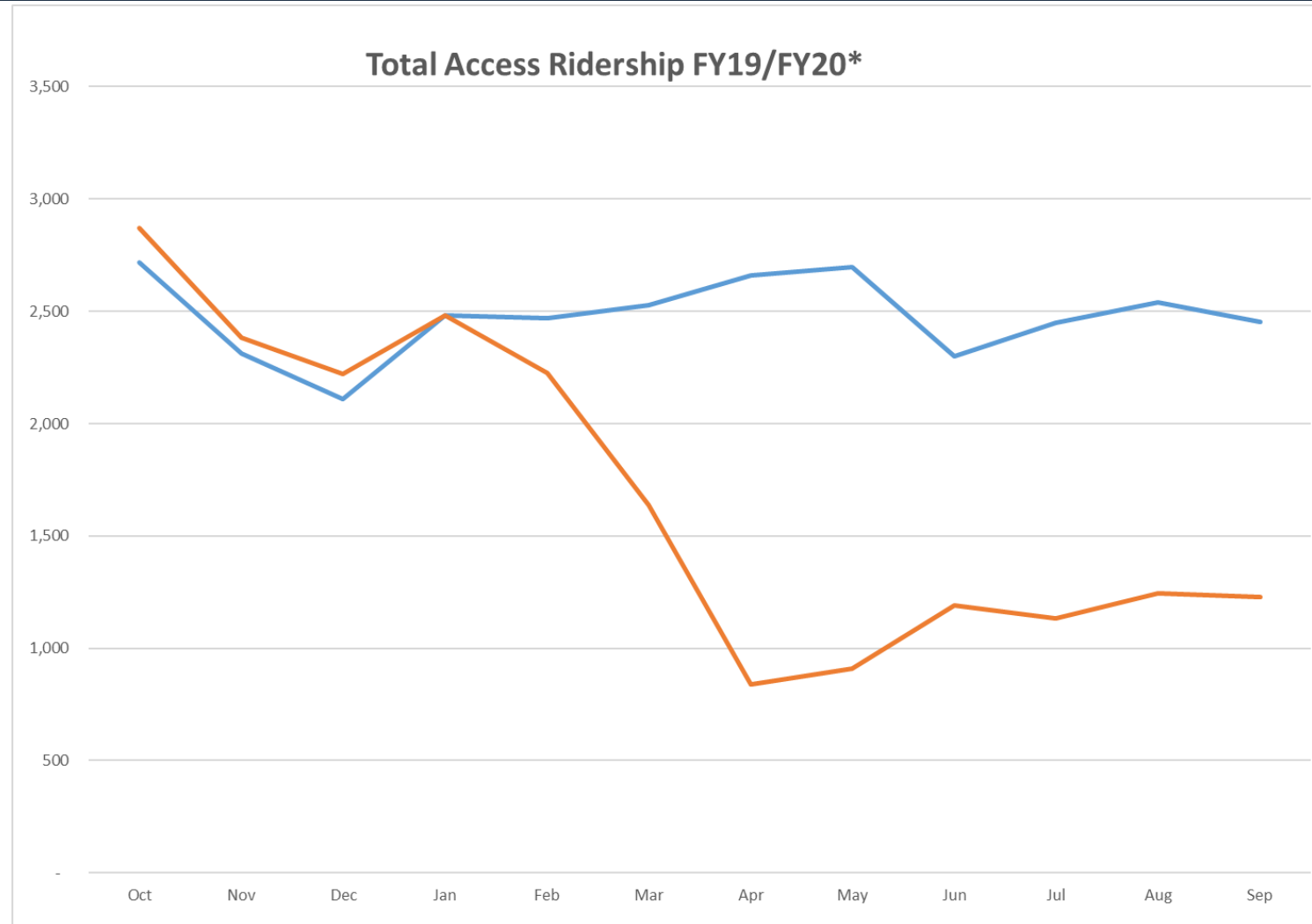


# FY19/FY20 Total Monthly Ridership – Bus



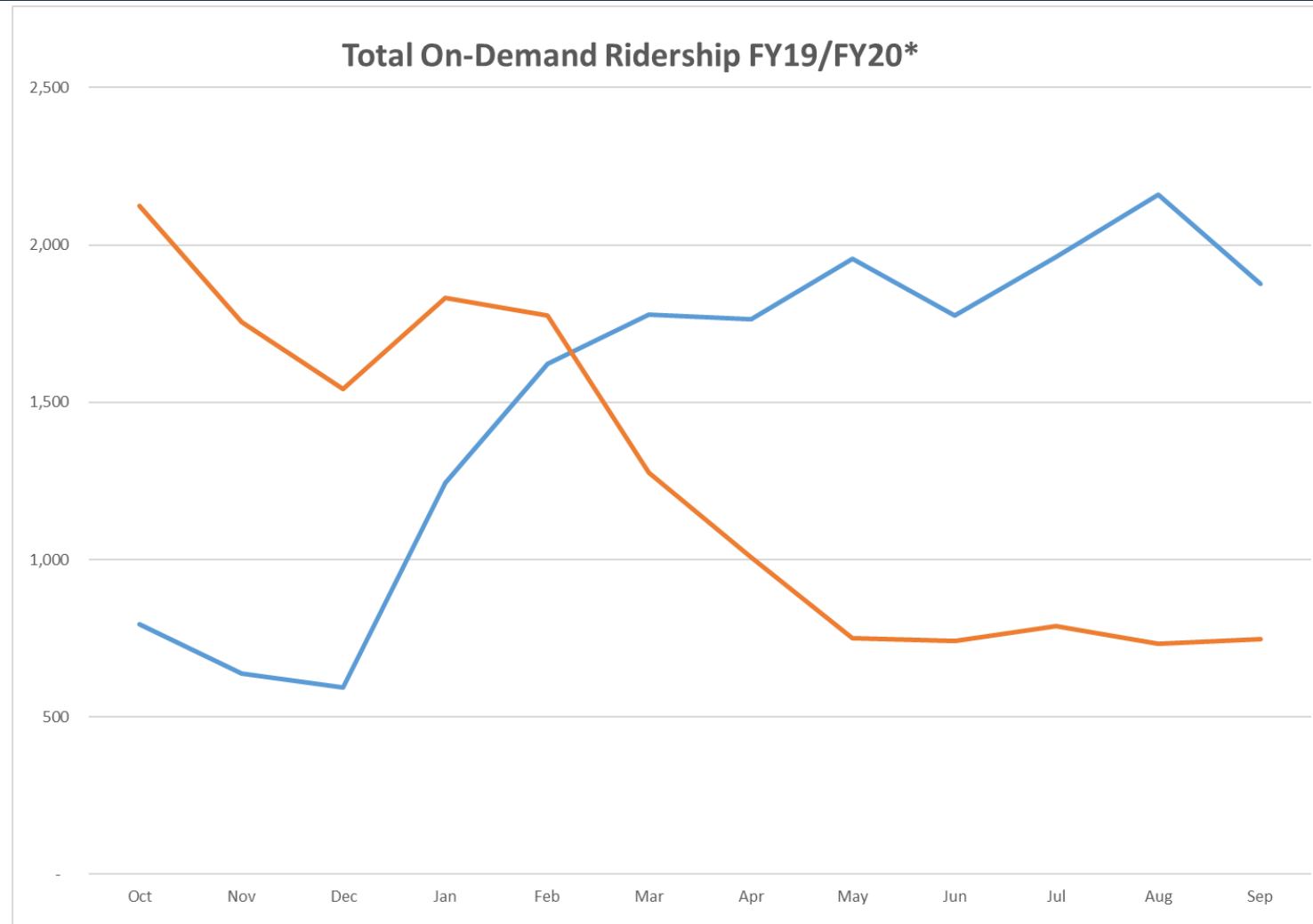
\*UNT, NCTC, Denton, Lewisville, and Highland Village Connect Service.

# FY19/FY20 Total Monthly Ridership – Access



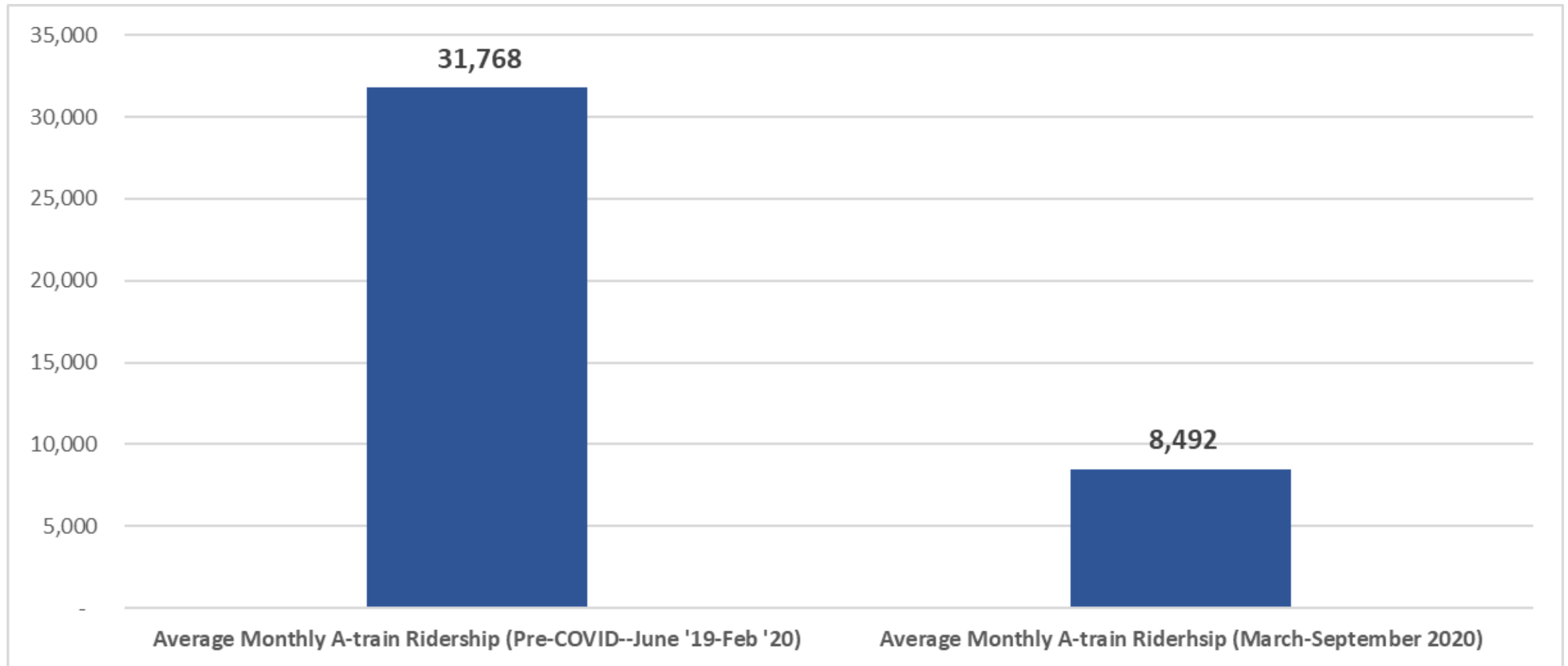
\*ADA & Non-ADA Service in Denton, Lewisville & Highland Village

# FY19/FY20 Total Monthly Ridership – On-Demand

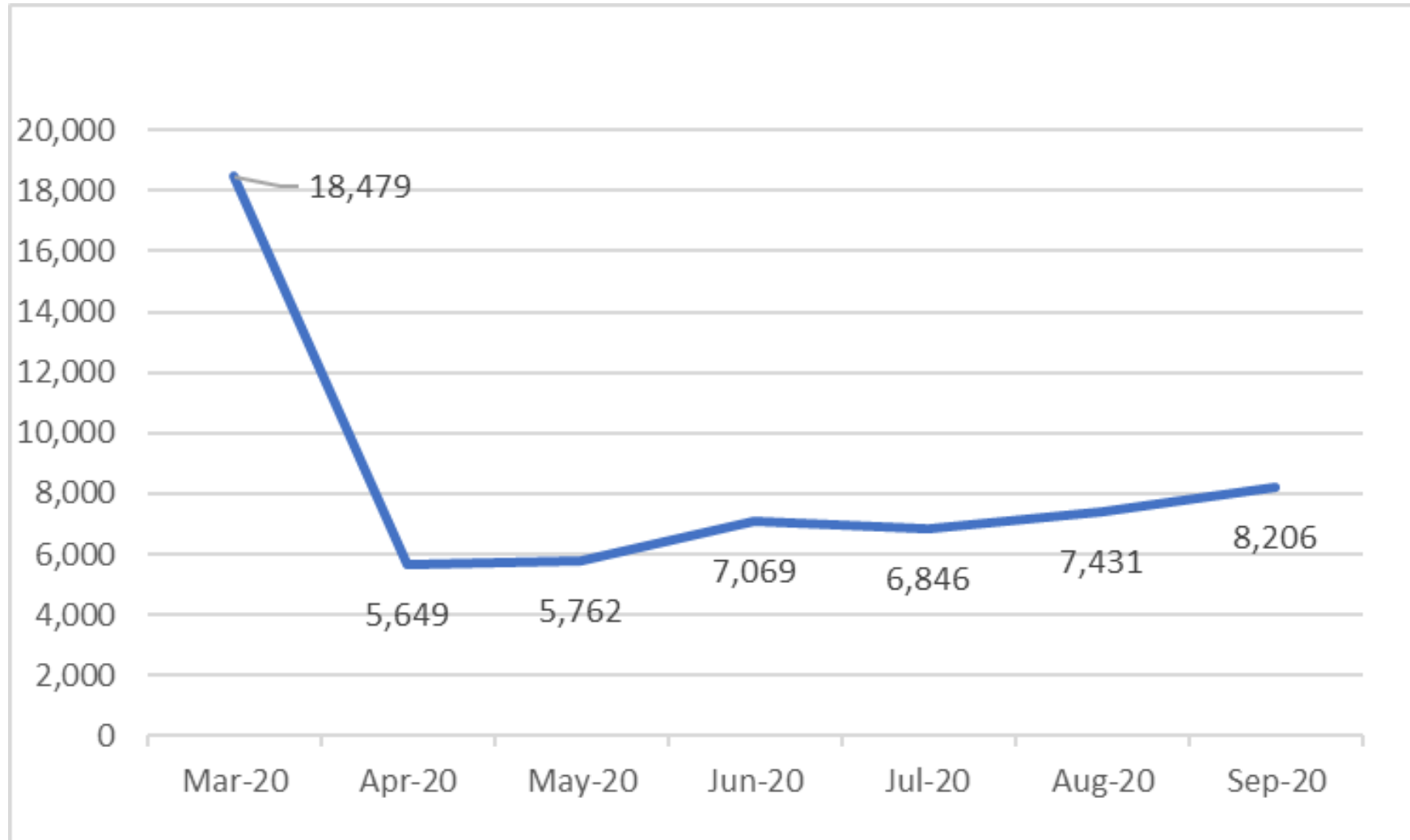


\*Frisco, Collin County Transit and Zoned Service In Denton & Highland Village

# Pre-COVID Average Monthly A-train Ridership and Current Average



# Monthly A-train Ridership: March - August 2020





## Board of Directors Memo

October 22, 2020

SUBJECT: Election 2020 Free Ride Campaign Overview

### Background

DCTA will provide free rides for those heading to the polls on select agency services for Election 2020 on the following days:

- Saturday, October 17 (early voting)
- Saturday, October 24 (early voting)
- Tuesday, November 3 (day of general election)

No proof of voter registration or destination is required to ride DCTA free of charge. The promotion will be valid on the following DCTA services only:

- A-train commuter rail
- Connect Bus system (Denton and Lewisville)
- University of North Texas (UNT) Campus Shuttles
- Lewisville Lakeway On-Demand
- DDTC Evening On-Demand

DCTA is collaborating with the Dallas Area Rapid Transit (DART) and Trinity Metro to provide voters in North Texas with free rides to the polls. All three agencies are offering free rides during early voting and on Election Day. In addition, collaborative promotional efforts are currently being implemented to garner positive awareness for this effort across the DFW metroplex.

### Identified Need

In prior years, member cities have requested that DCTA provide free rides during major election periods. DCTA's Election Free Ride campaigns have proven to be successful, yielding additional ridership during the campaign period. Additionally, DCTA is working with DART and Trinity Metro to provide free rides regionally for voting purposes.

Submitted By:

Adrienne Hamilton, Senior Marketing and Communications Manager

Approval:

Nicole Recker, Vice President of Mobility Services and Administration

## Board of Directors Memo

October 22, 2020

SUBJECT: DCTA Board of Directors Terms and Reappointments

### Background

In accordance with the Texas Transportation Code Chapter 460 and DCTA's Bylaws, Article III, below you will find information regarding Board Member terms and reappointments.

***Section 4. Vacancy.** A vacancy on the Board is filled in the same manner as the original appointment to the Board. [Section 460.201(c)]. A Board Member appointed to a vacant position shall be appointed for the unexpired term of the Board Member's predecessor in that position.*

***Section 5. Terms.** The term of office for a member of the Board is two years. [Section 460.201(a)]. By a Major Decision Approval Vote, the Board may set staggered terms for Board Members so the terms of one-half of the Board Members (or as close to one-half as possible) expire in alternate years. [Section 406.206]. ..... Board Members and Alternates qualified to serve under applicable law and these Bylaws may be reappointed following the expiration of their terms. Except as otherwise provided by applicable law, there is no limitation on the number of terms a Board Member may serve.*

### Exhibits

Exhibit 1: Current Terms of the Board of Directors Table

Submitted By:

  
Brandy Pedron, Executive Administrator

Approval:

  
Raymond Suarez, CEO



# DCTA BOARD OF DIRECTORS TERM INFORMATION

## ODD YEAR TERMS

Nov. 13, 2019 – Nov. 12, 2021

## EVEN YEAR TERMS

Nov. 13, 2018 – Nov. 12, 2020

### Voting Board Member Positions:

Denton

Lewisville

Highland Village

Denton County Seat 1

Denton County Seat 2

### Non-Voting Board Member Positions:

Corinth

Little Elm

Flower Mound

The Colony

Small Cities (2) *vacant*

Small Cities (1)

Frisco

Small Cities (3) *vacant*



## Board of Directors Memo

October 22, 2020

SUBJECT: Discuss and Consider Resolution R20-21 Authorizing the Issuance of “Denton County Transportation Authority Sales Tax Refunding Bonds, Series 2020”

### Background

DCTA currently has \$23.36 million in outstanding debt with principal payments scheduled through 2031. In June 2008, DCTA issued \$20,000,000 in tax-exempt Sales Tax Revenue Bonds through a private placement with a maximum 5 year term to fund the A-train regional passenger rail project. The Series 2008 Sales Tax Revenue bonds were refunded through a private placement to long-term debt on December 17, 2009. These bonds have a final maturity in September 2029. This issuance is currently callable and eligible for refinancing. There is \$12.755 million in outstanding principal.

At the September Board meeting, the Board directed staff and Hilltop Securities to solicit bids under a structure that extends the term of the bonds by 3 years, with final maturity in September 2032. Hilltop Securities solicited bids beginning October 5, 2020, with responses due on or before October 21, 2020. Bids will be presented at the October Board meeting. Award will be made based on highest overall savings to DCTA.

Bond Resolution R20-21 will be finalized to include corresponding information when the award is made.

### Financial Impact

Refunding the outstanding 2009 bonds will reduce annual debt service requirements and create additional debt service capacity, offering flexibility for future capital projects or expansion goals.

### Recommendation

Staff recommends adoption of Resolution R20-21 authorizing the issuance of such bonds and providing for the redemption of the bonds being refunded.

### Exhibits

Exhibit 1: Bond Resolution R20-21

Submitted By:

Marisa Perry, CPA  
Chief Financial Officer/VP of Finance

Final Review:

Raymond Suarez, CEO

RESOLUTION NO. R20-21

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY AUTHORIZING THE ISSUANCE OF "DENTON COUNTY TRANSPORTATION AUTHORITY, SALES TAX REVENUE REFUNDING BONDS, SERIES 2020," PLEDGING CERTAIN "PLEDGED REVENUES" OF THE AUTHORITY, INCLUDING "GROSS SALES TAX REVENUES," TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; ENACTING PROVISIONS INCIDENT AND RELATED TO THE ISSUANCE, PAYMENT, SECURITY AND DELIVERY OF SAID BONDS, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE LETTER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with the provisions of Texas Transportation Code, Chapter 460, as amended (the "Authority Act"), the qualified voters of the cities of Denton, Highland Village and Lewisville, Texas voting in an election held September 13, 2003, authorized the Denton County Transportation Authority (the "Authority") to impose a sales and use tax at the rate of one-half of one percent to be used by and for the Authority as provided in the Authority Act; and

WHEREAS, the Board of Directors of the Authority has heretofore issued, sold and delivered, and there is currently outstanding, "Denton County Transportation Authority, Sales Tax Revenue Refunding Bonds, Series 2009," dated December 1, 2009, scheduled to mature on September 15, 2029, and aggregating in the original principal amount of \$12,755,000 (the "Refunded Bonds"); and

WHEREAS, pursuant to the provisions of Texas Government Code, Chapter 1207, as amended ("Chapter 1207"), and the Authority Act, the Board of Directors of the Authority is authorized to issue refunding bonds and deposit the proceeds of sale directly with any place of payment for the Refunded Bonds, or other authorized depository, and such deposit, when made in accordance with Chapter 1207, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds; and

WHEREAS, the Board of Directors of the Authority hereby finds and determines that the Refunded Bonds should be refunded at this time, and such refunding will result in the Authority saving approximately \$\_\_\_\_\_ in debt service payments on such indebtedness and further provide net present value savings of approximately \$\_\_\_\_\_;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY:

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Sales tax revenue refunding bonds of the Authority shall be and are hereby authorized to be issued in the aggregate principal amount of \$\_\_\_\_\_ to be designated and bear the title "Denton County

Transportation Authority Sales Tax Revenue Refunding Bonds, Series 2020” (hereinafter referred to as the “Bonds”), for the purpose of providing funds for the discharge and final payment of certain obligations of the Authority (described in the preamble hereof and referred to as the “Refunded Bonds”) and to pay the costs and expenses of issuance, in conformity with the Constitution and laws of the State of Texas, including the Authority Act and Chapter 1207.

**SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturity - Interest Rate - Date.** The Bonds are issuable in fully registered form only; shall be dated November 1, 2020 (the “Bond Date”), shall be in denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof and shall become due and payable on September 15, 2032 (the “Stated Maturity”) and bear interest at the rate of \_\_\_\_% per annum from the date of delivery to the initial purchaser (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on March 15 and September 15 of each year until maturity or prior redemption, commencing March 15, 2021.

**SECTION 3: Payment of Bonds - Paying Agent/Registrar.** The principal of, premium, if any, and the interest on the Bonds shall be payable, without exchange or collection charges to the owner or holder thereof, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

The selection and appointment of \_\_\_\_\_, \_\_\_\_\_, Texas, to serve as Paying Agent/Registrar for the Bonds is hereby approved and confirmed. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the “Security Register”) shall at all times be kept and maintained on behalf of the Authority by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a “Paying Agent/Registrar Agreement,” substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the Authority may prescribe. The Chair or Vice Chair and Secretary of the Board or the President/CEO of the Authority are authorized to execute and deliver such Agreement in connection with the delivery of the Bonds. The Authority covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged and any successor Paying Agent/Registrar shall be a bank, trust company, financial institution or other entity duly qualified and legally authorized to serve as, and perform the duties and services of, Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the Authority agrees to promptly cause a written notice thereof to be sent to each registered owner of the Bonds by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Both principal of, premium, if any, and interest on the Bonds, due and payable by reason of maturity, redemption, or otherwise, shall be payable only to the registered owner or holder of the Bonds (hereinafter referred to as the “Bondholder” or “Bondholders”) appearing on the Security Register, and, to the extent permitted by law, neither the Authority nor the Paying Agent/Registrar or any agent of either, shall be affected by notice to the contrary.

Principal of and premium, if any, on the Bonds, shall be payable only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its offices in \_\_\_\_\_, \_\_\_\_\_ (the “Designated Payment/Transfer Office”). Interest on the Bonds shall be paid to the Bondholder whose name appears in the Security Register at the close of business on the “Record Date” (the

last business day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the “Security Register” on the Record Date or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by the Bondholder at the Bondholder’s risk and expense. If the date for the payment of the principal of or interest on the Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest which shall be 15 days after the Special Record Date shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Bondholder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

#### SECTION 4: Redemption.

(a) Optional Redemption. The Bonds shall be subject to redemption prior to maturity, at the option of the Authority, on September 15, 2029 or any date thereafter, in whole or in part in principal amounts of \$1,000 or any integral multiple thereof (and if within the Stated Maturity by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date of redemption.

(b) Mandatory Redemption. The Bonds are subject to mandatory redemption on the dates and in the principal amounts shown below at a price of par plus accrued interest to the date of redemption:

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
September 15, 2021	
September 15, 2022	
September 15, 2023	
September 15, 2024	
September 15, 2025	
September 15, 2026	
September 15, 2027	
September 15, 2028	
September 15, 2029	
September 15, 2030	
September 15, 2031	

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
September 15, 2032 (maturity)	

On or prior to each August 1 in each of the years specified above that the Bonds are to be mandatorily redeemed, the Paying Agent/Registrar shall select by lot the Bonds to be redeemed on the next following September 15 from moneys set aside for that purpose in the Bond Fund. Any Bonds not selected for prior redemption shall be paid on the Stated Maturity date.

The principal amount of the Bonds required to be redeemed on a mandatory redemption date may be reduced, at the option of the Authority, by the principal amount of Bonds which, at least 50 days prior to the mandatory redemption date, (1) shall have been acquired by the Authority at a price not exceeding the principal amount of such Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions set forth in paragraph (a) above and not theretofore credited against a mandatory redemption requirement.

(c) Exercise of Redemption Option. At least forty five (45) days prior to a date set for the optional redemption of Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the Authority shall notify the Paying Agent/Registrar of its decision to exercise the right to optionally redeem Bonds, the principal amount of each Stated Maturity to be redeemed, and the date set for the redemption thereof. The decision of the Authority to exercise the right to redeem Bonds shall be entered in the minutes of the governing body of the Authority.

(d) Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall select by lot the Bonds to be redeemed, provided that if less than the entire principal amount of a Bond is to be redeemed, the Paying Agent/Registrar shall treat such Bond then subject to redemption as representing the number of Bonds Outstanding which is obtained by dividing the principal amount of such Bond by \$1,000.

(e) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the Authority and at the Authority's expense, to each Bondholder of a Bond to be redeemed in whole or in part at the address of the Bondholder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Bondholder.

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) the redemption price, (iv) state that the Bonds, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar

only upon presentation and surrender thereof by the Bondholder. If a Bond is subject by its terms to prior redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as herein provided, such Bond (or the principal amount thereof to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor, provided moneys sufficient for the payment of such Bonds (or of the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

(f) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the Authority shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

SECTION 5: Execution - Registration. The Bonds shall be executed on behalf of the Authority by the Chair or Vice Chair of the Board of Directors and countersigned by the Secretary of the Board of Directors. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the Authority on the Bond Date shall be deemed to be duly executed on behalf of the Authority, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Resolution, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9C, manually executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent, or a certificate of registration substantially in the form provided in Section 9D, executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified or registered and delivered.

SECTION 6: Reserved.

SECTION 7: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the Authority at the Designated Payment/Transfer Office of the Paying Agent/Registrar, and the Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each registered owner of the Bonds issued under and pursuant to the provisions of this Resolution. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Bondholder, in person or by his duly authorized agent, upon



surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Bondholder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds executed on behalf of, and furnished by, the Authority of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Bondholder, Bonds may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds executed on behalf of, and furnished by, the Authority to the Bondholder requesting the exchange.

All Bonds issued upon any transfer or exchange of Bonds shall be delivered at the Designated Payment/Transfer Office of the Paying Agent/Registrar, or sent by United States mail, first class postage prepaid, to the Bondholder at his request, risk, and expense and, upon the delivery thereof, the same shall be valid obligations of the Authority, evidencing the same obligation to pay, and entitled to the same benefits under this Resolution, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Bondholder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Bondholder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any Bond registered and delivered pursuant to Section 26 hereof in lieu of a mutilated, lost, destroyed, or stolen Bond which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the Authority nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 30 days of the date fixed for redemption of such Bond; provided, however, that such limitation of transfer shall not be applicable to an exchange by the Bondholder of an unredeemed balance of a Bond called for redemption in part.

**SECTION 8: Initial Bond.** The Bonds herein authorized shall be initially issued as a single fully registered Bond in the total principal amount of this series to become due and payable



as provided in Section 2 hereof and numbered T-1 (hereinafter called the “Initial Bond”) and the Initial Bond shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond shall be the Bond submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond, the Paying Agent/Registrar, pursuant to written instructions from the purchaser(s), or the designee thereof, shall cancel the Initial Bond delivered hereunder and exchange therefor the definitive Bond of authorized denominations, the Stated Maturity, principal amount, and the interest rate for transfer and delivery to the Bondholders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

A. Forms - Generally.

The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Registration, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Resolution and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Authority or determined by the officers executing such Bonds as evidenced by their execution thereof. Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds shall be printed, lithographed, or engraved or produced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof, but the Initial Bond submitted to the Attorney General of Texas may be typewritten or photocopied or otherwise reproduced.

B. Form of Bond.

REGISTERED  
NO. [T-1][R-\_\_\_]

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
DENTON COUNTY TRANSPORTATION AUTHORITY  
SALES TAX REVENUE REFUNDING BOND  
SERIES 2020

Bond Date:  
November 1, 2020

Stated Maturity:  
September 15, 2032

Interest Rate:  
\_\_\_\_\_%

Registered Owner: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ DOLLARS

The Denton County Transportation Authority, (hereinafter referred to as the “Authority”), a governmental body and a corporate body in Denton County, State of Texas, for value received, hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, solely from the revenues hereinafter defined, on the Stated Maturity date specified above, the Principal Amount stated above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the “Registration Date” of this Bond appearing below (unless this Bond bears a “Registration Date” as of an interest payment date, in which case it shall bear interest from such date, or unless the “Registration Date” of this Bond is prior to the initial interest payment date in which case it shall bear interest from the date of delivery to the initial purchaser) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on March 15 and September 15 of each year until maturity or prior redemption, commencing March 15, 2021. Principal of this Bond shall be payable to the registered owner hereof, upon presentation and surrender, to \_\_\_\_\_, \_\_\_\_\_, Texas or its successor (the “Paying Agent/Registrar”) at its offices in \_\_\_\_\_, \_\_\_\_\_ (the “Designated Payment/Transfer Office”). Interest shall be payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the “Security Register” maintained by the Paying Agent/Registrar at the close of business on the “Record Date,” which is the last business day of the month next preceding each interest payment date. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts and shall be made by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register on the Record Date or by such other method, acceptable to the Paying Agent/ Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$\_\_\_\_\_ (herein referred to as the “Bonds”) for the purpose of providing funds for the discharge and final payment of certain obligations of the Authority and to pay the costs and expenses of issuance, in conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapter 1207, as amended, Texas Transportation Code, Chapter 460, as amended and a Resolution adopted by the governing body of the Authority (herein referred to as the “Resolution”).

The Bonds shall be subject to mandatory redemption prior to maturity at the redemption price of par plus accrued interest to the date of redemption on the respective dates and in principal amounts as follows:

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
September 15, 2021	
September 15, 2022	
September 15, 2023	
September 15, 2024	
September 15, 2025	
September 15, 2026	
September 15, 2027	
September 15, 2028	
September 15, 2029	
September 15, 2030	
September 15, 2031	
September 15, 2032 (maturity)	

The particular Bonds to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Bonds required to be redeemed pursuant to the operation of such mandatory redemption provisions may be reduced, at the option of the Authority, by the principal amount of Bonds which, at least 50 days prior to a mandatory redemption date, (1) shall have been acquired by the Authority at a price not exceeding the principal amount of such Bond plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.

The Bonds may be redeemed prior to the Stated Maturity, at the option of the Authority, in whole or in part in principal amounts of \$1,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on September 15, 2029, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

The Bonds may be redeemed upon 30 days prior written notice being given by United States Mail, first class postage prepaid, to registered owners of the Bonds to be redeemed, and subject to the terms and provisions relating thereto contained in the Resolution. If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event of a partial redemption of the principal amount of this Bond, payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of this Bond to the Paying Agent/Registrar at the Designated Payment/Transfer Office and, there shall be issued, without charge therefor, to the registered owner hereof, a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided in the Resolution for the then unredeemed balance of the principal sum hereof. If this Bond is called for redemption, in whole or in part, the Authority or the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Bondholder within 30 days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the Bondholder of the unredeemed balance hereof in the event of its redemption in part.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is be conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the Authority shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are special obligations of the Authority payable solely from and secured by a pledge of the Pledged Revenues (as defined in the Resolution authorizing the issuance of the Bonds), including receipts from a ½ of 1% sales and use tax levied within the Authority pursuant to the Authority Act and an election held within the boundaries of the Authority. The Bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the Authority, except with respect to the “Pledged Revenues.” The holder hereof shall never have the right to demand payment of this obligation out of any property taxes raised or to be raised by the Authority.

Subject to satisfying the terms and conditions prescribed therefor, the Authority has reserved the right to issue additional revenue obligations payable from and equally and ratably secured by a parity lien on and pledge of the Pledged Revenues, in the same manner and to the same extent as the Bonds.

Reference is hereby made to the Resolution, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Bondholder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for the Bonds; the Pledged Revenues pledged to the payment of the principal of and interest on the Bonds; the nature and extent and manner of enforcement of the lien and pledge securing the payment of the Bonds; the terms and conditions for the issuance of additional revenue obligations; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Bondholders; the rights, duties, and obligations of the Authority and the Paying Agent/Registrar; the terms and provisions upon which the liens, pledges, charges and covenants made therein may be discharged at or prior to the maturity or

redemption of this Bond, and this Bond deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Resolution.

This Bond, subject to certain limitations contained in the Resolution, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The Authority and the Paying Agent/Registrar, and any agent of either, may treat the registered owner hereof whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the Authority nor the Paying Agent/ Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of non-payment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Bondholder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited and represented and covenanted that the Authority is a duly organized and legally existing municipal corporation under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the Authority have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Resolution; that the Bonds do not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by a pledge of the Pledged Revenues. In case any provision in this Bond or any application thereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Resolution shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Board of Directors of the Authority has caused this Bond to be duly executed by the manual or facsimile signatures of the persons indicated below as of the Bond Date.

DENTON COUNTY TRANSPORTATION  
AUTHORITY

\_\_\_\_\_  
Chair, Board of Directors

COUNTERSIGNED:

\_\_\_\_\_  
Secretary, Board of Directors

- C. Form of Registration Certificate of Comptroller of Public Accounts to  
Appear on Initial Bond only.

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

§  
§  
§  
§

REGISTER NO. \_\_\_\_\_

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

- D. Form of Certificate of Paying Agent/Registrar to Appear on Definitive  
Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered in the name of the Registered Owner shown above under the provisions of the within-mentioned Resolution; the Bond or Bonds of the above entitled and designated series originally delivered having been approved by the Attorney General

of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The offices of the Paying Agent/Registrar in \_\_\_\_\_, \_\_\_\_\_ is the Designated Payment/Transfer Office for this Bond.

Registered this date:

\_\_\_\_\_,  
\_\_\_\_\_, Texas  
as Paying Agent/Registrar

By \_\_\_\_\_  
Authorized Officer

E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee:) \_\_\_\_\_

\_\_\_\_\_  
(Social Security or other identifying number: \_\_\_\_\_)  
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED:

\_\_\_\_\_  
Signature guaranteed:  
\_\_\_\_\_

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

SECTION 10: Definitions. That for all purposes of this Resolution and in particular for clarity with respect to the issuance of the Bonds herein authorized and the pledge and appropriation of revenues therefor, the following definitions are provided:

“Additional Bonds” - Bonds, notes or other evidences of indebtedness which the Authority reserves the right to issue or enter into, as the case may be, in the future in accordance with the terms and conditions provided in the Resolution and which, together with the Bonds, are equally and ratably secured by a parity pledge of and claim on the Pledged Revenues under the terms of the Resolution.

“Authority” – The Denton County Transportation Authority.

“Authority Act” - Texas Transportation Code, Chapter 460, as amended at any time.

“Board of Directors” – The Board of Directors of the Authority.



“Bonds” - The “Denton County Transportation Authority Sales Tax Revenue Refunding Bonds, Series 2020,” dated November 1, 2020.

“Debt Service” - As of any particular date of computation, with respect to any Parity Bonds and with respect to any period, the aggregate of the amounts to be paid or set aside by the Authority as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such Parity Bonds; assuming, in the case of Parity Bonds without a fixed numerical rate, that such Parity Bonds bear, or would have borne, interest at the maximum legal per annum rate applicable to such Parity Bonds, and further assuming in the case of Parity Bonds required to be redeemed or prepaid as to principal prior to maturity, the principal amounts thereof will be redeemed prior to maturity in accordance with the mandatory redemption provisions applicable thereto.

“Depository” - A commercial bank or other qualified financial institution eligible and qualified to serve as the custodian of the Authority’s monetary accounts and funds.

“Fiscal Year” - The twelve month financial accounting period used by the Authority ending September 30 in each year, or such other twelve consecutive month period established by the Authority.

“Government Obligations” - (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and on the date of their acquisition or purchase by the Authority are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and on the date of their acquisition or purchase by the Authority, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any other then authorized securities or obligations that may be used to defease obligations such as the Bonds under the then applicable laws of the State of Texas.

“Gross Sales Tax Revenues” - All of the revenues or receipts due or owing to, or collected or received by or on behalf of the Authority or otherwise pursuant to the provisions of the Authority Act and the election held September 13, 2003, less any amounts due and owed to the Comptroller of Public Accounts of the State of Texas as charges for the collection of the Sales Tax or retention by said Comptroller for refunds and to redeem dishonored checks and drafts, to the extent such charges and retention are authorized or required by law.

“Outstanding” - When used in this Resolution with respect to Bonds or Parity Bonds, as the case may be, means, as of the date of determination, all Bonds and Parity Bonds theretofore sold, issued and delivered by the Authority, except:

(1) those Bonds or Parity Bonds canceled or delivered to the transfer agent or registrar for cancellation in connection with the exchange or transfer of such obligations;



(2) those Bonds or Parity Bonds paid or deemed to be paid in accordance with the provisions of the Resolution or similar provisions of any Supplemental Resolution authorizing the issuance of Additional Bonds; and

(3) those Bonds or Parity Bonds that have been mutilated, destroyed, lost, or stolen and replacement obligations have been registered and delivered in lieu thereof.

“Parity Bonds” - Collectively, the Previously Issued Obligations, the Bonds and Additional Bonds.

“Pledged Revenues” - Collectively (i) Gross Sales Tax Revenues from time to time deposited or owing to the Revenue Fund and (ii) such other money, income, revenue, receipts or other property as may be specifically dedicated, pledged or otherwise encumbered in a Supplemental Resolution for the payment and security of Parity Bonds.

“Previously Issued Obligations” - the outstanding (a) “Denton County Transportation Authority Sales Tax Revenue Refunding Bonds, Series 2009,” dated December 1, 2009 (being refunded by the Bonds) and (b) “Denton County Transportation Authority Sales Tax Contractual Obligations, Series 2011,” dated September 1, 2011.

“Sales Tax” - The local sales and use tax authorized and approved at an election held on September 13, 2003, and the effective date for the imposition and application of such Sales Tax within the boundaries of the Authority by the Comptroller of Public Accounts of the State of Texas being January 1, 2004, together with any increases in the rate of such Sales Tax authorized and provided by law.

“Supplemental Resolution” - Any resolution of the Board of Directors supplementing this Resolution for the purpose of authorizing or providing the terms and provisions of the Bonds or Additional Bonds, or supplementing or amending this Resolution for any other authorized purpose permitted in the Resolution, including resolutions authorizing the issuance of Additional Bonds or pledging and encumbering income, revenues, receipts or property other than the Gross Sales Tax Revenues to the payment and security of the Parity Bonds.

SECTION 11: Pledge. The Authority hereby covenants and agrees that the Pledged Revenues, with the exception of those in excess of the amounts required for the payment and security of the Parity Bonds, are hereby irrevocably pledged to the payment and security of the Bonds including the establishment and maintenance of the special funds created and established in this Resolution and any Supplemental Resolution, all as hereinafter provided. The Authority hereby grants a lien on the Pledged Revenues in accordance with the terms of this Resolution and any Supplemental Resolution, which lien shall be valid and binding without any further action by the Authority and without any filing or recording with respect thereto except in the records of the Authority.

SECTION 12: Revenue Fund. The Authority does hereby establish and hereby agrees and covenants to maintain a fund or account at a Depository for the deposit of the Pledged Revenues as received by the Authority, which fund or account shall be known on the books and records of the Authority as the “Denton County Transportation Authority Revenue Fund” (the “Revenue Fund”). All Pledged Revenues deposited to the credit of such Revenue Fund shall be accounted

for separate and apart from all other revenues, receipts and income of the Authority and, with respect to the Gross Sales Tax Revenues, the Authority shall further account for such funds separate and apart from the other Pledged Revenues deposited to the credit of the Revenue Fund. All Pledged Revenues deposited to the credit of the Revenue Fund shall be appropriated and expended to the extent required by this Resolution and any Supplemental Resolution for the following uses and in the order of priority shown:

First: To the payment of the amounts required to be deposited in the Bond Fund for the payment of Debt Service on the Parity Bonds as the same becomes due and payable;

Second: To the payment of the amounts required to be deposited in any reserve fund established by the Authority to provide security for Parity Bonds;

Third: To the payment of amounts required to be deposited in any other fund or account required by any Supplemental Resolution authorizing the issuance of Parity Bonds; and

Fourth: To any fund or account held at any place or places, or to any payee, required by any other resolution of the Authority which authorizes the issuance of obligations or the creation of debt of the Authority having a lien on the Pledged Revenues subordinate to the lien created herein on behalf of the Parity Bonds.

Any amount in the Revenue Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any lawful purpose permitted by the Authority Act.

**SECTION 13: Bond Fund.** For the purpose of providing funds to pay the principal of and interest on the Bonds, the Authority does hereby confirm the establishment and maintenance of a separate and special account or fund on the books and records of the Authority known as the “Denton County Transportation Authority Bond Fund” (the “Bond Fund”), and all monies deposited to the credit of the Bond Fund shall be held in a special banking fund or account maintained at a Depository of the Authority. The Authority covenants that there shall be deposited into the Bond Fund prior to each principal and interest payment date from the Pledged Revenues an amount equal to one hundred per centum (100%) of the interest on and the principal of the Bonds then falling due and payable.

The required deposits to the Bond Fund for the payment of principal of and interest on the Bonds shall continue to be made as hereinabove provided until (i) the total amount on deposit in the Bond Fund and Reserve Fund, if any, is equal to the amount required to fully pay and discharge all Parity Bonds (principal and interest) then Outstanding or (ii) the Bonds are no longer Outstanding.

**SECTION 14: Reserve Fund.**

The Authority does hereby reserve the right to establish and maintain on the books and records of the Authority a separate and special fund or account to be known as the “Denton County Transportation Authority Reserve Fund” (the “Reserve Fund”), which fund or account shall be a special banking fund maintained at a Depository. The amounts deposited to the credit of such fund

or account shall be used solely for the payment of (i) the principal of and interest on the Parity Bonds when (whether at maturity, upon a redemption date or any interest payment date) other funds available for such purposes are insufficient, (ii) the amounts required to restore or replenish in full the surety bond coverage afforded by a surety bond representing all or a portion of the Required Reserve, and, in addition, may be used to the extent not required to maintain the “Required Reserve,” to pay, or provide for the payment of, the final principal amount of a series of Parity Bonds so that such series of Parity Bonds is no longer deemed to be “Outstanding” as such term is defined herein or any other purpose of the Authority permitted by the Authority Act.

There is no Reserve Fund being funded for the Bonds. The Board reserves the right to establish a Reserve Fund amount (the “Required Reserve”) in a Supplemental Resolution and such Required Reserve shall be funded and applied as provided in such Supplemental Resolution.

As and when Additional Bonds are delivered or incurred, the Required Reserve shall be increased, if required, to an amount equal to the lesser of either (i) the maximum annual Debt Service (calculated on a Fiscal Year basis) for all Parity Bonds then Outstanding (after giving effect to the issuance of the Additional Bonds), as determined on the date each series of Additional Bonds is delivered or incurred, as the case may be, or (ii) the maximum amount that can be invested without restriction as to yield in a reasonably required reserve fund pursuant to Subsection (d) of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder. Any additional amount required to be maintained in the Reserve Fund shall be accumulated (i) by depositing to the credit of the Reserve Fund (immediately after the delivery of the then proposed Additional Bonds) cash or an additional surety bond or revised surety bond with surety bond coverage in an amount sufficient to provide for the new Required Reserve to be fully or partially funded, or (ii) at the option of the Authority, by making monthly deposits from funds in the Revenue Fund on or before the 15th day of each month following the month of delivery of the then proposed Additional Bonds, of not less than 1/36th of the additional amount to be maintained in said Fund by reason of the issuance of the Additional Bonds then being issued (or 1/36th of the balance of the additional amount not deposited immediately in cash or provided by a surety bond).

While the cash and investments and/or Reserve Policy coverage in the Reserve Fund total not less than the Required Reserve, no deposits need be made to the credit of the Reserve Fund. Should the Reserve Fund at any time contain less than the Required Reserve (or so much thereof as shall then be required to be contained therein if Additional Bonds have been issued and the Authority has elected to accumulate all or a portion of the Required Reserve with Pledged Revenues) or should the Authority be obligated to repay or reimburse an issuer of a surety bond to replenish and restore the full amount of insurance coverage provided by the Reserve Policy held for the account of the Reserve Fund, the Authority covenants and agrees to cause monthly deposits to be made to the Reserve Fund on or before the fifteenth day of each month (beginning the month next following the month the deficiency in the Required Reserve occurred by reason of a draw on the Reserve Fund or as a result of a reduction in the market value of investments held for the account of the Reserve Fund) from Pledged Revenues in an amount equal to (i) 1/12th of the Required Reserve until the total Required Reserve then required to be maintained in said Fund has been fully restored or (ii) the amounts required to be reimbursed and repaid to the issuer of the insurance policy in the event of a draw upon the Reserve Policy. The Authority further covenants and agrees that the Pledged Revenues shall be applied and appropriated and used to establish and

maintain the Required Reserve and to cure any deficiency in such amounts as required by the terms of any Supplemental Resolution.

During such time as the Reserve Fund contains the total Required Reserve, the Authority may, at its option, withdraw any amount in the Reserve Fund in excess of the Required Reserve and deposit such surplus in the Revenue Fund, except that amounts received from proceeds of Parity Bonds on deposit in the Reserve Fund may only be deposited to the Bond Fund or the Reserve Fund.

SECTION 15: Deficiencies. If on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Bond Fund or Reserve Fund, if any, such deficiency shall be cured as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

SECTION 16: Payment of Bonds. While any of the Bonds are Outstanding, the Chief Financial Officer of the Authority (or other designated financial officer of the Authority) shall cause to be transferred to the Paying Agent/Registrar, from funds on deposit in the Bond Fund, and, if necessary, in the Reserve Fund, amounts sufficient to fully pay and discharge promptly as each installment of interest and principal of the Bonds accrues or matures; such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the business day next preceding the date of payment for the Bonds.

SECTION 17: Investments - Security of Funds.

(a) Money in any Fund required to be maintained pursuant to this Resolution may, at the option of the Authority, be invested in obligations and in the manner prescribed by the Public Funds Investment Act (Texas Government Code, Chapter 2256, as amended), including investments held in book entry form; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from any Fund will be available at the proper time or times and provided further the maximum stated maturity for any investment acquired with money deposited to the credit of the Reserve Fund shall be limited to five (5) years from the date of the investment of such money. Such investments shall be valued in terms of current market value within 45 days of the close of each Fiscal Year and, with respect to investments held for the account of the Reserve Fund, within 45 days of the date of passage of each authorizing document of the Authority pertaining to the issuance of Additional Bonds. All interest and income derived from deposits and investments in the Bond Fund immediately shall be credited to, and any losses debited to, the appropriate account of the Bond Fund. All interest and interest income derived from deposits in and investments of the Reserve Fund shall, subject to the limitations provided in the Resolution, be credited to and deposited in the Revenue Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Parity Bonds.

(b) That money deposited to the credit of the Revenue Fund, Bond Fund and Reserve Fund, if any, to the extent not invested and not otherwise insured by the Federal Deposit Insurance Corporation or similar agency, shall be secured in a manner permitted by the Public Funds Collateral Act (Texas Government Code, Chapter 2257, as amended).

SECTION 18: Issuance of Additional Bonds. Subject to the provisions hereinafter appearing as to conditions precedent which must be satisfied, the Authority reserves the right to issue, from time to time as needed, Additional Bonds for any lawful purpose permitted by the Authority Act. Such Additional Bonds may be issued in such form and manner as the Authority shall determine, provided, however, prior to issuing or incurring such Additional Bonds, the following conditions precedent for the authorization and issuance of the same are satisfied, to wit:

(1) The Chief Financial Officer of the Authority (or other officer of the Authority then having the primary responsibility for the financial affairs of the Authority) shall have executed a certificate stating that, to the best of his or her knowledge and belief, the Authority is not then in default as to any covenant, obligation or agreement contained in this Resolution or a Supplemental Resolution.

(2) The Authority has secured from a certified public accountant a certificate or opinion to the effect that, according to the books and records of the Authority, the Gross Sales Tax Revenues received by the Authority for either (i) the last completed Fiscal Year next preceding the adoption of the Supplemental Resolution authorizing the issuance of the proposed Additional Bonds or (ii) any twelve (12) consecutive months out of the previous eighteen (18) months next preceding the adoption of the Supplemental Resolution authorizing the Additional Bonds were equal to not less than 1.10 times the average annual Debt Service for all Parity Bonds then Outstanding after giving effect to the issuance of the Additional Bonds then being issued.

(3) The Required Reserve to be accumulated and maintained in the Reserve Fund is increased to the extent required by this Resolution or the Supplemental Resolution applicable to the proposed Additional Bonds.

SECTION 19: Refunding Bonds. The Authority reserves the right to issue refunding bonds to refund all or any part of the Parity Bonds (pursuant to any law then available) upon such terms and conditions as the Authority may deem to be in the best interest of the Authority, and if less than all such Parity Bonds then Outstanding are refunded, the conditions precedent prescribed (for the issuance of Additional Bonds) set forth in the Resolution or any Supplemental Resolution shall be satisfied, and shall give effect to the refunding.

SECTION 20: Right to Create Subordinate Debt. Except as may be limited by a Supplemental Resolution, the Authority shall have the right to issue or create any debt payable from or secured by a lien on all or any part of the Pledged Revenues for any lawful purpose permitted by the Authority Act without complying with the provisions of the Resolution relating to Additional Bonds, provided the pledge and the lien securing such debt is subordinate to the pledge and lien established, made and created in this Resolution with respect to the Pledged Revenues to the payment and security of the Parity Bonds.

SECTION 21: Confirmation and Levy of Sales Tax.

(a) The Authority hereby represents that it has duly complied with the provisions of the Authority Act for the levy of the Sales Tax at the rate voted at the election held by and within the Authority on September 13, 2003, and such Sales Tax will be imposed within the boundaries

of the Authority and the receipts of such Sales Tax are to be remitted to the Authority by the Comptroller of Public Accounts at least semiannually.

(b) While any Bonds are Outstanding, the Authority covenants, agrees and warrants to take and pursue all action permissible to cause the Sales Tax to be levied and collected continuously, in the manner and to the maximum extent permitted by law, and to cause no reduction, abatement or exemption in the Sales Tax or rate of tax below the rate approved at the election held within the Authority on September 13, 2003, while any Bonds shall remain Outstanding.

(c) If hereafter authorized by law to apply, impose and levy the Sales Tax on any taxable items or transactions that are not subject to the Sales Tax on the date of the adoption hereof, to the extent it legally may do so, the Authority agrees to use its best efforts to cause the Authority to take such action as may be required to subject such taxable items or transactions to the Sales Tax.

(d) The Authority agrees to take and pursue all action legally permissible to cause the Sales Tax to be collected and remitted and deposited as herein required and as required by the Authority Act, at the earliest and most frequent times permitted by law.

(e) The Authority agrees to use its best efforts to cause Gross Sales Tax Revenues to be deposited to the credit of the Revenue Fund in their entirety immediately upon receipt by the Authority. In the alternative and if legally authorized, the Authority shall, by appropriate notice, direction, request or other legal method, use its good-faith efforts to cause the Comptroller of Public Accounts of the State of Texas (the "Comptroller") to pay all Gross Sales Tax Revenues directly to the Authority for deposit to the Revenue Fund.

SECTION 22: Records and Accounts. The Authority hereby covenants and agrees that while any of the Bonds are Outstanding, it will keep and maintain complete records and accounts in accordance with generally accepted accounting principles, and following the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants. Each such audit, in addition to whatever other matters may be thought proper by the accountant, shall particularly include the following:

- (1) A statement in reasonable detail regarding the receipt and disbursement of the Pledged Revenues for such Fiscal Year; and
- (2) A balance sheet for the Authority as of the end of such Fiscal Year.

Such annual audit of the records and accounts of the Authority shall be in the form of a report and be accompanied by an opinion of the accountant to the effect that such examination was made in accordance with generally accepted auditing standards and contain a statement to the effect that in the course of making the examination necessary for the report and opinion, the accountant obtained no knowledge of any default of the Authority on the Bonds or in the fulfillment of any of the terms, covenants or provisions of this Resolution, or under any other evidence of indebtedness, or of any event which, with notice or lapse of time, or both, would constitute a failure of the Authority to comply with the provisions of this Resolution or if, in the



opinion of the accountants, any such failure to comply with a covenant or agreement hereof, a statement as to the nature and status thereof shall be included.

Copies of each annual audit report shall be furnished upon written request, to any Bondholders of any of said Bonds. The audits herein required shall be made within 180 days following the close of each Fiscal Year insofar as is possible.

The Bondholders of any Bonds or any duly authorized agent or agents of such Bondholders shall have the right to inspect such records, accounts and data of the Authority during regular business hours.

**SECTION 23: Representations as to Security for the Bonds.**

(a) The Authority represents and warrants that, except for the pledge to the Previously Issued Obligations, the Pledged Revenues are and will be and remain free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Resolution except as expressly provided herein.

(b) The Bonds and the provisions of this Resolution are and will be the valid and legally enforceable obligations of the Authority in accordance with their terms and the terms of this Resolution, subject only to any applicable bankruptcy or insolvency laws or to any laws affecting creditors rights generally.

(c) The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Pledged Revenues and all the rights of the Bondholders against all claims and demands of all persons whomsoever.

(d) The Authority will take, and use its best efforts to cause the Authority to take, all steps reasonably necessary and appropriate to collect all delinquencies in the collection of the Sales Tax to the fullest extent permitted by the Authority Act.

(e) The provisions, covenants, pledge and lien on and against the Pledged Revenues, as herein set forth, are established and shall be for the equal benefit, protection and security of the owners and holders of Parity Bonds without distinction as to priority and rights under this Resolution.

(f) The Parity Bonds shall constitute special obligations of the Authority, payable solely from, and equally and ratably secured by a parity pledge of and lien on, the Pledged Revenues, and not from any other revenues, properties or income of the Authority. The Bonds may not be paid in whole or in part from any property taxes raised or to be raised by the Authority and shall not constitute debts or obligations of the State, and the Bondholders, shall never have the right to demand payment out of any funds raised or to be raised by any system of ad valorem taxation.

**SECTION 24: Satisfaction of Obligation of Authority.** If the Authority shall pay or cause to be paid, or there shall otherwise be paid to the Bondholders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Resolution, then the

pledge of the Pledged Revenues under this Resolution and all other obligations of the Authority to the Bondholders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Obligations shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Obligations have been certified by an independent accounting or consulting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the Bonds on the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor accepted to the Paying Agent/Registrar have been made) the redemption date thereof. The Authority covenants that no deposit of moneys or Government Obligations will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Obligations held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section in excess of the amount required for the payment of the Bonds shall be remitted to the Authority or deposited as directed by the Authority. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall, upon the request of the Authority, be remitted to the Authority against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the Authority shall be subject to any applicable unclaimed property laws of the State of Texas.

**SECTION 25: Resolution a Contract - Amendments.** This Resolution shall constitute a contract with the Bondholders from time to time, be binding on the Authority, and shall not be amended or repealed by the Authority while any Bond remains Outstanding except as permitted in this Section. The Authority, may, without the consent of or notice to any Bondholders, from time to time and at any time, amend this Resolution in any manner not detrimental to the interests of the Bondholders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Authority may, with the written consent from the owners holding a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Resolution; provided that, without the written consent of all Bondholders of Outstanding Bonds effected, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds or Parity Bonds, as the case may be, required to be held for consent to any such amendment, addition, or rescission.



**SECTION 26: Mutilated - Destroyed - Lost and Stolen Bonds.** In case any Bond shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon the approval of the Authority and after (i) the filing by the Bondholder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the Authority and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Bondholder of the Bond mutilated, or destroyed, lost or stolen.

Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Bond shall constitute a replacement of the prior obligation of the Authority, whether or not the mutilated, destroyed, lost, or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and ratably with all other Outstanding Bonds.

**SECTION 27: Covenants to Maintain Tax-Exempt Status.**

(a) **Definitions.** When used in this Section, the following terms shall have the following meanings:

“*Closing Date*” means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“*Code*” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“*Computation Date*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

“*Investment*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Nonpurpose Investment*” means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“*Rebate Amount*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

*“Regulations”* means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

*“Yield”* of

(1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The Authority shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Authority receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the Authority shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the Authority shall at all times prior to the last Stated Maturity of Bonds:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Bonds), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Bonds), other than taxes of general application within the Authority or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the Authority shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the Authority shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the Authority shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The Authority shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The Authority shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the Authority may commingle Gross Proceeds of the Bonds with other money of the Authority, provided that the Authority separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the Authority shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The Authority shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchaser and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the Authority shall pay to the United States out of the Bond Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The Authority shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the Authority shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The Authority hereby directs and authorizes the Chair or Vice Chair of the Board of Directors, the President/CEO, and the Chief Financial Officer, or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(k) Bonds Not Hedge Bonds. (1) At the time the original obligations refunded by the Bonds were issued, the Authority reasonably expected to spend at least 85% of the spendable proceeds of such obligations within three years after such obligations were issued and (2) not more than 50% of the proceeds of the original obligations refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) Current Refunding of the Refunded Bonds. The Bonds are a current refunding of the Refunded Bonds in that the Refunded Bonds are to be paid and redeemed in full within 90 days of the delivery date of the Bonds.

**SECTION 28: Sale of Bonds – Purchase Letter Approval.** The Bonds authorized by this Resolution are hereby sold by the Authority to \_\_\_\_\_ (herein referred to as the “Purchaser”) in accordance with the Purchase Letter dated October 22, 2020 (the “Purchase Letter”), attached hereto as **Exhibit B** and incorporated herein by reference as a part of this Resolution for all purposes, which sale under its terms is hereby found and determined to be in the best interests of the Authority. The Chair or Vice Chair of the Board is hereby authorized and directed to execute said Purchase Letter for and on behalf of the Authority and as the act and deed of this Board of Directors, and in regard to the approval and execution of the Purchase Letter, the Board of Directors hereby finds, determines, and declares that the representations, warranties, and agreements of the Authority contained in the Purchase Letter are true and correct in all material respects and shall be honored and performed by the Authority.

**SECTION 29: Control and Custody of Bonds.** The Chair or Vice Chair of the Board of Directors, President/CEO and the Chief Financial Officer of the Authority shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bond pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts, and the delivery thereof to the Purchaser.

Furthermore, the Chair or Vice Chair of the Board of Directors, President/CEO, and the Chief Financial Officer, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents relating to the Authority and its financial affairs as may be necessary for the issuance of the Bonds, the approval of the Attorney General, and the registration by the Comptroller of Public Accounts and, together with the Authority’s financial advisor, bond counsel, and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond to the Purchaser and the initial exchange thereof for definitive Bonds.

**SECTION 30: Refunded Bonds and Escrow Agreement.**

(a) The Refunded Bonds shall be redeemed and the same are hereby called for redemption on December 15, 2020, at the price of par plus accrued interest to the date of redemption. The Chair or Vice Chair of the Board of Directors or the Chief Financial Officer of the Authority is hereby authorized and directed to file a copy of this Resolution, together with a suggested form of notice of redemption to be sent to bondholders, with Bank of America, N.A. (the current paying agent for the Refunded Bonds), in accordance with the redemption provisions applicable to such bonds; such suggested form of notice of redemption being attached hereto as **Exhibit C** and incorporated herein by reference as a part of this Resolution for all purposes.

(b) The redemption of the Refunded Bonds described above being associated with the refunding of such Refunded Bonds, the approval, authorization and arrangements herein given and provided for the redemption of such Refunded Bonds on the redemption date designated therefor and in the manner provided shall be irrevocable upon the issuance and delivery of the Bonds; and the Chair or Vice Chair of the Board of Directors or Chief Financial Officer of the Authority is hereby authorized and directed to make all arrangements necessary to notify the holders of such Refunded Bonds of the Authority’s decision to redeem such Refunded Bonds on the dates and in

the manner herein provided and in accordance with the resolution and pricing certificate authorizing the issuance of such Refunded Bonds and this Resolution.

(c) The Escrow Agreement dated October 22, 2020 (the “Escrow Agreement”) by and between the Authority and [BOKF, NA] (the “Escrow Agent”), attached hereto as **Exhibit D** and incorporated herein by reference as a part of this Resolution for all purposes, is hereby approved as to form and content, and such Escrow Agreement in substantially the form and substance attached hereto, together with such changes or revisions as may be necessary to accomplish the refunding or benefit the Authority, is hereby authorized to be executed by the Chair or Vice Chair and Secretary of the Board or the President/CEO of the Authority for and on behalf of the Authority and as the act and deed of this Board of Directors; and such Escrow Agreement as executed by said officials shall be deemed approved by this Board of Directors and constitute the Escrow Agreement herein approved.

(d) Furthermore, the Chair or Vice Chair of the Board of Directors, President/CEO, and the Chief Financial Officer, individually or jointly, in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of any escrowed securities referenced in the Escrow Agreement and the delivery thereof to the Escrow Agent on the day of delivery of the Bonds to the Purchaser for deposit to the credit of the “SPECIAL 2020 DENTON COUNTY TRANSPORTATION AUTHORITY REFUNDING BOND ESCROW FUND” (the “Escrow Fund”); all as contemplated and provided in Chapter 1207, this Resolution and the Escrow Agreement.

SECTION 31: Proceeds of Sale. Pending expenditure for authorized projects and purposes, the proceeds of sale of the Bonds, excluding amounts for costs of issuance, shall be deposited with the Escrow Agent for application and disbursement in accordance with the provisions of the Escrow Agreement for the payment and redemption of the Refunded Bonds. The proceeds of sale of the Bonds not so deposited with the Escrow Agent for the refunding of the Refunded Bonds shall be disbursed for payment of costs of issuance, or deposited in the Bond Fund for the Bonds, all in accordance with instructions from the Authority or its financial advisor.

[Additionally, on or immediately prior to the date of delivery of the Bonds to the Purchaser, the Chair or Vice Chair of the Board of Directors, President/CEO, and the Chief Financial Officer, any one or more of said officials shall cause to be transferred in immediately available funds to the Escrow Agent from moneys on deposit in the interest and sinking fund for the Refunded Bonds the sum of \$\_\_\_\_\_ to accomplish the refunding.]

SECTION 32: Notices to Bondholders - Waiver. Wherever this Resolution provides for notice to Bondholders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Bondholder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Bondholders is given by mail, neither the failure to mail such notice to any particular Bondholders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Resolution provides for notice in any manner, such notice may be waived in writing by the Bondholder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such



waiver shall be the equivalent of such notice. Waivers of notice by Bondholders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

**SECTION 33: Cancellation.** All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Authority, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. the Authority may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the Authority may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be disposed of as directed by the Authority.

**SECTION 34: Legal Opinion.** That the Purchaser's obligation to accept delivery of the Bonds herein authorized is subject to their being furnished a final legal opinion of Norton Rose Fulbright US LLP, Attorneys, Dallas, Texas, approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment of such Bonds. Printing of a true and correct copy of said opinion on the reverse side of or attached to each of the Bonds is hereby approved and authorized. The Board of Directors confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the Authority's bond counsel.

**SECTION 35: Further Procedures.** Any one or more of the Chair or Vice Chair of the Board of Directors, the President/CEO, and the Chief Financial Officer of the Authority are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the Authority all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the Chair or Vice Chair of the Board of Directors, the President/CEO, and the Chief Financial Officer of the Authority or Bond Counsel to the Authority are each hereby authorized and directed to approve any technical changes or corrections to this Resolution or to any of the documents authorized and approved by this Resolution: (i) in order to cure any technical ambiguity, formal defect, or omission in the Resolution or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Resolution, which determination shall be final. In the event that any officer of the Authority whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

**SECTION 36: CUSIP Numbers.** CUSIP numbers may be printed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the Authority nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

SECTION 37: Benefits of Resolution. Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person other than the Authority, the Paying Agent/Registrar and the Bondholders any right, remedy, or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the Authority, the Paying Agent/Registrar and the Bondholders.

SECTION 38: Inconsistent Provisions. All resolutions, orders, or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters contained herein.

SECTION 39: Governing Law. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 40: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 41: Construction of Terms. If appropriate in the context of this Resolution, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

SECTION 42: Severability. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and the Board of Directors hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 43: Incorporation of Preambles. The reservations, findings and determinations set forth in the preambles of this Resolution are hereby incorporated herein as if fully set forth in the body of this Resolution and are adopted as official reservations, findings and determinations.

SECTION 44: Public Meeting. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Government Code, as amended.

SECTION 45: Effective Date. This Resolution shall take effect and be in force from and after its passage and approval in accordance with the provisions of Section 1201.028, Texas Government Code, as amended.

[Remainder of page intentionally left blank]



PASSED, APPROVED AND EFFECTIVE this the 22<sup>nd</sup> day of October, 2020.

DENTON COUNTY TRANSPORTATION  
AUTHORITY

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Chair, Board of Directors

ATTEST:

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Secretary, Board of Directors

APPROVED AS TO FORM:

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General Counsel

APPROVED AS TO FORM:

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Bond Counsel

**EXHIBIT A**

**PAYING AGENT/REGISTRAR AGREEMENT**

**EXHIBIT B**  
**PURCHASE LETTER**

**EXHIBIT C**

**NOTICE OF REDEMPTION**

**DENTON COUNTY TRANSPORTATION AUTHORITY  
SALES TAX REVENUE REFUNDING BONDS  
SERIES 2009  
Dated December 1, 2009**

NOTICE IS HEREBY GIVEN that the bonds of the above series maturing on September 15, 2029 and aggregating in the principal amount of \$12,755,000, have been called for redemption on December 15, 2020 at the redemption price of par and accrued interest to the date of redemption, such bonds being identified as follows:

<u>Year of Maturity</u>	<u>Principal Amount (\$)</u>	<u>Number</u>
2029	12,755,000	

ALL SUCH BONDS shall become due and payable on December 15, 2020, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said bonds shall be paid to the registered owners of the bonds only upon presentation and surrender thereof to Bank of America, N.A., 301 Commerce St. Suite 1810, Fort Worth TX 76102.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said bonds and pursuant to a resolution by the Board of Directors of the Denton County Transportation Authority.

BANK OF AMERICA, N.A.  
301 Commerce St. Suite 1810  
Fort Worth TX 76102

**EXHIBIT D**  
**ESCROW AGREEMENT**

## Board of Directors Memo

October 22, 2020

SUBJECT: Discuss and Consider Approval of Excess Rail Liability Coverage

### Background

In accordance with the DART/DCTA interlocal agreement (ILA) regarding DCTA's ability to operate rail service on DART's corridor, DCTA is required to maintain a minimum of \$125 million in rail operations liability insurance coverage. The ILA includes a 60-day cure period if a contractual obligation cannot be met.

DCTA staff briefed the DCTA Board of Directors in August and September regarding concerns among transit agencies about rail liability insurance. Insurance carriers have left the market thereby causing a decrease in coverage capacity and a significant increase in premiums nationwide. The American Public Transportation Association (APTA) has been collecting information from transit agencies over the past several months in order to properly assess concerns regarding agencies' ability to meet coverage requirements given limited market capacity.

As of October 1, 2020, \$10 million in primary coverage was bound with a \$2 million self-insured retention and \$2.5 million corridor self-insured retention. DCTA's insurance broker of record, McGriff, is working to source coverage for DCTA for the total \$125 million in limits. The premium for this \$10 million in primary coverage is 2.8x the cost of the premium for the previous policy year. Current quoted rates suggest DCTA will not be able to secure \$125 million in coverage on its own policy within the existing FY2021 budgeted amount.

Due to the increase in premiums and the difficulty in placing coverage due to capacity constraints, DCTA staff is in discussions with DART to confirm whether DCTA can be added to DART's insurance program. The option for DCTA and Trinity Metro to be added to DART's rail liability program as an Insured would likely be more cost effective than each agency securing its own coverage.

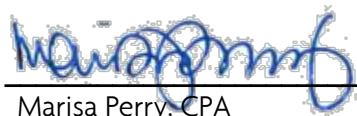
### Identified Need

DCTA is contractually required to maintain rail operations liability insurance with a minimum limit of \$125 million.

### Recommendation

To satisfy the ILA requirements, staff recommends the Board authorize the CEO or his designee to obtain the necessary insurance coverage level within the existing FY2021 to be ratified by a budget amendment upon binding of coverage and acceptance of quoted premiums.

Submitted by:



Marisa Perry, CPA  
Chief Financial Officer/VP of Finance

Final Review:



Raymond Suarez  
CEO

## Board of Directors Memo

October 22, 2020

SUBJECT: Consider Approval of Resolution R20-20 Approving FY 2020 Budget Revision 2020-10

### Background

The DCTA budget is prepared months in advance of the start of the October 1 fiscal year and not all revenues and expenses can be anticipated at the time of the budget preparation. Therefore, it may become necessary to reforecast the annual revenues and expenses and modify the budget by amendment. Amending the budget for material changes will provide a better forecasting and management tool for the Board and DCTA staff.

### Identified Need

The Hike & Bike Trail – Eagle Point capital project was previously closed in April 2020 at a total cost of \$2,935,919. At the closure, the project had \$60k remaining in the \$2,995,873 budget. In September 2020, DCTA received a final invoice from Jacobs Engineering Group, Inc. that needs to be charged to this capital project in order to capture the full costs of the project. The invoice was delayed because Jacobs was required to convert all drawings into tagged image file format (TIFF) files for the City of Lewisville and COVID-related closures created drafting staffing shortages for the computer aided design (CAD) formatting of the documents.

Budget Revision 2020-10 will allow this capital project to be reopened to increase the budget so that the final invoice can be paid, and the project will be closed upon completion. With the additional expense of \$24,342 to the project, the overall budget will come in under the \$2,995,873 previously approved amount.

### Financial Impact

The total budget impact of Budget Revision 2020-10 is an increase of \$24,342 to the FY2020 capital budget, increasing the FY2020 apportionment of the capital project from \$630,144 to \$654,486 and therefore the total capital project budget from \$2,935,919 to \$2,960,261.

### Recommendation

Staff recommends the Board of Directors approve Resolution R20-20 approving Budget Revision 2020-10 for the FY 2020 capital budget.

### Exhibits

Exhibit 1: Resolution R20-20 with the following Exhibits:

“A”: Budget Revision 2020-10

“B”: Change in Net Position (DCTA Only)


“B-1”: Change in Net Position (DCTA & NTMC Combined)

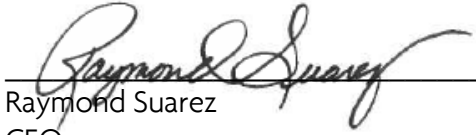
Exhibit 2: Capital Improvement & Major Maintenance Plan

Exhibit 3: Year-to-Date FY2020 Budget Revisions



Submitted By:   
Amanda Riddle  
Senior Manager of Budget

Final Review:   
Marisa Perry, CPA  
Chief Financial Officer/VP of Finance

Approval:   
Raymond Suarez  
CEO



**DENTON COUNTY TRANSPORTATION AUTHORITY  
RESOLUTION NO. R20-20**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPROVING FISCAL YEAR 2020 BUDGET AMENDMENT NUMBER 2020-10 REVISED CAPITAL BUDGET AMENDMENT, ATTACHED HERETO AS EXHIBITS “A” AND “B”, RESPECTIVELY; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, DCTA budget is a well calculated estimate as to what will be needed for expenditures in the fiscal year; and

**WHEREAS**, budget estimates are often prepared months in advance of the actual expenditures and the possibility that the actual amount of the expenditure will be known in exact terms at the time of the budget preparation is unlikely; and

**WHEREAS**, it may become necessary to reforecast the annual expenditures and modify the budget by amendment; and

**WHEREAS**, the Board of Directors of the DCTA desires to amend the fiscal year 2020 Capital Budget as set forth in Exhibits “A” and “B”, respectively.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY, THAT:**

**SECTION 1.** The Budget Amendment number attached hereto as Exhibits “A” and “B”, respectively, be, and the same is hereby adopted and which shall amend the original budget adopted September 26, 2019, from and after the effective date of this Resolution.

**SECTION 2.** All provisions of the resolutions of the Board of Directors of the DCTA, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this Resolution shall remain in full force and effect.

**SECTION 3.** This Resolution shall become effective immediately upon its passage and approval.

**DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 22<sup>ND</sup> DAY OF OCTOBER, 2020.**

**APPROVED:**

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Dianne Costa, Chair

**ATTEST:**

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Sam Burke, Secretary  
(09-14-2020:TM 117932)

**Exhibit “A”**  
**Budget Revision 2020-10**  
**(to be attached)**

# DENTON COUNTY TRANSPORTATION AUTHORITY

## BUDGET TRANSFER / REVISION REQUEST

Number: 2020-10

TRANSACTION TYPE: Transfer ☐  
Revision ☒

	Working Budget	Budget Revision Amount	Revised Budget
<b>BUDGET REVISIONS</b>			

### CAPITAL BUDGET:

Hike & Bike Trail - Eagle Point (FY2020 Apportionment Only) \$ 630,144 \$ 24,342 \$ 654,486

Net Revision Impact \$ 24,342

### EXPLANATION:

The Hike & Bike Trail – Eagle Point capital project was previously closed in April 2020 at a total cost of \$2,935,919. At the time of the closure, the project had \$60k remaining in the budget. In September 2020, DCTA received a final invoice from Jacobs Engineering Group Inc that needs to be charged to this capital project in order to capture the full costs of the project. The invoice was delayed because Jacobs was required to convert all drawings into tagged image file format (TIFF) files for the City of Lewisville and COVID closures created drafting staffing shortages that are responsible for the computer aided design (CAD) formatting of the documents.

Budget Revision 2020-10 will allow this capital project to be reopened to increase the budget so that the final invoice can be paid, and the project will be closed upon completion. With the additional expense of \$24,342 to the Hike & Bike – Eagle Point project, the overall budget will come in under the \$2,995,873 previously approved amount.

Project Life-to-Date thru FY2019 = \$2,305,775  
Proposed FY2020 Apportionment = \$654,486  
Grand Total of Hike & Bike - Eagle Point = \$2,960,261

DATE: 10.12.2020 REQUESTED BY: Amanda Riddle

DATE: CFO: Maingonmf

DATE: CEO: Raymond Quany

**Exhibit “B”**  
**Change in Net Position**  
**(to be attached)**

DENTON COUNTY TRANSPORTATION AUTHORITY  
Change in Net Position (DCTA Only)

Description	DCTA FY 2020 Working Budget	DCTA Revision (PROPOSED 10/22/20)	Total DCTA FY 2020 Revised Budget
<b>OPERATING REVENUE</b>			
Passenger Revenues (Bus Farebox)	\$ 370,591	\$ -	\$ 370,591
Passenger Revenues (Rail Farebox)	421,578	-	421,578
Contract Service Revenue	3,398,779	-	3,398,779
<b>Total Operating Revenue</b>	<b>4,190,948</b>	<b>-</b>	<b>4,190,948</b>
<b>OPERATING EXPENSES</b>			
Salary, Wages & Benefits	4,670,896	-	4,670,896
Outsourced Services & Charges	4,031,877	-	4,031,877
Materials and Supplies	2,452,919	-	2,452,919
Utilities	490,988	-	490,988
Insurance, Casualties and Losses	1,752,329	-	1,752,329
Purchased Transportation Services	10,185,808	-	10,185,808
Employee Development	245,515	-	245,515
Leases and Rentals	229,633	-	229,633
Depreciation	10,612,052	-	10,612,052
<b>Total Operating Expenses</b>	<b>34,672,017</b>	<b>-</b>	<b>34,672,017</b>
Operating Income / (Loss)	(30,481,069)	-	(30,481,069)
<b>NON-OPERATING REVENUE / EXPENSE</b>			
Investment Income	325,000	-	325,000
Misc. Revenues	52,000	-	52,000
Sales Tax Revenue	26,805,374	-	26,805,374
Federal Grants & Reimbursements	15,750,649	-	15,750,649
State Grants & Reimbursements	438,548	-	438,548
Long Term Debt Interest/(Expense)	(909,480)	-	(909,480)
<b>Total Non-Operating Revenue / Expense</b>	<b>42,462,091</b>	<b>-</b>	<b>42,462,091</b>
Income (Loss) Before Transfers	16,972,789	-	11,981,022
Transfers Out	(8,119,303)	-	(8,119,303)
Transfers In	-	-	-
<b>Total Transfers</b>	<b>(8,119,303)</b>	<b>-</b>	<b>(8,119,303)</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 3,861,719</b>	<b>\$ -</b>	<b>\$ 3,861,719</b>
Net Position - Beginning of Year:	327,800,795		327,800,795
Net Position - End of Year:	331,662,514		331,662,514
<i>Transfer to Capital Projects:</i>			
<i>Current Capital Projects</i>	<i>(9,183,455)</i>	<i>(24,342)</i>	<i>(9,207,797)</i>
<i>Proposed Capital Project Rollovers to FY21 Budget</i>	<i>1,834,216</i>		<i>1,834,216</i>
<i>Net Proposed Transfer to Capital Projects</i>	<i>(7,349,239)</i>	<i>(24,342)</i>	<i>(7,373,581)</i>
Net Position After Capital Project Transfer	324,313,275		324,288,933

DENTON COUNTY TRANSPORTATION AUTHORITY  
Change in Net Position – DCTA & NTMC Combined

Description	DCTA FY 2020 Working Budget	DCTA Revision (PROPOSED 10/22/20)	Total DCTA FY 2020 Revised Budget	Total NTMC FY 2020 Revised Budget	Total Combined FY 2020 Revised Budget
<b>OPERATING REVENUE</b>					
Passenger Revenues (Bus Farebox)	\$ 370,591	\$ -	\$ 370,591	\$ -	\$ 370,591
Passenger Revenues (Rail Farebox)	421,578	-	421,578	-	421,578
Contract Service Revenue	3,398,779	-	3,398,779	-	3,398,779
<b>Total Operating Revenue</b>	<b>4,190,948</b>	<b>-</b>	<b>4,190,948</b>	<b>-</b>	<b>4,190,948</b>
<b>OPERATING EXPENSES</b>					
Salary, Wages & Benefits	4,670,896	-	4,670,896	7,652,445	12,323,341
Outsourced Services & Charges	4,031,877	-	4,031,877	261,629	4,293,506
Materials and Supplies	2,452,919	-	2,452,919	-	2,452,919
Utilities	490,988	-	490,988	-	490,988
Insurance, Casualties and Losses	1,752,329	-	1,752,329	130,529	1,882,858
Purchased Transportation Services	10,185,808	-	10,185,808	-	10,185,808
Employee Development	245,515	-	245,515	74,700	320,215
Leases and Rentals	229,633	-	229,633	-	229,633
Depreciation	10,612,052	-	10,612,052	-	10,612,052
<b>Total Operating Expenses</b>	<b>34,672,017</b>	<b>-</b>	<b>34,672,017</b>	<b>8,119,303</b>	<b>42,791,320</b>
Operating Income / (Loss)	(30,481,069)	-	(30,481,069)	(8,119,303)	(38,600,372)
<b>NON-OPERATING REVENUE / EXPENSE</b>					
Investment Income	325,000	-	325,000	-	325,000
Misc. Revenues	52,000	-	52,000	-	52,000
Sales Tax Revenue	26,805,374	-	26,805,374	-	26,805,374
Federal Grants & Reimbursements	15,750,649	-	15,750,649	-	15,750,649
State Grants & Reimbursements	438,548	-	438,548	-	438,548
Long Term Debt Interest/(Expense)	(909,480)	-	(909,480)	-	(909,480)
<b>Total Non-Operating Revenue / Expense</b>	<b>42,462,091</b>	<b>-</b>	<b>42,462,091</b>	<b>-</b>	<b>42,462,091</b>
Income (Loss) Before Transfers	11,981,022	-	11,981,022	(8,119,303)	3,861,719
Transfers Out	(8,119,303)	-	(8,119,303)	-	(8,119,303)
Transfers In	-	-	-	8,119,303	8,119,303
<b>Total Transfers</b>	<b>(8,119,303)</b>	<b>-</b>	<b>(8,119,303)</b>	<b>8,119,303</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 3,861,719</b>	<b>\$ -</b>	<b>\$ 3,861,719</b>	<b>\$ -</b>	<b>\$ 3,861,719</b>
Net Position - Beginning of Year:	327,800,795		327,800,795	-	327,800,795
Net Position - End of Year:	331,662,514		331,662,514	-	331,662,514
<i>Transfer to Capital Projects:</i>					
<i>Current Capital Projects</i>	<i>(9,183,455)</i>	<i>(24,342)</i>	<i>(9,207,797)</i>	-	<i>(9,207,797)</i>
<i>Proposed Capital Project Rollovers to FY21 Budget</i>	<i>1,834,216</i>	-	<i>1,834,216</i>	-	<i>1,834,216</i>
<i>Net Proposed Transfer to Capital Projects</i>	<i>(7,349,239)</i>	<i>(24,342)</i>	<i>(7,373,581)</i>	-	<i>(7,373,581)</i>
Net Position After Capital Project Transfer	324,313,275		324,288,933	-	324,288,933

DENTON COUNTY TRANSPORTATION AUTHORITY  
FY21 Adopted Budget - Adopted 9/24/20; Revised to include Proposed FY20 Budget Revision 2020-10  
Capital Improvement & Major Maintenance Plan

Project Name	Current Capital Projects	Proposed FY 2021 NEW Capital Projects	Project LTD thru FY 2019	FY 2020 Revised	Proposed FY 2021	Proposed FY 2022	Proposed FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Anticipated Project Total (Thru 2026)
<b>BUS CAPITAL</b>											
IOMF Fuel Tanks - Lewisville (CLOSED)	\$ 1,037,000	\$ -	\$ 1,013,923	\$ 8,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,022,159
<b>BUS FLEET REPLACEMENT</b>											
Fleet (2020)	1,062,600	-	-	1,062,600	-	-	-	-	-	-	1,062,600
Fleet (2021)	1,481,000	399,100	-	10,000	1,870,100	-	-	-	-	-	1,880,100
FUTURE: Fleet Replacement	-	-	-	-	-	1,124,247	1,650,648	2,082,427	2,168,650	2,258,736	9,284,708
<b>PROFESSIONAL SERVICES/TECHNOLOGY IMPROVEMENTS</b>											
Stadler Diagnostic Laptops (2)	80,000	-	-	80,000	-	-	-	-	-	-	80,000
Integrated Fare Payment	600,000	-	-	-	300,000	300,000	-	-	-	-	600,000
Server & Network Infrastructure	350,000	-	303,352	46,648	-	-	-	-	-	-	350,000
FUTURE: Stadler Laptop Replacement	-	-	-	-	-	-	-	-	80,000	-	80,000
FUTURE: Server & Network Infrastructure	-	-	-	-	-	-	-	350,000	-	-	350,000
<b>TRANSIT SAFETY IMPROVEMENTS</b>											
Trail Safety Improvements	181,157	-	56,500	124,657	-	-	-	-	-	-	181,157
Safety & Security Improvements (CLOSED)	267,678	-	67,678	11,600	-	-	-	-	-	-	79,278
<b>HIKE &amp; BIKE TRAILS</b>											
Lewisville Bike Trail - Eagle Point Section (CLOSED)	2,995,873	-	2,305,775	654,486	-	-	-	-	-	-	2,960,261
<b>MAJOR MAINTENANCE ITEMS</b>											
Major Maintenance - Rail (FY20)	2,024,826	-	-	2,024,826	-	-	-	-	-	-	2,024,826
NEW: Major Maintenance - Rail (Proposed FY21)	-	2,124,693	-	-	2,124,693	-	-	-	-	-	2,124,693
Major Maintenance - Bus (FY20)	125,000	-	-	125,000	-	-	-	-	-	-	125,000
FUTURE: Major Maintenance - Rail	-	-	-	-	-	2,062,535	1,798,907	1,099,619	1,704,328	1,900,386	8,565,774
FUTURE: Major Maintenance - Bus	-	-	-	-	-	179,530	238,264	273,851	200,000	200,000	1,091,645
<b>POSITIVE TRAIN CONTROL</b>											
Positive Train Control Implementation	16,720,141	-	15,268,565	563,645	887,931	-	-	-	-	-	16,720,141
Positive Train Control Enhancements (Phase 2)	5,000,000	-	-	150,000	3,000,000	1,850,000	-	-	-	-	5,000,000
<b>INFRASTRUCTURE ACQUISITION</b>											
	3,251,990	-	242,008	2,481,882	-	-	528,100	-	-	-	3,251,990
<b>BROWNFIELD REMEDIATION</b>											
	385,000	-	311,248	30,000	43,752	-	-	-	-	-	385,000
<b>TRANSPORTATION REINVESTMENT PROGRAM (TRIP)</b>											
	-	5,914,152	-	-	5,914,152	-	-	-	-	-	5,914,152
<b>TOTAL CAPITAL BUDGET</b>	<b>\$ 35,562,265</b>	<b>\$ 8,437,945</b>	<b>\$ 19,569,049</b>	<b>\$ 7,373,581</b>	<b>\$ 14,140,628</b>	<b>\$ 5,516,312</b>	<b>\$ 4,215,919</b>	<b>\$ 3,805,897</b>	<b>\$ 4,152,978</b>	<b>\$ 4,359,122</b>	<b>\$ 63,133,485</b>



## YEAR-TO-DATE FY2020 BUDGET REVISIONS

## DCTA 2020-01 (Presented to DCTA Board February 27, 2020)

*\*Budget Transfer - No Approval Necessary; Completed\**

		Adopted Budget	Revision	Revised Budget
Rail: 620-50318	Facilities Maintenance	\$ 102,612	\$ 91,914	\$ 194,526
620-50810	Purchased Transportation	10,068,545	(100,000)	9,968,545
620-50309	Professional Services	30,000	100,000	130,000
620-50410	Fuel	975,000	(117,776)	857,224
G&A: 100-50309	Professional Services	305,479	32,850	338,329
110-50309	Professional Services	11,000	15,120	26,120
110-50440	Computer & Software Supplies	-	5,500	5,500
130-50309	Professional Services	296,000	(89,476)	206,524
900-40400	Operating Grant Funds	(5,253,753)	123,334	(5,130,419)
Bus: 590-50455	Parts	685,600	(72,000)	613,600
533-50810	Purchased Transportation	-	1,000	1,000
533-50440	Computer & Software Supplies	-	33,000	33,000
531-50313	Computer & Software Maintenance	-	5,000	5,000
570-50309	Professional Services	-	33,000	33,000
200-50410	Fuel	342,730	(33,440)	309,290
511-50410	Fuel	468,666	(28,026)	440,640
Net Budget Impact		\$ -		

## DCTA 2020-02 (Presented to DCTA Board February 27, 2020)

*\*Approved by DCTA Board in February; Completed\**

		Working Budget	Revision	Revised Budget
130.50309	Professional Services	\$ 206,524	\$ (1,551)	\$ 204,973
	Finance Salary & Benefits	1,221,395	61,616	1,283,011
100.50315	Legal Fees	110,000	69,211	179,211
	Transfers Out	(8,781,700)	(20,724)	(8,802,424)
Net Budget Impact		\$ 150,000		

## NTMC 2020-N001 (Presented to NTMC Board February 28, 2020)

*\*Approved by NTMC Board in May; Completed\**

		Adopted Budget	Revision	Revised Budget
700.50315	Bus Maintenance Salary & Benefits	\$ 1,150,815	\$ (60,065)	\$ 1,090,750
	Legal Fees	-	80,789	80,789
	Transfers In	8,781,700	20,724	8,802,424
Net Budget Impact		\$ -		

## DCTA 2020-03 (Presented to DCTA Board March 26, 2020)

*\*Budget Transfer - No Approval Necessary; Completed\**

		Working Budget	Revision	Revised Budget
10606	Professional Planning Services Project	\$ 99,178	\$ (99,178)	\$ -
50601	Train-the-Trainer Project	221,875	(221,875)	-
500-50309	Professional Services	275,000	321,053	596,053
Net Budget Impact		\$ -		

## DCTA 2020-04 (Presented to DCTA Board May 27, 2020)

*\*Approved by DCTA Board in May; Completed\**

	Working Budget	Revision	Revised Budget
<u>OPERATING REVENUE:</u>			
Passenger Revenues (Bus Farebox) \$	624,049	\$ (253,458)	\$ 370,591
Passenger Revenues (Rail Farebox)	588,272	(166,694)	421,578
<u>OPERATING EXPENSES:</u>			
Salary, Wages & Benefits	5,057,807	(398,073)	4,659,734
Outsourced Services & Charges	3,970,777	(165,300)	3,805,477
Materials & Supplies	3,094,917	(540,456)	2,554,461
Utilities	527,988	(37,000)	490,988
Purchased Transportation	10,601,706	(330,072)	10,271,634
Employee Development	387,237	(90,302)	296,935
<u>NON-OPERATING REVENUES:</u>			
Investment Income	400,000	(75,000)	325,000
Sales Tax Revenue	29,019,184	(7,554,732)	21,464,452
Federal Grants & Reimbursements	10,103,440	3,323,319	13,426,759
State Grants & Reimbursements	780,389	(341,841)	438,548
<u>CAPITAL PROJECTS:</u>			
PTC Enhancements	1,780,555	(1,630,555)	150,000
Fleet 2019	1,481,000	(1,471,000)	10,000
Fleet 2020	1,062,600	(1,062,600)	-
Transfers Out	8,802,424	(802,077)	8,000,347
<i>Net Budget Impact</i>		\$ 1,459,029	

## NTMC 2020-N002 (Presented to NTMC Board May 27, 2020)

*\*Approved by NTMC Board in May; Completed\**

	Working Budget	Revision	Revised Budget
Denton Fixed Route Service Reductions:			
Salary & Benefits \$	1,708,103	\$ (474,951)	\$ 1,233,152
Lewisville Fixed Route Service Reductions:			
Salary & Benefits	837,587	(222,319)	615,268
Highland Village Fixed Route Service Reductions:			
Salary & Benefits	172,176	(86,307)	85,869
Employee Development - Travel	21,600	(18,500)	3,100
Transfer Salary & Benefit Savings for addition of GM Contract:			
Salary & Benefits	1,608,614	(85,800)	1,522,814
Professional Services	-	85,800	85,800
Transfers In	8,802,424	(802,077)	8,000,347
<i>Net Budget Impact</i>		\$ -	

## DCTA 2020-05 (Presented to DCTA Board June 25, 2020)

*\*Approved by DCTA Board in June; Completed\**

	Working Budget	Revision	Revised Budget
110-50309 Board - Professional Services	\$ 26,120	\$ 667,000	\$ 693,120
<i>Net Budget Impact</i>		\$ 667,000	

## DCTA 2020-06 (Presented to DCTA Board June 25, 2020)

*\*Approved by DCTA Board in June; Presented for Ratification by Resolution in July\**

	Working Budget	Revision	Revised Budget
10302 Infrastructure Acquisition	\$ 400,000	\$ 2,851,990	\$ 3,251,990
40410 Federal Capital Grants	1,025,887	2,851,990	3,877,877
<i>Net Budget Impact</i>		\$ -	

## DCTA 2020-07 (Presented to DCTA Board August 27, 2020)

*\*Budget Transfer - No Approval Necessary; Completed\**

		Working Budget	Revision	Revised Budget
140-50309	Professional Services	\$ 106,500	\$ (7,625)	\$ 98,875
140-50310	General Services	2,000	7,625	9,625
590-50309	Professional Services	10,000	(10,000)	-
530-50309	Professional Services	-	10,000	10,000
<i>Net Budget Impact</i>		\$ -		

## DCTA 2020-08 (Presented to DCTA Board August 24, 2020)

*\*Approved by DCTA Board in August; Completed\**

		Working Budget	Revision	Revised Budget
50514	Fleet 2020	\$ -	\$ 1,062,600	\$ 1,062,600
<i>Net Budget Impact</i>		\$ 1,062,600		

## DCTA 2020-09 (Presented to DCTA Board September 24, 2020)

*\*Approved by DCTA Board in September; Completed\**

		Working Budget	Revision	Revised Budget
<u>OPERATING REVENUE:</u>				
	Contract Service Revenue	\$ 4,416,160	\$ (1,017,381)	\$ 3,398,779
<u>OPERATING EXPENSES:</u>				
	Salary, Wages & Benefits	4,659,734	11,162	4,670,896
	Outsourced Services & Charges	4,472,477	(440,600)	4,031,877
	Materials & Supplies	2,554,461	(101,542)	2,452,919
	Purchased Transportation	10,271,634	(85,826)	10,185,808
	Employee Development	296,935	(51,420)	245,515
<u>NON-OPERATING REVENUES:</u>				
	Sales Tax Revenue	21,464,452	5,340,922	26,805,374
	Transfers Out	8,000,347	118,956	8,119,303
<i>Net Budget Impact</i>		\$ 4,872,811		

## NTMC 2020-N003 (Presented to NTMC Board September 30, 2020)

*\*Approved by NTMC Board in September; Completed\**

		Working Budget	Revision	Revised Budget
<u>BUDGET INCREASES:</u>				
	COVID Pay - Operators Salary & Benefits	\$ 3,204,220	\$ 130,000	\$ 3,334,220
	COVID Pay - Non Operators Salary & Benefits	2,067,699	73,838	2,141,537
<u>BUDGET REDUCTIONS:</u>				
	NCTC Service Reductions Salary & Benefits	153,220	(82,775)	70,445
	Workers Compensation Insurance	3,383	(2,107)	1,276
	Transfers In	8,000,347	118,956	8,119,303
<i>Net Budget Impact</i>		\$ -		



## Board of Directors Memo

October 22, 2020

SUBJECT: Discuss Transformation Initiative Progress Report

### Background

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.

The following progress report is being provided to keep the board abreast of all activities related to the initiative. Board discussion and/or action is not required at the October 2020 Board meeting.

### Financial Impact

On June 25, 2020, the DCTA Board of Directors approved Task Order #1 for a total of \$667,000.

### Progress Report

#### *Milestone Dates Met:*

- Kick-Off Meeting with Accenture – August 7, 2020
- Board Interviews – Week of August 10, 2020
- DCTA Staff Interviews – Week of August 17, 2020
- Data Requests Fulfilled – August 21, 2020
- Visioning Session with Board of Directors – September 11, 2020 from 9 a.m. – 4 p.m.

#### *Next Steps (as of October 14, 2020):*

- Current State Assessment and Future State Recommendations Shared with the Board of Directors via email in preparation for workshop – Week of October 26, 2020
- Special-Called Meeting (to be scheduled) to review the Current State Assessment, Future State Recommendations and conduct a workshop to prioritize recommendations – Week of November 2, 2020
- Final output from workshop – mid-November

#### *Timeline:*

All activities are on schedule according to Accenture's weekly progress report.

#### *Board Discussion/Action:*

- At this time (*as of October 14, 2020*), Accenture has not provided any feedback or findings that would necessitate Board discussion or action at the October 22, 2020 DCTA Board of Directors meeting.
- Board discussion and action will be required at the special-called meeting that will be held the week of November 2, 2020 (pending board member availability).

Approval:

Nicole Recker, VP of Mobility Services and Administration

Board of Directors MemoOctober 22, 2020SUBJECT: Discuss Process for Priority Legislative Communications during the 87<sup>th</sup> Texas Legislative Session**Background**

As discussed at the September Board meeting, staff and HillCo will provide a weekly overview of all bills filed during that week that DCTA plans to monitor and will include a brief summary and the potential impact to the Agency. This communication will continue through the bill filing deadline of March 12, 2021.

As hearings begin, HillCo closely monitors all notices through Telicon (a sophisticated bill-tracking software) and other means. If a priority bill is scheduled for a hearing, the Board will be notified via email. The email will include recommended action based on staff's and HillCo's assessment, which may include holding conversations with members of the Legislature and/or Committee staff, dropping a card of support or opposition during the hearing, providing written testimony during the hearing, or providing verbal testimony by the Board Chair or designee. Staff would proceed on the recommended action unless otherwise directed.

As monitored bills continue to move through the legislative process, the Board will be notified of any substantive activity, including but not limited to when a bill is voted out of committee, is added to a floor calendar, has received amendments, or other actions.

Please note that the Board will begin receiving frequent emails directly from Lindsey Baker that contain information considered time-sensitive and related to the legislative process or other pertinent legislative activities.

Submitted By: \_\_\_\_\_



Lindsey Baker, Director of Government Affairs

Approval: \_\_\_\_\_



Kristina Holcomb, Deputy Chief Executive Officer



## Board of Directors Memo

October 22, 2020

SUBJECT: Discuss Bus Operations and Maintenance Contracting Options

### Background

Pursuant to previous discussions with the Board, DCTA will explore options for addressing bus operations and maintenance in preparation for pursuing a path best for the Agency.

### Identified Need

Staff will provide an update and is seeking feedback from the board regarding activities associated with options to address DCTA's bus operations and maintenance.

The goals for outsourcing bus operations and maintenance would include:

- Reduce administrative overhead
- Improving operational efficiencies
- Leverage cost sharing opportunities and purchasing power
- Alleviate significant financial investment in software for operational automation

Outsourcing options which have been identified for further exploration include:

- Contracting a third-party vendor for turnkey services via RFP
- Partnering with another local transit agency through an interlocal agreement for turnkey services
- Providing joint bus operations with a partner transit agency through the utilization of a local government corporation

Submitted By:

  
Kristina Holcomb, Deputy CEO

Approved By:

  
Raymond Suarez, CEO

## Board of Directors Memo

October 22, 2020

**Subject:** Consider Approval of Resolution R20-19 Authorizing CEO to Execute the Consent and Novation Agreement for DCTA Rail Operations and Maintenance Contractor Transition

### Background

DCTA was advised by its rail operations and maintenance contractor, First Transit Inc., regarding the company's intention to sell its rail operations unit. Subsequently following a bidding process, First Transit Inc. intends to sell its rail operations to Rio Grande Pacific Corporation (RGPC) who has been First Transit's subcontractor in providing rail service for the Denton County Transportation Authority (DCTA). RGPC has selected Stadler Rail as its subcontractor to provide vehicle maintenance services to DCTA. The transfer of the existing First Transit contract to RGPC will commence once the DCTA Board approves the Consent and Novation agreement followed by an FRA compliance review of the transition.

DCTA staff reviewed RGPC's audited financial statements for the three most recently completed fiscal years including notes to the financials and the accompanying audit report and spoke with RGPC's financial institution to verify financial capacity to perform under the proposed assigned contract.

DCTA Procurement staff requested documents from RGPC as required by the contract terms, all the documents were received and reviewed in accordance with state and federal laws which mandate the requirements for federal assistance. The review of all the documents and forms was consistent with the same review originally when First Transit was awarded the contract.

### Identified Need

Part 13.3 of the Agreement for A-train Operations and Maintenance between DCTA and First Transit reads "First Transit may not assign this agreement in whole or in part without the prior written consent of DCTA. In the event of an assignment by First Transit to which DCTA has consented, the assignee shall agree in writing with DCTA to personally assume, perform, and be bound by all the covenants, and obligations contained in this Agreement".

First Transit seeks DCTA's approval to transfer the Operations and Maintenance Contract of its rail operations to Rio Grande Pacific Corporation (RGPC). RGPC has agreed to absorb the entire First Transit staff onto its payroll with no change in staff responsibilities. The FRA will complete the review of the transition Board approval of the assignment of the Contract to Rio Grande Pacific.

### Financial Impact

The pricing structure outlined in the original agreement with First Transit Rail Operations and Maintenance Agreement will remain valid with this transition.

**Recommendation**

DCTA Staff recommends the approval of the Consent and Novation agreement for the assignment of the contract to Rio Grande Pacific Corporation.

**Exhibits:**

Exhibit 1: Resolution R20-19 Authorizing CEO to Execute the Consent and Novation Agreement for DCTA Rail Operations and Maintenance Contractor Transition with the following exhibit:

Exhibit "A": Consent and Novation Agreement

Exhibit 2: First Transit Rail Operations and Maintenance Agreement 07.01.2016

Exhibit "A": First Transit's Best and Final Offer dated June 8, 2016, to DCTA Solicitation 16-08, "A-train Operations and Maintenance"

(Exhibits "B, C, D" provided under separate cover due to file size)

Submitted By:



Rony Philip, Sr. Director Rail Operations

Final Review:



Kristina Holcomb, Deputy CEO

Approval:



Raymond Suarez, CEO



**DENTON COUNTY TRANSPORTATION AUTHORITY  
RESOLUTION NO. R20-19**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) AUTHORIZING CEO TO EXECUTE THE CONSENT AND NOVATION AGREEMENT FOR DCTA RAIL OPERATIONS AND MAINTENANCE CONTRACTOR TRANSITION WITH FIRST TRANSIT, INC. AND RIO GRANDE PACIFIC CORPORATION; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, DCTA and First Transit, Inc. entered into that certain Agreement for A-Train Operations and Maintenance dated July 1, 2016, as amended by that certain Letter, sent by First Transit, Inc. to DCTA, dated May 28, 2020, regarding Authorization for COVID-19 Implementation; and

**WHEREAS**, First Transit, Inc. and Rio Grande Pacific Corporation entered into an Asset Purchase Agreement, dated August 26, 2020, under which Rio Grande Pacific Corporation would purchase and acquire certain properties, businesses and assets of First Transit, Inc. used in the operation of the DCTA A-train 21-mile commuter operation in North Texas; and

**WHEREAS**, in accordance with the Asset Purchase Agreement, Rio Grande Pacific Corporation shall assume all of First Transit, Inc.'s obligations under the Agreement for A-Operations and Maintenance dated July 1, 2016, as amended; and

**WHEREAS**, the Board has reviewed the Consent and Novation Agreement and finds it to be in the public's interest to approve the Consent and Novation Agreement attached hereto and incorporated herein as Exhibit "A", and to authorize Chief Executive Officer, Raymond Suarez, to execute the Consent and Novation Agreement and any and all necessary documents related thereto on behalf of DCTA;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY, THAT:**

**SECTION 1.** The Board of Directors hereby approves the Consent and Novation Agreement attached hereto as Exhibit "A" and hereby authorizes Chief Executive Officer, Raymond Suarez, to execute the Consent and Novation Agreement and any and all necessary documents related thereto on behalf of DCTA.

**SECTION 2.** All provisions of the resolutions of the Board of Directors of the DCTA, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this Resolution shall remain in full force and effect.

**SECTION 3.** This Resolution shall become effective immediately upon its passage and approval.

**DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 22<sup>ND</sup> DAY OF NOVEMBER, 2020.**

**APPROVED:**

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Dianne Costa, Chair

**ATTEST:**

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Sam Burke, Secretary  
(10-12-2020:TM 118424)

**Exhibit “A”**  
**Consent and Novation Agreement**

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2. Novation.

2.1 Release.

(a) Despite anything to the contrary in the Assigned Contracts, DCTA releases and forever discharges Assigning Party, as well as its shareholders, directors, officers, employees, agents and representatives, from all further obligations arising under the Assigned Contracts, and from all manner of actions, causes of action, suits, debts, damages, expenses, claims and demands whatsoever that DCTA has or may have against any of the foregoing persons, arising out of or in any way connected to performance under the Assigned Contracts on and after the Effective Date. For avoidance of doubt, nothing herein affects any rights, liabilities, or obligations of DCTA or Assigning Party due to be performed or any acts or omissions that occurred before the Effective Date under the Assigned Contracts.

(b) Despite anything to the contrary in the Assigned Contracts, Assigning Party releases and forever discharges DCTA, as well as its directors, officers, employees, agents and representatives, from all further obligations arising under the Assigned Contracts, and from all manner of actions, causes of action, suits, debts, damages, expenses, claims and demands whatsoever that Assigning Party has or may have against any of the foregoing persons, arising out of or in any way connected to performance under the Assigned Contracts on and after the Effective Date. For avoidance of doubt, nothing herein affects any rights, liabilities, or obligations of DCTA or Assigning Party due to be performed or arising from any acts or omissions that occurred before the Effective Date under the Assigned Contracts.

2.2 Substitution. The parties intend that this Agreement is a novation and that the Assuming Party be substituted for the Assigning Party. DCTA recognizes Assuming Party as Assigning Party's successor-in-interest in and to the Assigned Contracts. Assuming Party by this Agreement becomes entitled to all right, title and interest of Assigning Party in and to the Assigned Contracts in as much as Assuming Party is the substituted party to the Assigned Contracts as of and after the Effective Date. Subject to Section 3, DCTA and Assuming Party shall be bound by the terms of the Assigned Contracts in every way as if Assuming Party is named in the novated Assigned Contracts in place of Assigning Party as a party thereto.

3. Payment for Goods and Services. Notwithstanding anything to the contrary in this Agreement, DCTA shall remain obligated to pay Assigning Party all amounts that it owes to Assigning Party pursuant to the terms of the Assigned Contracts that arise from or relate to goods and services that Assigning Party provided to DCTA prior to the Effective Date.

4. Representations and Warranties.

4.1 Assigning Party's Representations and Warranties. Assigning Party represents and warrants as follows:

(a) It has all necessary corporate power and authority to enter into this Agreement and to perform its obligations hereunder.

(b) It has taken all necessary corporate action to authorize the execution of this Agreement by its representative whose signature is set out at the end hereof.

(c) When executed and delivered by it, this Agreement will constitute the legal, valid and binding obligation of Assigning Party, enforceable against it in accordance with its terms and not subject to defenses.

4.2 Assuming Party's Representations and Warranties. Assuming Party represents and warrants as follows:

(a) It has all necessary corporate power and authority to enter into this Agreement and to perform its obligations hereunder.

(b) It has taken all necessary corporate action to authorize the execution of this Agreement by its representative whose signature is set out at the end hereof.

(c) When executed and delivered by it, this Agreement will constitute the legal, valid and binding obligation of Assuming Party, enforceable against it in accordance with its terms.

(d) It has met all of the requirements relating to the following plans and programs required by Title 49, Subtitle B, Chapter II of the Code of Federal Regulations: Continuous Welded Rail Plan (Part 213), On-Track Safety Program (Part 214), Emergency Preparedness Plan (Part 239), Qualification and Certification of Locomotive Engineers Program (Part 240), Qualification and Certification of Conductors Program (Part 242), Critical Incident Stress Plan (Part 272), Operating Rules (GCOR, Timetable, Timetable Special Instructions) (Part 217), Program of Operational Tests and Inspections (Part 217), Program of Instruction on Operating Rules (Part 217), Internal Control Plan (Part 225), Noise Monitoring Program (Part 227) and Speed Limit Action Plan (Part \_\_\_\_\_).

4.3 DCTA Representations and Warranties. DCTA represents and warrants as follows:

(a) It has all necessary corporate power and authority to enter into this Agreement and to perform its obligations hereunder.

(b) It has taken all necessary corporate action to authorize the execution of this Agreement by its representative whose signature is set out at the end hereof.

(c) When executed and delivered by it, this Agreement will constitute the legal, valid and binding obligation of Assuming Party, enforceable against it in accordance with its terms.

5. Miscellaneous.

5.1 Further Assurances. On a party's reasonable request, each other party shall, at its sole cost and expense, execute and deliver all such further documents and instruments, and take all such further acts, necessary to give full effect to this Agreement.

5.2 Notices. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by hand or sent by registered or certified mail, postage prepaid, or by reputable overnight courier service, or by electronic mail with acknowledgment of receipt of complete transmission further confirmed by a copy sent by reputable overnight courier service. Any notice or other communication so given shall be validly given hereunder upon receipt if delivered by hand, upon receipt if sent by registered or certified mail or by overnight courier service, and upon return receipt if sent by electronic mail to the addresses set forth below or to such other address as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above. Rejection or other refusal to accept or the inability for delivery to be effected because of changed address of which no notice was given shall be deemed to be receipt of the notice as of the date of such rejection, refusal or inability to deliver.

If to Assigning Party, to:

First Transit, Inc.  
c/o FirstGroup America, Inc.  
Suite 1400  
600 Vine Street  
Cincinnati, OH 45202-2426  
Attn: General Counsel

with a copy to:

Dinsmore & Shohl LLP  
191 West Nationwide Blvd.  
Suite 300  
Columbus, Ohio 43215  
Attn: Jason B. Sims  
Email: jason.sims@dinsmore.com

If to Assuming Party, to:

Rio Grande Pacific Corporation  
6100 Southwest Boulevard, Suite 320  
Fort Worth, Texas 76109  
E-mail: rbach@rgpc.com  
Attention: Robert Bach

with a copy (which will not constitute notice) to:

Kelly Hart & Hallman LLP  
201 Main Street, Suite 2500  
Fort Worth, Texas 76102  
E-mail: phil.mccrury@kellyhart.com



Attention: Phil McCrury

If to DCTA, to:

Denton County Transportation Authority

1955 Lakeway Drive, Suite 260

Lewisville, Texas 75067

Email: [rsuarez@dcta.net](mailto:rsuarez@dcta.net)

Attention: Raymond Suarez

5.3 Interpretation. For purposes of this Agreement: (a) the words “include,” “includes” and “including” is deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references in this Agreement: (x) to sections, schedules and exhibits mean the sections of, and schedules and exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. The parties drafted this Agreement without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The schedules and exhibits referred to herein are an integral part of this Agreement to the same extent as if they were set out verbatim herein.

5.4 Headings. The headings in this Agreement are for reference only and do not affect the interpretation of this Agreement.

5.5 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability does not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. On such determination that any term or other provision is invalid, illegal or unenforceable, the parties to this Agreement shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

5.6 Entire Agreement. This Agreement, together with all related exhibits and schedules, is the sole and entire agreement of the parties to this Agreement regarding the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, regarding such subject matter. Notwithstanding the forgoing, this Agreement does not amend, supersede, modify or replace the Asset Purchase Agreement.

5.7 Amendment and Modification. No amendment to this Agreement is effective unless it is in writing, identified as an amendment to this Agreement and signed by an authorized representative of each party to this Agreement.



5.8 Waiver.

(a) No waiver under this Agreement is effective unless it is in writing and signed by an authorized representative of the party waiving its right.

(b) Any waiver authorized on one occasion is effective only in that instance and only for the purpose stated, and does not operate as a waiver on any future occasion.

(c) None of the following is a waiver or estoppel of any right, remedy, power, privilege or condition arising from this Agreement:

(i) any failure or delay in exercising any right, remedy, power or privilege or in enforcing any condition under this Agreement; or

(ii) any act, omission or course of dealing between the parties.

5.9 Choice of Law; Jurisdiction. This Agreement, and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall be governed by the internal laws of the State of Texas, without regard to Texas' conflicts of law provisions. Any action, suit or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of Texas, in each case located in Denton County, Texas, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such action, suit or proceeding. Each party hereby irrevocably waives, to the fullest extent permitted by applicable law, (a) any objection it may now or hereafter have to the laying of venue of any such action, suit or proceeding in any of the aforesaid courts, (b) any claim it may now or hereafter have that any such action, suit or proceeding has been brought in an inconvenient forum and (c) the right to object, in connection with any such action, suit or proceeding, that any such court does not have jurisdiction over such party. Each party hereby irrevocably consents to the service of any papers, notices or process at the address set out in Section 5.2 in connection with any action, suit or proceeding and agrees that nothing herein will affect the right of the other parties to serve any such papers, notices or process in any other manner permitted by applicable law.

5.10 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together is deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

5.11 Cooperation. Assigning Party hereby agrees to deliver to Assuming Party any and all documents, agreements and instruments that are related exclusively to the Assigned Contracts and that are necessary to consummate the transactions contemplated by this Assignment.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

**RIO GRANDE PACIFIC CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**FIRST TRANSIT, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**DENTON COUNTY TRANSPORTATION  
AUTHORITY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Joseph J. Gorfida, Jr., General Counsel  
(10-13-2020:TM 118430)

**SCHEDULE A  
TO CONSENT AND NOVATION AGREEMENT  
ASSIGNED CONTRACTS**

1. Agreement for A-Train Operations and Maintenance by and between the Denton County Transportation Authority and First Transit, Inc., dated July 1, 2016;
2. FIRST-DCTA-117 Authorization Letter dated August 5, 2020;
3. FIRST-DCTA-098A Authorization Letter dated June 23, 2020;
4. FIRST-DCTA-113 Authorization Letter dated June 9, 2020;
5. FIRST-DCTA-115 Authorization Letter dated June 4, 2020;
6. FIRST-DCTA-112 Authorization Letter dated May 22, 2020;
7. FIRST-DCTA-116 Authorization Letter dated May 20, 2020;
8. FIRST-DCTA-086 Authorization Letter dated May 20, 2019; and
9. FIRST-DCTA-060 Authorization Letter dated October 11, 2018.

STATE OF TEXAS

§  
§  
§  
§  
§**AGREEMENT FOR A-TRAIN OPERATIONS  
AND MAINTENANCE**

COUNTY OF DENTON

This Agreement for A-Train Operations and Maintenance ("Agreement") is made by and between Denton County Transportation Authority ("DCTA") and First Transit, Inc. ("First Transit"), (each a "Party" and collectively the "Parties"), acting by and through their authorized representatives.

**Recitals:**

**WHEREAS**, DCTA desires to engage the services of First Transit as an independent contractor and not as an employee in accordance with the terms and conditions set forth in this Agreement; and

**WHEREAS**, First Transit desires to provide rail operations and maintenance services for the A-train 21-mile commuter operation in North Texas;

**NOW THEREFORE**, in exchange for the mutual covenants set forth herein and other valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Parties agree as follows:

**Article I  
Term**

1.1 The Initial Term of this Agreement shall commence upon DCTA's issuance of a Notice to Proceed on or about July 1, 2016 for mobilization and with revenue passenger rail service beginning October 1, 2016 (the "Commencement Date") and shall the continue for a period of nine (9) years from the Commencement Date, through and including September 30, 2025, unless sooner terminated as provided herein.

1.2 DCTA shall have the option to extend the term of this Agreement for one (1) five year term ("Renewal Term") by providing written notice of DCTA's intent to renew to First Transit not less than sixty (60) days prior to the expiration of the Initial Term.

**Article II  
Contract Documents**

2.1 This Agreement consists of the following items:

A. This Agreement;

- B. First Transit's Best and Final Offer dated June 8, 2016, to DCTA Solicitation 16-08, "A-Train Operations and Maintenance" (attached as Exhibit "A");
- C. Addenda Nos. One through Seven to DCTA Solicitation 16-08, "A-Train Operations and Maintenance" (attached as Exhibit "B")
- D. DCTA Solicitation 16-08, "A-train Operations and Maintenance" (attached as Exhibit "C"); and
- E. First Transit's Response to DCTA Solicitation 16-08 (attached as Exhibit "D").

2.2 In the event there exists a conflict in interpretation, the documents shall control in the order listed above. These documents shall be referred to collectively as "Contract Documents".

### **Article III Scope of Services**

The Parties agree that First Transit shall perform the services under this Agreement in accordance with the terms and conditions of Exhibits "A", "B", "C", and "D" which are attached hereto and incorporated herein.

### **Article IV Schedule of Work**

First Transit agrees to commence services upon a written Notice to Proceed from DCTA and to complete required services in accordance with a work schedule mutually established by DCTA and First Transit. Any work performed or expenses incurred by First Transit prior to First Transit's receipt of a written Notice to Proceed from DCTA shall be entirely at First Transit's own risk.

### **Article V Compensation and Method of Payment**

5.1 DCTA shall compensate First Transit for the services performed under this Agreement and in accordance with the rates set forth in Exhibit "A".

5.2 DCTA shall pay First Transit within thirty (30) days of the receipt of a proper invoice provided there are no errors or discrepancies and that all work noted on the invoice has been completed. Any errors, discrepancies or the invoicing of work not completed may result in a delay in payment.

5.3 Invoicing and Payment

Payments for Services shall be in accordance with the Exhibit A. All monies owed to First Transit for any one month shall be paid to First Transit within thirty days receipt of a properly prepared and fully-documented invoice. First Transit shall submit invoice or invoices each month to AVP, Transit Operations or designee which reflect the compensation which is due First Transit. In the event DCTA disagrees or disputes any invoice or item contained therein, it shall promptly notify and provide Contractor a written statement setting forth the nature and basis of the disagreement. Further, if DCTA disagrees with an invoice or item therein, it shall pay the undisputed amounts of such invoice within thirty days and proceed to resolve the disputed amounts pursuant to dispute resolution procedures contained in this Contract.

#### 5.4 Monthly Payments

- a. Management/Administrative/Overhead Fee: Commencing October 1, 2016 and thereafter on a monthly basis, First Transit will receive one twelfth of the annual amount shown as the Management/Administrative/Overhead Fee in the Schedule of Pricing.
- b. Dispatch Operations Fee: Commencing October 1, 2016 and thereafter on a monthly basis, First Transit will receive the one twelfth of the annual amount shown as the Dispatch Operations in the Schedule of Pricing.
- c. Facility Maintenance/Maintenance of Way/Signals/Comms: Commencing October 1, 2016 and thereafter on a monthly basis, First Transit will receive the one twelfth of the annual amount shown as the Facility Maintenance/Maint of Way/Signals/Comms Fee in the Schedule of Pricing.
- d. Payment for Train Hours: First Transit will receive a monthly payment calculated by multiplying the Train Hours Rate in the Schedule of Pricing by the monthly number of Scheduled Train Hours. At each month end, a reconciliation of Actual to Scheduled Train hours shall be performed. If Actual Train Hours are greater or less than scheduled train hours, First Transit shall include an adjustment in the next monthly invoice.
- e. Payment for Car Miles: First Transit will receive a monthly payment calculated by multiplying the Car Mile Rate in the Schedule of Pricing by the monthly number of Scheduled Car Miles. At each month end, a reconciliation of Actual to Scheduled car miles shall be performed. If Actual car miles are greater or less than scheduled car miles, First Transit shall include an adjustment in the next monthly invoice.
- f. DBE: First Transit shall fill out the DCTA DBE form and shall be submitted with the monthly invoice.
- g. Penalties: First Transit's Management/Administrative/Overhead Fee shall be adjusted for penalties as defined in the Scope of Work, Part 1, Section 8.2.
- h. Other Payments: Other payments due First Transit not covered by 1 (a) – 1 (f) above are delineated in the Schedule of Pricing and will be authorized in advance by the AVP, Transit Operations or designee. Invoices shall be submitted by the 10th day of each month to the AVP,

Transit Operations or designee. Payment to First Transit shall be within thirty days receipt of a properly prepared and fully-documented invoice.

i. Rail Car Maintenance/Rail Car Labor: Pursuant to Texas Administrative Code Sec. 3.290, maintenance services are considered a separated arrangement whereby labor and parts are segregated (i.e. not lump-sum). With respect to any Rail Car Maintenance services, First Transit shall provide an invoice which separates the charges for Rail Car Maintenance Labor from the Rail Car Maintenance Materials. Such invoicing shall have no impact on the total cost to DCTA as set forth in Exhibit B.

5.5 First Transit shall submit invoices for services rendered under this Agreement in accordance with the invoice instructions set forth in Exhibit "C". All invoices shall be submitted to:

DCTA  
Accounts Payable  
P. O. Box 96  
Lewisville, Texas 75067

## **Article VI**

### **Devotion of Time; Personnel; and Equipment**

6.1 First Transit shall devote such time as reasonably necessary for the satisfactory performance of the work under this Agreement. Should DCTA require additional services not included under this Agreement, First Transit shall make reasonable efforts to provide such additional services at mutually agreed charges or rates, and within the time schedule prescribed by DCTA, and without decreasing the effectiveness of the performance of services required under this Agreement. Notwithstanding the above, First Transit shall be afforded a period of thirty (30) days following implementation of such changes during which time no liquidated damages may be assessed, while First Transit makes operational adjustments to meet DCTA requirements.

6.2 To the extent reasonably necessary for First Transit to perform the services under this Agreement, First Transit shall be authorized to engage the services of any agents, assistants, persons, or corporations that First Transit may deem proper to aid or assist in the performance of the services under this Agreement. The cost of such personnel and assistance shall be borne exclusively by First Transit.

6.3 First Transit shall furnish the equipment, telephones, facsimile machines, email facilities, and personnel necessary to perform the services required under this Agreement unless otherwise provided herein.

6.4 DCTA will provide the Operation and Maintenance Facility (OMF) in Lewisville, Texas. In accordance with state and federal law, DCTA shall be responsible for any environmental



conditions that existed on, in or under OMF prior to when First Transit occupies OMF. First Transit shall be responsible for any environmental condition on, in or under OMF caused by First Transit during its use and occupancy of OMF.

## **Article VII Relationship of Parties**

It is understood and agreed by and between the Parties that in satisfying the conditions of this Agreement, First Transit is acting independently, and that DCTA assumes no responsibility or liabilities to any third party in connection with these actions. All services to be performed by First Transit pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of DCTA. First Transit shall supervise the performance of its services and shall be entitled to control the manner and means by which its services are to be performed, subject to the terms of this Agreement.

## **Article VIII Insurance**

First Transit shall provide and maintain for the duration of this Agreement, and for the benefit of DCTA (naming DCTA and its officers, agents and employees as additional insureds), insurance coverage as set forth in Exhibit "C". First Transit shall provide signed Certificates of Insurance verifying that First Transit has obtained the required insurance coverage for DCTA prior to the Commencement Date of this Agreement.

## **Article IX Indemnification**

**9.1 FIRST TRANSIT AGREES TO RELEASE AND BE LIABLE FOR AND TO DEFEND, INDEMNIFY AND SAVE HARMLESS DCTA, ITS BOARD MEMBERS, OFFICERS, AGENTS, SERVANTS, WORKMEN, EMPLOYEES, SUBSIDIZERS AND INDEMNITIES, U.S. DEPARTMENT OF TRANSPORTATION, TEXAS DEPARTMENT OF TRANSPORTATION, DENTON COUNTY AND ALL GOVERNMENT FUNDING AGENCIES PROVIDING FUNDS OR SERVICES IN CONNECTION WITH THIS PROJECT (HEREINAFTER COLLECTIVELY REFERRED TO AS "DCTA"), FROM AND AGAINST ANY AND ALL LOSS, COST, DAMAGE, LIABILITY AND EXPENSE, INCLUDING CONSEQUENTIAL DAMAGES, COUNSEL FEES, WHETHER OR NOT ARISING OUT OF ANY CLAIM, SUIT OR ACTION AT LAW, IN EQUITY, OR OTHERWISE, OF ANY KIND OR NATURE WHATSOEVER, INCLUDING NEGLIGENCE, ARISING OUT OF THE PERFORMANCE OF THE WORK BY REASON OF ANY ACCIDENT, LOSS OR DAMAGE OF PROPERTY, INCLUDING THE WORK SITE, PROPERTY OF DCTA AND FIRST TRANSIT, OR INJURY, INCLUDING**



DEATH, TO ANY PERSON OR PERSONS, INCLUDING EMPLOYEES OF DCTA, FIRST TRANSIT, SUBCONTRACTORS AT ANY TIER OR ANY PERSON WORKING ON FIRST TRANSIT'S BEHALF, CAUSED BY FIRST TRANSIT, WHICH MAY BE SUSTAINED EITHER DURING THE TERM OF THIS AGREEMENT, OR UPON OR AFTER COMPLETION OF THE PROJECT, WHETHER BROUGHT DIRECTLY BY THESE PERSONS OR BY ANYONE CLAIMING UNDER OR THROUGH THEM INCLUDING HEIRS, DEPENDENTS AND ESTATES.

9.2 FIRST TRANSIT ALSO AGREES FOR ITSELF AND ON BEHALF OF ITS AGENTS, SERVANTS, SUBCONTRACTORS, MATERIAL MEN, AND EMPLOYEES TO DEFEND, INDEMNIFY AND HOLD HARMLESS DCTA FROM AND AGAINST ANY AND ALL CLAIMS OF ANY KIND OR NATURE WHATSOEVER REGARDING SUBCONTRACTORS AND MATERIAL MEN AND AGREES TO ASSUME THE DEFENSE OF DCTA TO ANY SUCH SUIT AT ITS COST AND EXPENSE. FIRST TRANSIT FURTHER ASSUMES THE RISK OF LOSS AND DAMAGE TO MATERIALS, MACHINERY AND EQUIPMENT TO BE INCORPORATED IN THE WORK AT ALL TIMES PRIOR TO DELIVERY TO THE PROJECT SITE OR WHILE IN THE POSSESSION OR UNDER THE CONTROL OF FIRST TRANSIT. TO THE EXTENT FIRST TRANSIT IS OPERATING ON THE DART CORRIDOR, FIRST TRANSIT FURTHER AGREES TO INDEMNIFY DART TO THE SAME EXTENT AS SET FORTH IN THIS ARTICLE AND DCTA AGREES TO LIST DART AS AN ADDITIONAL INSURED.

9.3 FIRST TRANSIT, FOR ITSELF AND ITS EMPLOYEES, BOARD MEMBERS, OFFICERS, AGENTS, SERVANTS, WORKMEN, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND INVITEES, OR ANY OTHER PERSON WORKING ON FIRST TRANSIT'S BEHALF, HEREBY RELEASES AND AGREES TO BE LIABLE FOR AND TO DEFEND, INDEMNIFY AND SAVE HARMLESS DCTA, EXCEPT TO THE EXTENT THAT DCTA IS NEGLIGENT IN WHOLE OR IN PART, FOR ANY CLAIMS MADE BY AN EMPLOYEE, BOARD MEMBER, OFFICER, AGENT, WORKMAN OR SERVANT OF FIRST TRANSIT'S OR ANY OTHER PERSON WORKING ON FIRST TRANSIT'S BEHALF, INCLUDING CLAIMS FOR COMPENSATION OR BENEFITS PAYABLE TO ANY EXTENT BY OR FOR FIRST TRANSIT UNDER ANY WORKERS' OR SIMILAR COMPENSATION ACTS OR OTHER EMPLOYEE BENEFIT ACTS. IN THE EVENT OF JOINT OR CONCURRENT NEGLIGENCE OF FIRST TRANSIT AND DCTA, RESPONSIBILITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. FIRST TRANSIT'S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY FIRST TRANSIT UNDER ANY RESULTANT AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF ANY RESULTANT AGREEMENT.

9.4 FIRST TRANSIT'S INDEMNITY OBLIGATIONS UNDER THIS ARTICLE SHALL ALSO SPECIFICALLY INCLUDE, WITHOUT LIMITATIONS, ALL FINES,

**PENALTIES, DAMAGES, LIABILITY, COSTS, EXPENSES (INCLUDING, WITHOUT LIMITATIONS, REASONABLE ATTORNEY'S FEES), AND PUNITIVE DAMAGES (IF ANY) ARISING OUT OF, OR IN CONNECTION WITH ANY (I) VIOLATION OF OR FAILURE TO COMPLY WITH ANY LAW, STATUTE, ORDINANCE, RULE, REGULATION, CODE OR REQUIREMENT OF A PUBLIC AUTHORITY THAT BEARS UPON THE PERFORMANCE OF THE WORK BY FIRST TRANSIT, A SUBCONTRACTOR, OR ANY PERSON OR ENTITY FOR WHOM EITHER IS RESPONSIBLE; (II) MEANS, METHODS, PROCEDURES, TECHNIQUES, OR SEQUENCES OF EXECUTION OR PERFORMANCE OF THE WORK; AND (III) FAILURE TO SECURE AND PAY FOR PERMITS, FEES, APPROVALS, LICENSES AND INSPECTIONS AS REQUIRED UNDER THE CONTRACT DOCUMENTS, OR ANY VIOLATION OF ANY PERMIT OR OTHER APPROVAL OF A PUBLIC AUTHORITY APPLICABLE TO THE WORK, BY FIRST TRANSIT, A SUBCONTRACTOR, OR ANY PERSON OR ENTITY FOR WHOM EITHER IS RESPONSIBLE.**

**9.5 FIRST TRANSIT SHALL INDEMNIFY DCTA FOR ANY FINES AND LEGAL FEES INCURRED BECAUSE EMPLOYEES, AGENTS, OR WORKERS SUPPLIED BY FIRST TRANSIT ARE NOT AUTHORIZED TO WORK IN THE UNITED STATES.**

**9.6 FIRST TRANSIT'S INDEMNITY OBLIGATIONS UNDER THIS ARTICLE SHALL NOT APPLY TO THE EXTENT ANY LOSS, DAMAGES, FEES, PENALTIES, COSTS, LIABILITIES AND EXPENSES ARISE FROM OR ARE CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF DCTA, ITS AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS OR ANY PERSON WORKING ON DCTA'S BEHALF.**

#### **Article X Availability of Funds**

If monies are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, this Agreement shall be canceled and First Transit may only be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of services delivered under this Agreement or which are otherwise not recoverable. The cost of cancellation may be paid from any appropriations for such purposes.

#### **Article XI Termination**

**11.1 Termination for Convenience.** DCTA may terminate all or part of this Agreement upon determining that termination is in the public interest. Termination under this Article shall be effective upon delivery of written notice of termination to First Transit. Upon termination under this provision, First Transit shall be entitled to payment in accordance with the terms of this Agreement for Agreement work completed before termination, and to payment for all reasonable

Agreement close-out costs including reasonable profit to include materials purchased and work performed. Within thirty (30) days after termination pursuant to this provision, First Transit shall submit an itemized invoice for all unreimbursed work completed before termination and contract close-out costs actually incurred by First Transit. DCTA shall not be liable for any costs invoiced later than thirty (30) days after termination notice. First Transit is not entitled to any alleged lost profit on work not performed but which would have been performed had this Agreement not be terminated.

11.2 Termination for Default. If First Transit refuses or fails to properly prosecute or perform the work or any separable part, with the diligence and good workmanship that will ensure its completion and acceptance within the time specified in this Contract including any extension, or fails to complete the work within this time, DCTA may, by written notice to First Transit, terminate the right to proceed with the work (or the separable part of the work) that has been delayed or not performed in a good workmanship like manner. In this event, DCTA may take over the work and complete it by contract or otherwise, and may take possession of and use any materials, reports, schedules, appliances, or other work product necessary for completing the work. First Transit and its sureties shall be liable for any damage to DCTA resulting from First Transit's refusal or failure to complete the work within the specified time or not performed in a good workmanship like manner, whether or not First Transit's right to proceed with the work is terminated. This liability includes any increased costs incurred by DCTA in completing the work.

11.3 Suspension for Force Majeure. To the extent either Party of this agreement shall be wholly or partially prevented from the performance of the term specified, or of any obligation or duty placed on such Party by reason of or through work strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, court judgment, act of God, or other specific cause reasonably beyond the parties control and not attributable to its malfeasance, neglect or nonfeasance. In such event, the time for performance of such obligation or duty shall be suspended until such disability to perform is removed.

## Article XII FTA Contractual Requirements

First Transit shall comply with all Federal Transportation Administration requirements set forth in Exhibit "C".

## Article XIII Miscellaneous

13.1 Entire Agreement. This Agreement constitutes the sole and only agreement between the Parties and supersedes any prior understandings, written or oral agreements between the Parties with respect to this subject matter.

13.2 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations granted and assumed under this Agreement.

13.3 Assignment. First Transit may not assign this Agreement in whole or in part without the prior written consent of DCTA. In the event of an assignment by First Transit to which DCTA has consented, the assignee shall agree in writing with DCTA to personally assume, perform, and be bound by all the covenants, and obligations contained in this Agreement.

13.4 Successors and Assigns. Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.

13.5 Governing Law. The laws of the State of Texas shall govern this Agreement; and venue for any action concerning this Agreement shall be in the State District Court of Denton County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

13.6 Amendments. This Agreement may be amended by the mutual written agreement of the Parties.

13.7 Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

13.8 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

13.9 Recitals. The recitals to this Agreement are incorporated herein.

13.10 Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier or by confirmed telefax or facsimile to the address specified below, or to such other Party or address as either Party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for DCTA:

James C. Cline, Jr., P.E.  
President  
DCTA  
1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75057

With Copy to:

Peter G. Smith  
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.  
1800 Ross Tower  
500 North Akard  
Dallas, Texas 75201

If intended for First Transit:

Bradley A. Thomas  
President

First Transit, Inc.  
 600 Vine Street, Suite 1400  
 Cincinnati, Ohio 45202

13.11 Counterparts. This Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the Parties hereto.

13.12 Exhibits. The exhibits attached hereto are incorporated herein and made a part hereof for all purposes.

13.13 Audits and Records. First Transit agrees that during the term hereof DCTA and its representatives may, during normal business hours and as often as deemed necessary, inspect, audit, examine and reproduce any and all of First Transit's records relating to the services provided pursuant to this Agreement for a period of one year following the date of completion of services as determined by DCTA or date of termination if sooner. To the extent allowed by law and in compliance with the Texas Public Information Act, DCTA shall protect the confidentiality of First Transit's proprietary or confidential information included in the data provided.

13.14 Conflicts of Interests. First Transit represents that no official or employee of DCTA has any direct or indirect pecuniary interest in this Agreement.

13.15 Compliance with Federal, State & Local Laws: First Transit shall comply in performance of services under the terms of this Agreement with all applicable laws, ordinances and regulations, judicial decrees or administrative orders, ordinances, and codes of federal, state and local governments, including all applicable federal clauses.

13.16 Force Majeure. No Party will be liable for any default or delay in the performance of its obligations under this Agreement if and to the extent such default or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God, riots, work strikes, stoppage of labor, labor shortages, civil disorders, acts of terrorism or any similar cause beyond the reasonable control of such Party, provided that the non-performing Party is without fault in causing such default or delay. The non-performing Party agrees to use commercially reasonable efforts to recommence performance as soon as possible.

*(signature page to follow)*

EXECUTED this 1<sup>ST</sup> day of July, 2016.

Denton County Transportation Authority

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

Approved as to form:

By: \_\_\_\_\_  
Peter G. Smith, General Counsel  
(06-28-16/77558)

EXECUTED this 1<sup>ST</sup> day of July, 2016.

First Transit, Inc.

By: Bradley A. Thomas  
Name: Bradley A. Thomas  
Title: President

EXECUTED this 1<sup>ST</sup> day of July, 2016.

Denton County Transportation Authority

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

Approved as to form:

By: Peter G. Smith  
for Peter G. Smith, General Counsel  
(06-28-16/77558)

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

First Transit, Inc.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**EXHIBIT "A"**

**First Transit's Best and Final Offer dated June 8, 2016, to DCTA Solicitation 16-08,  
"A-Train Operations and Maintenance"**





First Transit, Inc.  
600 Vine Street, Suite 1400  
Cincinnati, OH 45202  
Phone: 513-241-2200  
Fax: 513-684-8852

June 8, 2016

Denton County Transportation Authority  
1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75057

**Re: Best and Final Offer – Solicitation 16-08 A-train Operations and Maintenance**

Dear Ms. Forrester,

On behalf of First Transit, Inc. (First) it is my pleasure to present this Best and Final Offer for Operations and Maintenance of A-train services managed by the Denton County Transportation Authority (DCTA). We believe we offer the experience, capability, resources, and flexibility to not only meet but exceed your goals and objectives for quality rail services. Our revised offer presents DCTA with direct cost savings while providing you with the quality, value, and economy to provide excellence in A-train operations. This savings results from a restructuring of our local operation team, cost allocations, and our confidence in partnering with Rio Grande Pacific Corporation (RGPC) and CTC, Inc.

The role of Maintenance of Way Manager will be replaced by a Maintenance of Way Supervisor, fully dedicated to A-train services. The Supervisor will provide all necessary quality control measures, compliance requirements, and maintenance management. Tom Tulley, General Manager, will provide all necessary senior management oversight, further supported by our Rail Executive Team and corporate oversight.

Based on this revision and consideration of all necessary costs, First has reduced our total cost by over \$115,000. This is reflected in a base term, year one (1) cost of \$12,004,730. Across the full 14 year contract term, our Best and Final Offer presents a total cost savings of over \$1.9 Million.

We firmly believe that First is best placed to deliver your service requirements, and are ready to take on the challenges of providing the highest quality operations for your customers. With our strong partnerships, operational transparency and a commitment for excellence, First will provide DCTA a service founded in safety, quality, customer service, and technology advancements.

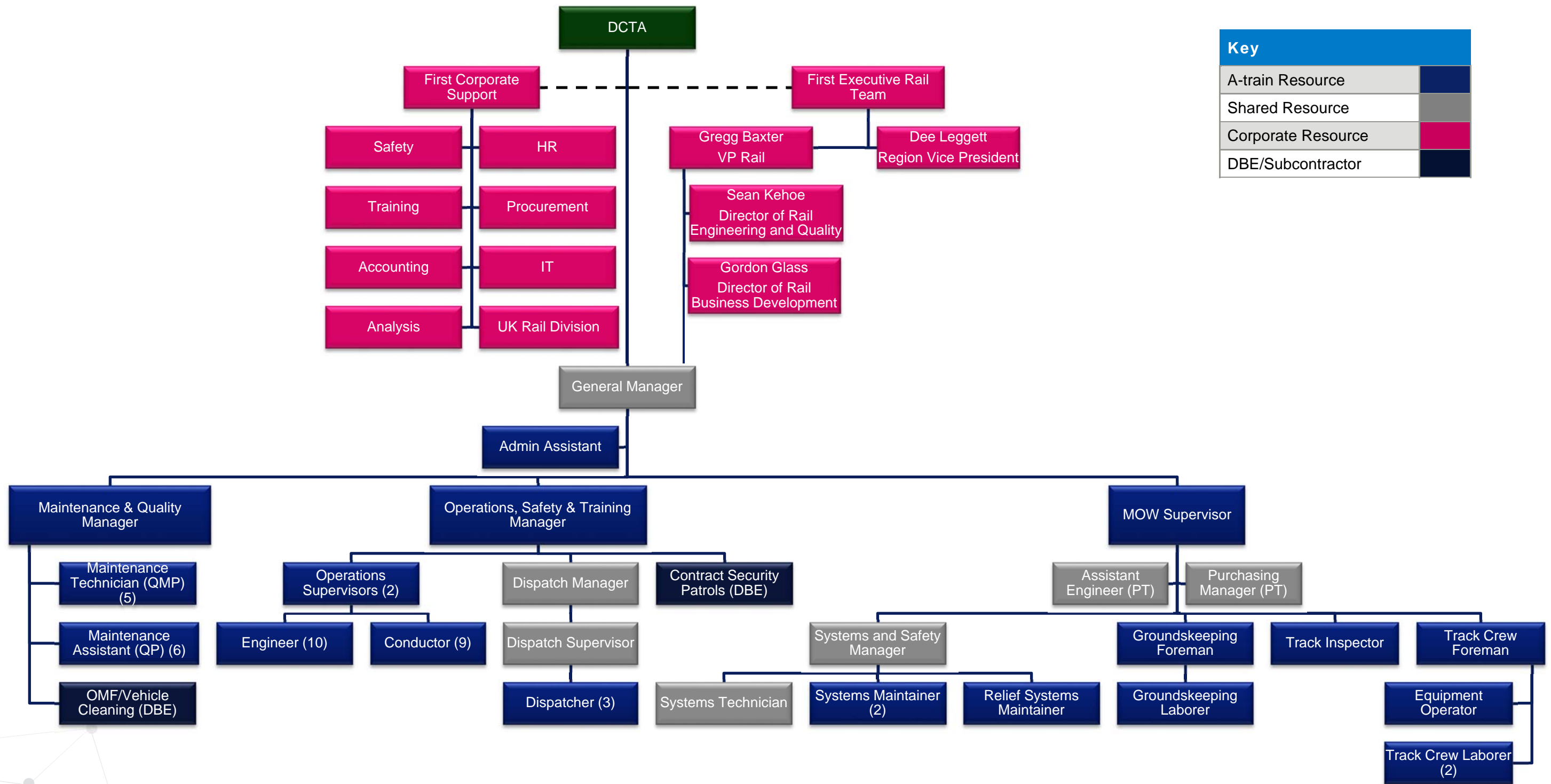
Should you have any questions regarding our submission, or would like to schedule a meeting to discuss, please contact Mr. Gregg Baxter, Vice President of Rail at 301-529-0233 or [Gregg.Baxter@firstgroup.com](mailto:Gregg.Baxter@firstgroup.com).

We look forward to hearing from you.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Thomas", written over a faint geometric line pattern.

Bradley A. Thomas,  
President, First Transit, Inc.



Key	
A-train Resource	
Shared Resource	
Corporate Resource	
DBE/Subcontractor	



### Price Schedule - Denton County Transportation Authority

**FY17 - FY25 & OPTION FY26 - FY30**

				Base Contract Period																				Option Period												
Item		Annual Units (NTE)	Unit	FY16 Rate	FY16 Total	FY17 Rate	FY17 Total	FY18 Rate	FY18 Total	FY19 Rate	FY19 Total	FY20 Rate	FY20 Total	FY21 Rate	FY21 Total	FY22 Rate	FY22 Total	FY23 Rate	FY23 Total	FY24 Rate	FY24 Total	FY25 Rate	FY25 Total	FY16 Mobilization & FY17-FY25 Total	FY26 Rate	FY26 Total	FY27 Rate	FY27 Total	FY28 Rate	FY28 Total	FY29 Rate	FY29 Total	FY30 Rate	FY30 Total	FY26-FY30 Total	Total Base & Option
1	Train Crew Hours (annual estimated train hours)	14,500	Hours			\$ 128.55	\$1,863,975	\$ 135.64	\$1,966,780	\$ 137.99	\$2,000,855	\$ 142.21	\$2,062,045	\$ 146.52	\$2,124,540	\$ 150.99	\$2,189,355	\$ 155.58	\$2,255,910	\$ 160.33	\$2,324,785	\$ 165.24	\$2,395,980	\$19,184,225	\$ 170.31	\$2,469,495	\$ 175.53	\$2,545,185	\$ 180.93	\$2,623,485	\$ 186.53	\$2,704,685	\$ 192.29	\$2,788,205	\$13,313,055	\$32,315,280
2a	Car Miles - Vehicle Maint of Equipment (annual estimate 1 & 2 car consist) FY17-FY19. Refer to 2b for years FY20 - FY25 & Option Period.	449,350	Miles			\$ 3.52	\$1,581,712	\$ 3.63	\$1,631,141	\$ 3.74	\$1,680,569												\$4,893,422											\$4,893,422		
2b	Car Miles - Vehicle Maint of Equipment (annual estimate 1 & 2 car consist) FY20-FY25 & Option Period.	494,285	Miles									\$ 3.50	\$1,729,998	\$ 3.61	\$1,784,369	\$ 3.72	\$1,838,740	\$ 3.83	\$1,893,112	\$ 3.94	\$1,947,483	\$ 4.06	\$2,006,797	\$11,200,498	\$ 4.17	\$2,061,168	\$ 4.29	\$2,120,483	\$ 4.42	\$2,184,740	\$ 4.56	\$2,253,940	\$ 4.70	\$2,323,140	\$10,943,470	\$22,143,968
3	Management/Administrative/Overhead	12	Months			\$ 145,992.51	\$1,751,910	\$ 143,568.38	\$1,722,821	\$ 147,590.10	\$1,771,081	\$ 149,335.28	\$1,792,023	\$ 153,419.17	\$1,841,030	\$ 157,411.95	\$1,888,943	\$ 161,713.90	\$1,940,567	\$ 166,268.68	\$1,995,224	\$ 170,725.26	\$2,048,703	\$16,752,303	\$ 175,463.71	\$2,105,564	\$ 180,542.65	\$2,166,512	\$ 185,559.35	\$2,226,712	\$ 190,552.40	\$2,286,629	\$ 195,870.22	\$2,350,443	\$11,135,860	\$27,888,163
4	Dispatch Operations	12	Months			\$ 44,259.89	\$531,119	\$ 45,055.14	\$540,662	\$ 46,627.96	\$559,535	\$ 47,556.82	\$570,682	\$ 49,270.70	\$591,248	\$ 50,329.88	\$603,959	\$ 52,200.35	\$626,404	\$ 53,398.97	\$640,788	\$ 55,446.87	\$665,362	\$5,325,759	\$ 56,823.99	\$681,888	\$ 59,069.40	\$708,833	\$ 60,618.34	\$727,420	\$ 63,089.27	\$757,071	\$ 64,850.73	\$778,209	\$3,653,421	\$8,983,180
5a	Facility Maintenance / Maint of Way / Signals / Comms	12	Months			\$ 215,979.32	\$2,591,752	\$ 222,397.53	\$2,668,770	\$ 231,316.03	\$2,775,792	\$ 237,255.02	\$2,847,060	\$ 246,911.83	\$2,962,942	\$ 254,704.16	\$3,056,450	\$ 265,117.26	\$3,181,407	\$ 272,125.30	\$3,265,504	\$ 283,934.37	\$3,407,212	\$26,756,890	\$ 290,266.14	\$3,483,194	\$ 302,865.59	\$3,634,387	\$ 311,741.18	\$3,740,894	\$ 326,928.21	\$3,923,139	\$ 336,888.40	\$4,042,661	\$18,824,274	\$45,581,164
5b	Stadler GTW Maintenance (above capital threshold)	1	Annual Allowance				\$200,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000	\$1,800,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000	\$1,000,000	\$2,800,000
5c	Maintenance of Way Requirements Beyond 25 feet (allowance)	1	Annual Allowance				\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000	\$540,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000	\$300,000	\$840,000
5d	Maintenance of Way Requirements Over Capital Threshold (allowance)	1	Annual Allowance				\$200,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000	\$1,800,000		\$200,000		\$200,000		\$200,000		\$200,000		\$200,000	\$1,000,000	\$2,800,000
6	Training Support	1	Annual			\$ 1.00	\$1	\$ 1.03	\$1	\$ 1.06	\$1	\$ 1.09	\$1	\$ 1.12	\$1	\$ 1.15	\$1	\$ 1.18	\$1	\$ 1.22	\$1	\$ 1.25	\$1	\$10	\$ 1.28	\$1	\$ 1.32	\$1	\$ 1.36	\$1	\$ 1.40	\$1	\$ 1.44	\$1	\$7	\$17
7	Diesel Fuel Reserve	350,000	Gallons			\$ 3.25	\$1,137,500	\$ 3.25	\$1,137,500	\$ 3.75	\$1,312,500	\$ 3.75	\$1,312,500	\$ 4.00	\$1,400,000	\$ 4.00	\$1,400,000	\$ 4.00	\$1,400,000	\$ 4.00	\$1,400,000	\$ 4.00	\$1,400,000	\$11,900,000	\$ 4.00	\$1,400,000	\$ 4.00	\$1,400,000	\$ 4.00	\$1,400,000	\$ 4.00	\$1,400,000	\$ 4.00	\$1,400,000	\$7,000,000	\$18,900,000
8	Asset Management & Technology	12	Months			\$ 5,108.03	\$61,296	\$ 6,688.98	\$80,268	\$ 6,801.89	\$81,623	\$ 6,931.80	\$83,182	\$ 7,049.37	\$84,592	\$ 7,200.75	\$86,409	\$ 7,323.18	\$87,878	\$ 7,464.35	\$89,572	\$ 7,591.88	\$91,103	\$745,923	\$ 7,637.22	\$91,647	\$ 7,787.98	\$93,456	\$ 7,941.44	\$95,297	\$ 8,079.87	\$96,958	\$ 8,239.89	\$98,879	\$476,237	\$1,222,160
9	Capital Reserve	1	Annual Allowance				\$2,000,000		\$2,000,000		\$2,000,000		\$2,000,000		\$2,000,000		\$2,000,000		\$2,000,000		\$2,000,000		\$2,000,000	\$18,000,000		\$2,000,000		\$2,000,000		\$2,000,000		\$2,000,000		\$2,000,000	\$10,000,000	\$28,000,000
10	Capital Reserve Flagging Support	250	Hours			\$ 74.90	\$18,724	\$ 77.01	\$19,253	\$ 79.19	\$19,797	\$ 81.42	\$20,355	\$ 83.72	\$20,930	\$ 86.08	\$21,521	\$ 88.51	\$22,129	\$ 91.01	\$22,753	\$ 93.58	\$23,396	\$188,858	\$ 96.23	\$24,056	\$ 98.94	\$24,736	\$ 101.74	\$25,434	\$ 104.61	\$26,152	\$ 107.56	\$26,890	\$127,268	\$316,127
11	Crew Court Appearances	40	Hours			\$ 74.90	\$2,996	\$ 77.01	\$3,080	\$ 79.19	\$3,167	\$ 81.42	\$3,257	\$ 83.72	\$3,349	\$ 86.08	\$3,443	\$ 88.51	\$3,541	\$ 91.01	\$3,641	\$ 93.58	\$3,743	\$30,217	\$ 96.23	\$3,849	\$ 98.94	\$3,958	\$ 101.74	\$4,069	\$ 104.61	\$4,184	\$ 107.56	\$4,302	\$20,363	\$50,580
12	Miscellaneous Crew Costs	50	Hours			\$ 74.90	\$3,745	\$ 77.01	\$3,851	\$ 79.19	\$3,959	\$ 81.42	\$4,071	\$ 83.72	\$4,186	\$ 86.08	\$4,304	\$ 88.51	\$4,426	\$ 91.01	\$4,551	\$ 93.58	\$4,679	\$37,772	\$ 96.23	\$4,811	\$ 98.94	\$4,947	\$ 101.74	\$5,087	\$ 104.61	\$5,230	\$ 107.56	\$5,378	\$25,454	\$63,225
13	First Year Mobilization	1	LS	\$1,112,636	\$1,112,636																		\$1,112,636											\$0	\$1,112,636	
14	Final Year Demobilization	1	Allowance																				\$1,000,000	\$1,000,000										\$0	\$1,000,000	

	Notes
1	Part I, Section 13: Sum of all hours that railcars operate including scheduled hours, test trains, and maintenance yard movements. This includes Special Trains. NTE hours are provided and if the hours increase in subsequent years, a contract modification will be issued. Refer to Scope of Work for more detail.
2 a & b	<p>Part I, Section 13: Sum of all scheduled car miles and all other miles that railcars operate including scheduled miles, test trains, and maintenance yard movements. This includes Special Trains. NTE car miles are provided and if the miles increase more than 20% in subsequent years, a contract modification will be issued. Consist may comprise one or two car trainset. DCTA estimate is 449,350 car miles for FY17 - FY19 and 494,285 car miles for FY20 - FY 25 and option period. Estimates are using one and two car consists. Part III, Section 1: The Contractor shall maintain, repair, clean, inspect, and service all rolling stock and equipment in accordance with established maintenance standards, and all FRA requirements, APTA maintenance and AAR Standards. The Contractor also shall maintain the rolling stock, subject to ordinary wear and tear. Prior written approval of DCTA's designated mechanical representative is required for all other repairs, changes, and modifications, unless immediate repair is necessary for Contractor employee or passenger safety personnel, and under the oversight of DCTA. Refer to Scope of Work for additional detail.</p>
3	Part I, Section 2: The Contractor shall provide all Management, Administration and Overhead necessary to fulfill the obligations of this contract as required to provide a safe and well-maintained Operations Maintenance Facility (OMF), safe and well-maintained passenger cars, on-time train operations, and a safe and well-maintained corridor right of way. Refer to Scope of Work for more detail.
4	Part II, Section 3: Dispatch is currently performed by the Contractor in Irving, TX at Trinity Railway Express (TRE). Currently, the DCTA dispatch office in Lewisville, Texas serves as the back-up/disaster recovery site. The bidder shall propose where they choose to dispatch. If the offeror chooses to dispatch primarily at a location other than DCTA, then the DCTA dispatch center at the OMF will serve as a backup. The PTC system uses a TSR workstation for dispatcher notification. The offeror shall have the capability to dispatch with DCTA's TSR PTC workstation. Refer to Scope of Work for more detail.
5a	Part IV: The Contractor shall perform track, right-of-way, buildings and structures, facilities, and signal and communications maintenance, generally as described in this Contract, under the daily supervision of the Contractor's Maintenance personnel, and under the oversight of DCTA. The Contractor shall inspect and maintain all bridges, culverts, pedestrian overpasses, and structures to insure a safe and reliable service. All maintenance shall be performed by the Contractor in accordance with FRA, AAR Standards and AREMA recommended practices and in accordance with the mutually agreed upon maintenance plan.
5b	Part III, Section 1: The Contractor shall develop and implement a Fleet Management and Equipment Maintenance Plan within a Conditioned Based Maintenance (CBM) Program. The CBM shall cover all necessary elements of DCTA's Service Property, Rolling Stock and Equipment, and ensure high reliability and a high level of performance for the term of this Contract. The Contractor shall comply in full with FRA requirements for maintenance. Annual allowance for Maintenance of Equipment above \$10,000 contract threshold. Refer to Scope of Work for more detail.
5c	Annual allowance for Maintenance of Way beyond 25 feet of the nearest running rail.
5d	Annual allowance for Maintenance of Way above \$10,000 contract threshold.
6	The Contractor shall establish a training program to support all contractor & subcontractor personnel and DCTA & 3rd party contractors that may need access to Right of Way. Estimate 2 training classes per month with class size not to exceed 25 people.
7	A Reserve has been established for fuel expense and shall be a pass-through cost. No markup is allowed. Estimates have been provided and should fuel use or price increase in subsequent years, a contract modification will be issued.
8	Part I, Section 5 & 6: Contractor will assist DCTA to the fullest extent possible, with meeting the requirements of the Federal Program: Fixing America's Surface Transportation Act (FAST). Refer to Scope of Work for more detail.
9	A reserve has been established for capital work. Prior to each fiscal year, the contractor shall work with DCTA to identify a capital program for the next fiscal year. This shall be negotiated in good faith by both parties based on need. Prior to capital work being performed, the contractor shall obtain written approval from DCTA, and all required procurement procedures shall be met.
10	Prior to each fiscal year, the contractor shall work with DCTA to identify a flagging program to support the annual capital program. Please provide a rate that encompasses all flagging requirements.
11	Crew court appearances as required to support fare enforcement and miscellaneous operations.
12	Miscellaneous crew costs to support non-routine operating activities.
13	One year mobilization cost (after notice to proceed).
14	Demobilization allowance available during last year of contract if contract not terminated for cause.

*All line items excluding Reserves & Allowances shall include a fully burdened rate to include Profit.*

**EXHIBIT "B"**

**Addenda Nos. One through Seven to DCTA Solicitation 16-08,  
"A-Train Operations and Maintenance"**

Under Seperate Cover

**EXHIBIT "C"**

**DCTA Solicitation 16-08, "A-train Operations and Maintenance"**

Under Seperate Cover

**EXHIBIT "D"**

**First Transit's Response to DCTA Solicitation 16-08**

Under Seperate Cover

## Board of Directors Memo

October 22, 2020

SUBJECT: Discuss and Consider Approval of the Transportation Reinvestment Program (TRiP) Policy

### Background

AECOM has facilitated multiple discussions with the DCTA Board of Directors in an effort to develop a Transportation Reinvestment Program (TRiP) which includes program parameters, implementation plan and associated policy. TRiP will enable partnerships between the agency and its member cities on mutually beneficial investments in transit-supportive projects by allowing DCTA the ability to distribute funds to member cities for eligible projects consistent with DCTA's Long-Range Service Plan and the Agency's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code.

The Board provided feedback to staff and AECOM at the September board meeting regarding a previous draft of the draft TRiP Policy. Feedback was incorporated into a new "Final Draft" and sent to the board on October 9. Feedback was received from board members on October 14 and incorporated into a new "Final Draft" which is included as Exhibit 1 and 2.

At the October board meeting, AECOM will provide an overview of the Final Draft TRiP Policy which has been revised based on Board direction received at the September Board meeting. Substantive changes from the prior edition include:

- Five-year policy duration
- 95% of TRiP funds split between member cities with up to 5% for DCTA program management
- Three-year rollover policy for funds
- Policy is for capital projects only, service operation cost was removed
- Project eligibility list updated to better clarify types of eligible projects

In addition to reviewing edits from last month's board meeting, AECOM will facilitate a discussion with the Board regarding additional feedback received from board members since the September board meeting. Topics for discussion include:

- Project Funding Disbursement vs. Reimbursement
- Off Cycle Project Submission
- List of Eligible Projects
- Direct Cash Incentives for Developers

### Financial Impact

Upon Board Approval of the TRiP policy, TRiP will be a five-year program with its first funding cycle during the 2021 fiscal year budget. The anticipated annual TRiP budget will be set at 15 percent of DCTA's net available fund balance from the previous fiscal year. For the initial program year and in addition to the set 15 percent, a one-time program startup amount of \$2,000,000 will be dedicated to the TRiP project line item within the FY2021 budget.

### Recommendation

Staff recommends continued review and discussion of the final draft of the Transportation Reinvestment Program (TRiP) Policy. This item is posted as a “Possible Action” item to provide an opportunity for the Board to approve the policy at this month’s board meeting if the board is able to reach consensus on all outstanding discussion items. If there continues to be a considerable number of necessary edits, staff recommends deferring taking action until the November board meeting when a final policy document would be available.

### Exhibits

Exhibit 1: TRiP Policy Final Draft 10.14.20 (Redlined Version)

Exhibit 2: TRiP Policy Final Draft 10.14.20 (Clean Version)

Exhibit 3: Board Presentation with Recent Feedback Summary

Submitted By:



Tim Palermo, Planning & Data Analytics Manager

Final Review:



Kristina Holcomb, Deputy CEO

Approval:



Raymond Suarez, CEO



## DENTON COUNTY TRANSPORTATION AUTHORITY TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

### I. POLICY STATEMENT

The Denton County Transportation Authority (DCTA) Transportation Reinvestment Program (TRiP) policy objective is to provide financial assistance to DCTA member cities for transit-supportive projects consistent with and beneficial to DCTA's Long-Range Service Plan goals. TRiP funding will be apportioned to DCTA member cities in proportion to each city's net half-cent sales and use tax collection for the previous fiscal year, as published by the Texas Comptroller's Allocation Payment Detail. Total program funding levels and allocation formula are detailed in Section III. DCTA will distribute funds to member cities for eligible projects consistent with DCTA's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code, and project selection criteria specified in Section V.

### II. SCOPE

TRiP is a five-year policy, with its first funding cycle beginning in 2021. Each year, DCTA will establish TRiP funding levels following an audit of the previous fiscal year's net available balance and in accordance with the TRiP policy. DCTA will issue a call for projects at the beginning of the calendar year. Continuation of the policy beyond the initial five years would require DCTA Board reapproval. In the event the Board does not re-approve subsequent years, the policy will expire after the five-years and any unobligated funds shall revert to DCTA cash reserves.

Funds will be available to DCTA member cities, including Denton, Highland Village and Lewisville. A municipality which becomes a participating member of DCTA, under the provisions of Section 460.302 Texas Transportation Code, will become an eligible recipient of DCTA TRiP funding in the next fiscal year following collection of a transit sales and use tax.

### III. FUNDING

The annual TRiP budget will be equal to 15 percent of DCTA's net available fund balance from the previous fiscal year. In addition, DCTA will authorize a one-time program startup amount of \$2,000,000 to be transferred from the Capital/Infrastructure Reserve to a dedicated TRiP project line within the FY2021 budget. Annual program contributions may be amended as necessary through Board amendment of the TRiP policy.

Funding for each member city will be allocated based on the following formula:

$$= 95\% \times \text{Annual Program Budget} \left( \frac{\text{Individual member city sales tax collection, prior FY}}{\text{Total all member cities sales tax collection, prior FY}} \right)$$

Actual cost up to five percent of the annual program budget shall be set aside for DCTA program administration, including project selection, monitoring and financial reporting, and 95 percent split among member cities proportional to sales and use tax receipts, as estimated by DCTA financial staff, for the previous fiscal year. Prior to award of the TRiP projects, DCTA staff will present anticipated TRiP administrative costs for Board approval. Unspent administrative budget shall be returned to TRiP reserve balances.

October 14, 2020 Deliberative Draft

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## DENTON COUNTY TRANSPORTATION AUTHORITY TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

Multiple municipalities may pool their allocated amounts to allow more flexibility in financing larger, mutually beneficial projects. Member cities could accrue allocated funds each fiscal year in order to fund a larger project. Funds remain with DCTA, designated to each member city, until dispersed to an approved project. Funds will remain with DCTA until reimbursements have been made to the member city. Unobligated funds designated to each member city may rollover for up to three years.

### IV. ELIGIBLE PROJECTS

To be eligible for TRiP funding, a project must be consistent with DCTA's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code, and project selection criteria specified in Section V. Projects funded through inter-local agreement must be authorized under and consistent with the provisions of Texas Local Government Code 791: Interlocal Cooperation Contracts.

A key provision of Chapter 460 regarding DCTA expenditures is that they be consistent with and beneficial to the locally adopted Long-Range Service Plan goals. Projects eligible for TRiP funding should demonstrate support of these formally adopted goals. Eligible projects are shown in Attachment A.

In addition to serving Long-Range Service Plan goals, projects eligible for TRiP funding should be clearly defined and financially sound. Well defined capital/expansion projects will facilitate a reliable design-build cost estimate. Cost estimates for maintenance of assets should be based on recent similar maintenance projects or bids/solicitations where available. Planning and preliminary design costs may also be eligible for projects that support DCTA's long range goals.

Eligible project types may be amended as necessary through a DCTA Board amendment of the TRiP policy. Adoption of an updated DCTA Long-Range Service Plan update may trigger Board action if amendments to TRiP project criteria are needed to ensure consistency with updated Long-Range Service Plan goals.

### V. PROJECT SELECTION

Eligible member cities must submit a written application for funding. The application shall include, at minimum: a project description, project limits and boundaries, proposed or engineering based capital cost estimates, requested funding amount, identification of additional funding sources (if applicable), proposed schedule for the project, and a description of how the project would support DCTA Long-Range Service Plan goals. A sample project application is provided in Attachment A.

Applications will be submitted within 90 days of the DCTA Call for Projects. However, member cities may submit their applications sooner. DCTA staff will have 30 days to review the application to determine minimum project eligibility or request more information. Subsequent to completing the review, if no additional information was requested, the application will be placed on the agenda for the next regularly scheduled DCTA Board of Directors meeting for consideration. Following the review of each application, the DCTA Board will lead the approval and award process.

October 14, 2020 Deliberative Draft

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## DENTON COUNTY TRANSPORTATION AUTHORITY TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

Should a member city have a project that timing would necessitate an application prior to the call for projects, a city may submit an application for pre-award authority. Any cost difference between the member city's allocated funding for that year and the project cost, would be borne by the member city.

DCTA staff will have 30 days to review the pre-award authority application to determine minimum project eligibility or request more information. Subsequent to completing the review, if no additional information was requested, the application will be placed on the agenda for the next regularly scheduled DCTA Board of Directors meeting for consideration. Following the review of each application, the DCTA Board will lead the approval and award process.

At a minimum, projects must meet the following criteria to be eligible for DCTA funding:

- Project limits located primarily within the DCTA service area, the geographic boundaries of DCTA member cities, or within a quarter mile of any A-train Station or DCTA fixed bus route.
  - Projects that extend beyond this area should identify extra-territorial costs and alternate funding sources for the portion of costs not eligible for TRiP funding
- Clear and defensible nexus to DCTA Long-Range Service Plan goals
- Financially Sound
  - Requested capital funding does not exceed the member city's TRiP allocation, or
  - Funding sources have been identified for project costs exceeding the requested amount

In the event a member city submits multiple projects for consideration whose total costs exceed the member city's balance of available funds, additional project criteria may be considered to narrow the selection. These additional criteria may include percent cost sharing, ability to leverage additional federal funding, project timeframe, and demonstrated ability to meet multiple Long-Range Service Plan goals. Projects meeting minimum selection criteria may be deferred to a future year in the event of funding limitations.

### VI. DISBURSEMENT

Based on the requested funding amount and as part of the Board approval packet, DCTA staff will recommend a schedule for TRiP funding disbursement which may be lump sum, quarterly, or annually.

Once approved by the DCTA Board, the approved funding becomes programmed to the project. That programmed amount is deducted from the available apportionment as an obligation. Funds will be disbursed in accordance with the approved schedule, including lump-sum, quarterly or annually. In no case, will disbursements be made until the project eligibility requirements have been met and formal approval by the DCTA Board has been made. DCTA disbursement of payment to member cities for eligible project expenses will occur after an expense has been incurred as a reimbursement.

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**Commented [AJ48R47]:** Edits not accepted because disbursements will be on an approved schedule, not annual.

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## DENTON COUNTY TRANSPORTATION AUTHORITY TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

For capital assistance projects, member cities shall provide DCTA with a project status report and current financial records for each approved project. The status report shall be submitted on an annual basis (consistent with recommended disbursement schedule), and will include:

- Project identifier
- Approved project budget
- TRiP funds programmed for the project
- Expenses incurred
- Percentage completion

At project completion, in the event that final project accounting or audit reveals that TRiP funding was not expended in a manner consistent with program requirements, or that the final project cost was less than the approved TRiP funding, those unspent funds shall be returned to DCTA and remain available in the apportionment for reprogramming to the eligible city. Unspent dollars shall be available to the eligible city up to three years for reprogramming and will be in addition to, any future allotments.

All TRiP funding will be considered subordinate to DCTA's debt service requirements. DCTA does not assume or incur any liability, obligation or financial responsibility for a contract between an eligible city and a contractor, employee or agent for an approved project or any liability for a result, occurrence, injury or damages resulting from or caused, directly or indirectly, by an approved project.

### VII. PERFORMANCE EVALUATION AND REPORTING

Eligible cities shall maintain accurate books and records of all approved projects. Cities will maintain separate records for each approved project including project budgets, budget amendments, revised budget balances, expenditures to date, change orders, cost to complete, and TRiP funding received to date. DCTA maintains the right to audit a city's books to ensure that TRiP funding is applied in accordance with the program criteria. Cities also maintain the right to audit DCTA's books to ensure that the funding allocations and disbursements are in accordance with these guidelines and other applicable laws.

In addition to financial records, member cities will provide to DCTA an annual status report for each funded project detailing the activities completed to date, schedule updates, and any foreseeable issues or challenges. Additional performance monitoring criteria may be established for larger disbursements or on-going programs funded through TRiP.

Upon completion of a project, DCTA may evaluate performance goals (established in coordination with the member cities) intended to demonstrate the project's ability to support Long-Range Service Plan goals. DCTA will report quarterly to the Board on the status of the TRiP fund, including amounts apportioned, amounts programmed, amounts disbursed to member cities, and the amount remaining for each city. Quarterly staff reports will also include a summary of significant milestones and performance goals.

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Commented [KH53]: COSTA: Member city status	...
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Commented [AJ59]: Annually rejected, remains quarterly	...
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Commented [LK60]: See note above re. quarterly vs.	...
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## DENTON COUNTY TRANSPORTATION AUTHORITY TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

### VIII. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the project selection process shall refrain from personal business activity that could conflict with the proper execution and management of the TRiP or that could impair the ability to make impartial decisions. Employees and Board members shall disclose any material interests potentially affected by any of the projects submitted.

**Deleted:** Transportation Reinvestment Program

Procedures when identifying a potential conflict of interest will comply with Chapter 171 of Texas Local Government Code regarding conflicts of interest. If an officer or employee involved in the project selection process has a substantial interest in a business entity or in real property, that person must file an affidavit stating the nature and extent of the interest and abstain from further participation.<sup>3</sup>

### IX. SUBJECT TO AUDIT

DCTA 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 error, misrepresentation, or oversight. A formal annual review of these internal controls as well as disbursements and receipts associated with the Transportation Reinvestment Program will be performed by an independent auditor. Results of the audit shall be reported to the Board.

**Commented [TP67]:** COSTA: have the city auditor review the projects and provide a written statement to DCTA stating the funds received from DCTA were used for the intended purpose

**Commented [LK68R67]:** Recommended: Audit should be performed by an independent (3rd party) auditor. See similar comment above

**Deleted: X. ADOPTION BY BOARD OF DIRECTORS¶**  
DCTA's TRiP policy shall be adopted annually by the Board of Directors. The funding amount, policy language, and strategies shall be reviewed on an annual basis by the Board followed by a written resolution approving or amending the program.

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<sup>3</sup> Legal exceptions and situations not requiring abstention should be reviewed and documented with DCTA counsel.

**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

**ATTACHMENT A – SAMPLE PROJECT APPLICATION**

**PROJECT NAME:**

**PROJECT SPONSOR:**

☐ Denton

☐ Lewisville

☐ Highland  
Village

**PROJECT DESCRIPTION:**

**GEOGRAPHIC  
LIMITS/BOUNDARIES:**

**REQUEST FOR CAPITAL**

**LEVEL OF DESIGN:**

**PROJECT COST:**

**FUNDING REQUEST:**

**ESTIMATED PROJECT  
COMPLETION DATE:**

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**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

**ADDITIONAL INFORMATION:**

**IN THE SECTION BELOW, PLEASE INDICATE HOW THE PROPOSED PROJECT  
SUPPORTS DCTA LONG-RANGE SERVICE PLAN GOALS**

☐ Increase service efficiency and reliability

☐ Increase service effectiveness for DCTA  
customer

☐ Increase the visibility and elevate the image  
of DCTA

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**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

☐ Expand DCTA services into areas where transit has a strong likelihood of success

☐ Coordinate with regional transportation providers

☐ Pair transit facilities to existing and planned transit-supportive development

☐ Advocate sustainable development practices that support transit

☐ Strive for financial excellence by maintaining fiscally sound and sustainable financial plans and budgets that reflect community priorities and values

**THIS SECTION TO BE COMPLETED BY DCTA STAFF**

Transportation Reinvestment Program Project Identifier: \_\_\_\_\_

☐ Meets minimum project eligibility requirements

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**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

☐ Multiple project selection

Rank: \_\_\_\_\_

Initial Member City Transportation Reinvestment Program Balance: \_\_\_\_\_

Recommended Project FY \_\_\_\_\_ Programmed Amount: \_\_\_\_\_

Remaining Member City Balance: \_\_\_\_\_

Recommended Disbursement Schedule:

- ☐ Lump Sum
- ☐ Quarterly
- ☐ Monthly
- ☐ As defined through Inter-local Agreement

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☐ Service Request complies with FTA charter service restrictions¶

**PLEASE ATTACH PROJECT COST BACKUP. ACCEPTABLE COST BACKUP FOR CAPITAL PROJECTS INCLUDES PROJECT DRAWINGS, DESIGN SHEETS, COST WORKBOOK, OR BID SHEET. FOR SERVICE REQUESTS, PLEASE INCLUDE A SUMMARY OF DISCUSSIONS WITH DCTA SERVICE PLANNING STAFF OR AN ESTIMATE FROM AN ALTERNATE TRANSPORTATION SERVICE PROVIDER.**

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**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

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DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

ATTACHMENT A

Improvement Type	Restrictions
Transit Stop Amenities	Along existing or planned DCTA <u>fixed routes</u>
Sidewalks	<u>Along existing or planned DCTA fixed routes/on-demand response zones</u>
Crosswalks/Median Island	<u>Along existing or planned DCTA fixed routes/on-demand response zones</u>
Bike/Ped Trail Connections	Provides connection to existing or planned transit network
Bus Bulb Out/Turning Pocket	N/A
Transit Lane	N/A
Bike Lane <u>(on-street)</u>	N/A
Other Lane reconfiguration	<u>Must serve a transit-related purpose</u>
Traffic Calming	N/A
Landscaping/streetscaping	Along existing <u>or planned route</u> DCTA <u>fixed routes/on-demand response zones</u>
Street lighting/ Other public safety improvements	Along existing or planned DCTA <u>fixed routes/on-demand response zones</u>
<u>Transit Signal Priority (TSP)</u>	<u>Along existing or planned DCTA fixed routes/on-demand response zones</u>
Signal Timing	<u>Along existing or planned DCTA fixed routes/on-demand response zones</u>
Other Intersection improvements	<u>Along existing or planned DCTA fixed routes/on-demand response zones</u>
<u>Street Improvements</u>	<u>Along existing or planned DCTA fixed routes/ on-demand response zones</u>
Shared Parking, Kiss & Ride/Drop-off Zones	Within 500 feet of DCTA Stations or Facilities
Transit Oriented Development	Planning and site development activities
<u>Transit Adjacent Development</u>	Planning and site development activities
Wayfinding/Placemaking signage	N/A

Note: all improvements should be consistent with approved local and regional plans, including DCTA's Long Range Service Plan

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**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

**I. POLICY STATEMENT**

The Denton County Transportation Authority (DCTA) Transportation Reinvestment Program (TRiP) policy objective is to provide financial assistance to DCTA member cities for transit-supportive projects consistent with and beneficial to DCTA's Long-Range Service Plan goals. TRiP funding will be apportioned to DCTA member cities in proportion to each city's net half-cent sales and use tax collection for the previous fiscal year, as published by the Texas Comptroller's Allocation Payment Detail. Total program funding levels and allocation formula are detailed in Section III. DCTA will distribute funds to member cities for eligible projects consistent with DCTA's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code, and project selection criteria specified in Section V.

**II. SCOPE**

TRiP is a five-year policy, with its first funding cycle beginning in 2021. Each year, DCTA will establish TRiP funding levels following an audit of the previous fiscal year's net available balance and in accordance with the TRiP policy. DCTA will issue a call for projects at the beginning of the calendar year. Continuation of the policy beyond the initial five years would require DCTA Board reapproval. In the event the Board does not re-approve subsequent years, the policy will expire after the five-years and any unobligated funds shall revert to DCTA cash reserves.

Funds will be available to DCTA member cities, including Denton, Highland Village and Lewisville. A municipality which becomes a participating member of DCTA, under the provisions of Section 460.302 Texas Transportation Code, will become an eligible recipient of DCTA TRiP funding in the next fiscal year following collection of a transit sales and use tax.

**III. FUNDING**

The annual TRiP budget will be equal to 15 percent of DCTA's net available fund balance from the previous fiscal year. In addition, DCTA will authorize a one-time program startup amount of \$2,000,000 to be transferred from the Capital/Infrastructure Reserve to a dedicated TRiP project line within the FY2021 budget. Annual program contributions may be amended as necessary through Board amendment of the TRiP policy.

Funding for each member city will be allocated based on the following formula:

$$= 95\% \times \text{Annual Program Budget} \left( \frac{\text{Individual member city sales tax collection, prior FY}}{\text{Total all member cities sales tax collection, prior FY}} \right)$$

Actual cost up to five percent of the annual program budget shall be set aside for DCTA program administration, including project selection, monitoring and financial reporting, and 95 percent split among member cities proportional to sales and use tax receipts, as estimated by DCTA financial staff, for the previous fiscal year. Prior to award of the TRiP projects, DCTA staff will present anticipated TRiP administrative costs for Board approval. Unspent administrative budget shall be returned to TRiP reserve balances.

Multiple municipalities may pool their allocated amounts to allow more flexibility in financing larger, mutually beneficial projects. Member cities could accrue allocated funds each fiscal year in order to fund a larger project. Funds remain with DCTA, designated to each member city,

**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

until dispersed to an approved project. Funds will remain with DCTA until reimbursements have been made to the member city. Unobligated funds designated to each member city may rollover for up to three years.

**IV. ELIGIBLE PROJECTS**

To be eligible for TRiP funding, a project must be consistent with DCTA's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code, and project selection criteria specified in Section V. Projects funded through inter-local agreement must be authorized under and consistent with the provisions of Texas Local Government Code 791: Interlocal Cooperation Contracts.

A key provision of Chapter 460 regarding DCTA expenditures is that they be consistent with and beneficial to the locally adopted Long-Range Service Plan goals. Projects eligible for TRiP funding should demonstrate support of these formally adopted goals. Eligible projects are shown in **Attachment A**.

In addition to serving Long-Range Service Plan goals, projects eligible for TRiP funding should be clearly defined and financially sound. Well defined capital/expansion projects will facilitate a reliable design-build cost estimate. Cost estimates for maintenance of assets should be based on recent similar maintenance projects or bids/solicitations where available. Planning and preliminary design costs may also be eligible for projects that support DCTA's long range goals.

Eligible project types may be amended as necessary through a DCTA Board amendment of the TRiP policy. Adoption of an updated DCTA Long-Range Service Plan update may trigger Board action if amendments to TRiP project criteria are needed to ensure consistency with updated Long-Range Service Plan goals.

**V. PROJECT SELECTION**

Eligible member cities must submit a written application for funding. The application shall include, at minimum: a project description, project limits and boundaries, proposed or engineering based capital cost estimates, requested funding amount, identification of additional funding sources (if applicable), proposed schedule for the project, and a description of how the project would support DCTA Long-Range Service Plan goals. A sample project application is provided in *Attachment A*.

Applications will be submitted within 90 days of the DCTA Call for Projects. However, member cities may submit their applications sooner. DCTA staff will have 30 days to review the application to determine minimum project eligibility or request more information. Subsequent to completing the review, if no additional information was requested, the application will be placed on the agenda for the next regularly scheduled DCTA Board of Directors meeting for consideration. Following the review of each application, the DCTA Board will lead the approval and award process.

Should a member city have a project that timing would necessitate an application prior to the call for projects, a city may submit an application for pre-award authority. Any cost difference

**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

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DCTA staff will have 30 days to review the pre-award authority application to determine minimum project eligibility or request more information. Subsequent to completing the review, if no additional information was requested, the application will be placed on the agenda for the next regularly scheduled DCTA Board of Directors meeting for consideration. Following the review of each application, the DCTA Board will lead the approval and award process.

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Addition  
of text  
pending  
Board  
discussion

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- Project limits located primarily within the DCTA service area, the geographic boundaries of DCTA member cities, or within a quarter mile of any A-train Station or DCTA fixed bus route.
  - Projects that extend beyond this area should identify extra-territorial costs and alternate funding sources for the portion of costs not eligible for TRiP funding
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- Financially Sound
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Based on the requested funding amount and as part of the Board approval packet, DCTA staff will recommend a schedule for TRiP funding disbursement which may be lump sum, quarterly, or annually.

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For capital assistance projects, member cities shall provide DCTA with a project status report and current financial records for each approved project. The status report shall be submitted on an annual basis (consistent with recommended disbursement schedule), and will include:

- Project identifier
- Approved project budget
- TRiP funds programmed for the project

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**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

- Expenses incurred
- Percentage completion

At project completion, in the event that final project accounting or audit reveals that TRiP funding was not expended in a manner consistent with program requirements, or that the final project cost was less than the approved TRiP funding, those unspent funds shall be returned to DCTA and remain available in the apportionment for reprogramming to the eligible city. Unspent dollars shall be available to the eligible city up to three years for reprogramming and will be in addition to, any future allotments.

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**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

in the project selection process has a substantial interest in a business entity or in real property, that person must file an affidavit stating the nature and extent of the interest and abstain from further participation.<sup>1</sup>

**IX. SUBJECT TO AUDIT**

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<sup>1</sup> Legal exceptions and situations not requiring abstention should be reviewed and documented with DCTA counsel.



**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)****ATTACHMENT A – SAMPLE PROJECT APPLICATION****PROJECT NAME:****PROJECT SPONSOR:**☐ Denton☐ Lewisville☐ Highland  
Village**PROJECT DESCRIPTION:****GEOGRAPHIC  
LIMITS/BOUNDARIES:****REQUEST FOR CAPITAL****LEVEL OF DESIGN:****PROJECT COST:****FUNDING REQUEST:****ESTIMATED PROJECT  
COMPLETION DATE:****ADDITIONAL INFORMATION:**

**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

**IN THE SECTION BELOW, PLEASE INDICATE HOW THE PROPOSED PROJECT  
SUPPORTS DCTA LONG-RANGE SERVICE PLAN GOALS**

☐ Increase service efficiency and reliability

☐ Increase service effectiveness for DCTA customer

☐ Increase the visibility and elevate the image of DCTA

☐ Expand DCTA services into areas where transit has a strong likelihood of success

☐ Coordinate with regional transportation providers

☐ Pair transit facilities to existing and planned transit-supportive development

☐ Advocate sustainable development practices that support transit

☐ Strive for financial excellence by maintaining fiscally sound and sustainable financial plans and budgets that reflect community priorities and values

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**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

**THIS SECTION TO BE COMPLETED BY DCTA STAFF**

Transportation Reinvestment Program Project Identifier: \_\_\_\_\_

☐ Meets minimum project eligibility requirements

☐ Multiple project selection

Rank: \_\_\_\_\_

Initial Member City Transportation Reinvestment Program Balance: \_\_\_\_\_

Recommended Project FY \_\_\_\_\_ Programmed Amount: \_\_\_\_\_

Remaining Member City Balance: \_\_\_\_\_

Recommended Disbursement Schedule:

☐ Lump Sum

☐ Quarterly

☐ Monthly

☐ As defined through Inter-local Agreement

**PLEASE ATTACH PROJECT COST BACKUP. ACCEPTABLE COST BACKUP FOR CAPITAL PROJECTS INCLUDES PROJECT DRAWINGS, DESIGN SHEETS, COST WORKBOOK, OR BID SHEET. FOR SERVICE REQUESTS, PLEASE INCLUDE A SUMMARY OF DISCUSSIONS WITH DCTA SERVICE PLANNING STAFF OR AN ESTIMATE FROM AN ALTERNATE TRANSPORTATION SERVICE PROVIDER.**

**DENTON COUNTY TRANSPORTATION AUTHORITY  
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)**

**ATTACHMENT A**

<b>Improvement Type</b>	<b>Restrictions</b>
<b>Transit Stop Amenities</b>	Along existing or planned DCTA fixed routes
<b>Sidewalks</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Crosswalks/Median Island</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Bike/Ped Trail Connections</b>	Provides connection to existing or planned transit network
<b>Bus Bulb Out/Turning Pocket</b>	N/A
<b>Transit Lane</b>	N/A
<b>Bike Lane (on-street)</b>	N/A
<b>Other Lane reconfiguration</b>	Must serve a transit-related purpose
<b>Traffic Calming</b>	N/A
<b>Landscaping/streetscaping</b>	Along existing or planned route DCTA fixed routes/on-demand response zones
<b>Street lighting/ Other public safety improvements</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Transit Signal Priority (TSP)</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Signal Timing</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Other Intersection improvements</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Street Improvements</b>	Along existing or planned DCTA fixed routes/ on-demand response zones
<b>Shared Parking, Kiss &amp; Ride/Drop-off Zones</b>	Within 500 feet of DCTA stations or facilities
<b>Transit Oriented Development</b>	Planning and site development activities
<b>Transit Adjacent Development</b>	Planning and site development activities
<b>Wayfinding/Placemaking signage</b>	N/A

*Note: all improvements should be consistent with approved local and regional plans, including DCTA's Long Range Service Plan*

October 14, 2020 Deliberative Draft



# Issues for Discussion

- **Policy**
  - Revised to reflect 5-year horizon
- **III. Funding**
  - Objection to term “minimum” was raised. “a minimum of” was removed.
  - Revised to 95% split among member cities proportional to sales and use tax receipts and up to 5% for program management
  - Clarification on unspent administrative funds
  - Three years chosen as rollover period. New text: “*Unobligated funds designated to each member city may rollover for up to three years.*”
  - Reimbursements/disbursements: Clarification that payments would be reimbursements
- **V. Project Selection**
  - Application window for member cities and staff time to review
- **VI. Disbursement**
  - Removed paragraphs related to service operations
  - Benchmarks changed to “performance goals”
  - Reporting (quarterly vs annually) -- *Edited to clarify that these are quarterly staff reports, not member city reporting/audit.*
- **Attachment A**
  - Note added to list of eligible projects that they should be “consistent with plans”
  - Sidewalk/Crosswalk within 1 mile of route and added street improvements
  - No direct cash incentives

## Length/Recurrence of TRiP Program

*“TRiP is a five-year policy, with its first funding cycle beginning in 2021. Each year, DCTA will establish TRiP funding levels following an audit of the previous fiscal year’s net available balance and in accordance with the TRiP policy. DCTA will issue a call for projects at the beginning of the calendar year. Continuation of the policy beyond the initial five years would require DCTA Board reapproval. In the event the Board does not re-approve subsequent years, the policy will expire after the five-years and any unobligated funds shall revert to DCTA cash reserves. ”*

*– TRiP, Section II, Scope*

- Board approved 5-year policy at the September Board meeting

**Action: Changed to 5-year policy with annual budget approval. Edits made throughout policy document.**

*“The annual TRiP budget will be equal to ~~a minimum of~~ 15 percent of DCTA’s net available fund balance from the previous fiscal year.”*

– TRiP, Section III, Funding

– Objection to term “minimum” was raised.

**Action: “a minimum of” was removed**

## Program Funding Levels

*“Actual cost up to **five** percent of the annual program budget shall be set aside for DCTA program administration, including project selection, monitoring and financial reporting, and **95** percent split among member cities proportional to sales and use tax receipts, as estimated by DCTA financial staff, for the previous fiscal year.”*

*– TRiP, Section III, Funding*

- Board agreed on up to five percent of the annual program budget for actual administrative expenses

**Action: Understanding that administrative costs may not scale 1-to-1 with total program budget, up to five percent of the initial program will be set aside and subsequent years will be part of the budget process each year.**



*“Unspent administrative budget shall be returned to TRiP reserve balances.”*  
– TRiP, Section III, Funding

- Clarification requested for process of unspent funds
- GILMORE: Prior to award of the TRiP program projects, DCTA staff will present anticipated TRiP administrative costs for Board approval.

**Action: Statements added to Section III, Funding -  
Prior to award of the TRiP program projects, DCTA staff will present anticipated TRiP administrative costs for Board approval.  
Unspent administrative budget shall be returned to TRiP reserve balances.**

*“Unobligated funds designated to each member city may rollover for up **to three years.**”*

– TRiP, Section III, Funding

- Board decision that funds may rollover up to three years

**Action: Funds remain with DCTA, designated to each member city, until obligated to an approved project. Unobligated funds designated to each member city may rollover for up to three years.**

## Reimbursements to Member Cities

*“Funds remain with DCTA, designated to each member city, until dispersed to an approved project. Funds will remain with DCTA until **disbursements** reimbursements have been made to the member city. Unobligated funds designated to each member city may rollover for up to three years.”*

*– TRiP, Section III, Funding*

- Staff: Even once funds are obligated to a project, the funds will remain with DCTA until reimbursements have been made to the city.

**Action: Clarification that payments would be reimbursements**

# Member City Applications

“Should a member city have a project that timing would necessitate an application prior to the call for projects, a city may submit an application for pre-award authority. Any cost difference between the member city’s allocated funding for that year and the project cost, would be borne by the member city.

DCTA staff will have 30 days to review the pre-award authority application to determine minimum project eligibility or request more information. Subsequent to completing the review, if no additional information was requested, the application will be placed on the agenda for the next regularly scheduled DCTA Board of Directors meeting for consideration. Following the review of each application, the DCTA Board will lead the approval and award process.”

– TRiP, Section V, Project Selection

- GILMORE: included new language that specified the application window for member cities and staff time to review.

**Action: Board discussion**

~~“For approved projects requesting DCTA-operated service, the estimated cost of service will be deducted from the member city’s available apportionment and DCTA will bear the cost of service. DCTA will maintain separate service, performance and financial records for all TRiP-funded services. For services operated by a 3rd party, DCTA staff will recommend a disbursement and/or direct payment mechanism that reflects existing contracting relationships and FTA requirements as part of the Board approval process.”~~

~~– TRiP, Section VI, Disbursements~~

– Board decision to remove service operation language

**Action: Removed paragraphs related to service operations**

# Performance Goals

*“Upon completion of a project, DCTA may evaluate **performance goals** (established in coordination with the member cities) intended to demonstrate the project’s ability to support Long-Range Service Plan goals.”*

– TRiP, Section VII, Performance Evaluation and Reporting

– Board decision to remove benchmark references and refer to goals

**Action: “Benchmarks” changed to “performance goals” throughout**

# Disbursement Occurrence

*“Funds will be disbursed in accordance with the approved schedule, including lump-sum, quarterly or annually. In no case, will disbursements be made until the project eligibility requirements have been met and formal approval by the DCTA Board has been made. DCTA disbursement of payment to member cities for eligible project expenses will occur after an expense has been incurred as a reimbursement..”*

– TRiP, Section VI, Disbursement

- Staff: Policy should acknowledge that the disbursements are reimbursement basis.
- Gilmore: Monthly seems overly burdensome, on both the City and DCTA staff. Quarterly should be more than sufficient.

**Action: Revised as suggested**

- Board requested updated list of Eligible Projects in Attachment A (Improvement Types)
- **Action: items removed from Attachment A**

Improvement Type	Restrictions
<del>Civic Space</del>	<del>Planning and site development activities, no direct cash incentives</del>
<del>Catalyst Investment</del>	<del>Planning and site development activities, no direct cash incentives</del>
<del>Active Urban Space</del>	<del>N/A</del>



## Eligible Projects (Attachment A)

- Board requested note added to Attachment A (list of eligible projects) that they should be consistent with plans.

**Action: Note added to list of eligible projects that they should be “consistent with plans”**

## Eligible Projects (Sidewalks/Crosswalks and Street Improvements)

- GILMORE: Sidewalks and crosswalks should be within 1 mile of existing or planned DCTA fixed routes/on-demand response zones
- **ACTION: Edits accepted in Attachment A**
- GILMORE: Add Street Improvements as an Investment Type. Restrictions defined as “Within ½ mile of existing or planned DCTA fixed routes or demand response zones.”
- **ACTION: Addition accepted however changed restrictions to “along existing or planned DCTA fixed routes or demand response zones.”**

## Cash Incentives (Attachment A)

- GILMORE: What if cities are providing direct cash incentives to developer to build the improvements otherwise set forth in this list? For example – what if a TOD developer is going to improve streetscaping? If the streetscaping would otherwise qualify under TRiP, shouldn't cities be able to give cash incentives to the developer to build those improvements? Same comment for Transit Adjacent Development.
- **Action: Board discussion**

## Additional Questions

See TRiP Policy comment resolution in Board Packet for more detail

**Board of Directors Memo****October 22, 2020****SUBJECT: Ratification of Emergency Expenditure for Repairs to the Bus Operations and Maintenance Facility****Background**

An emergency declaration related to repair of the parking lot at the Bus O&M facility on October 7th was executed by the CEO to ensure ongoing operations of bus service. The original project involved removal and replacement of concrete flatwork around the oil/water separator associated with the bus wash. Water had infiltrated through the expansion joints and caused cracking and subsidence of a small area. The project was competitively bid and a contract was awarded to Xtreme Landsystems in the amount of \$37,507 for removal and replacement of 156 sq. yds. of pavement. Work began on 9/23/20. As demolition began it became apparent that an additional 92 sq. yds. of paving would have to be removed and replaced. This resulted in a change order of \$14,159, which exceeds the 25% statutory limitation for change orders. The statute requires that work in excess of the 25% be competitively bid except in an emergency.

**Identified Need**

The oil/water separator is located between the fuel island and the bus wash, directly in front of the above ground fuel tanks. While the damaged concrete is being repaired, the fuel delivery trucks cannot access the tanks. The tanks contain a 10-day supply of fuel and rebid of the additional work would take significantly longer.

**Financial Impact**

The original repair was included in the FY20 budget as part of the Bus Major Maintenance items. The additional work will be paid from FY21 Bus Facilities Maintenance.

**Recommendation**

DCTA Staff recommends the Board of Directors ratify the Declaration of Emergency regarding repairs to the Bus Operations and Maintenance Facility.

**Exhibits**

Exhibit 1: Change Order Estimate

Submitted By:

  
Ann Boulden, Director Capital Development

Final Review:

  
Kristina Holcomb, Deputy CEO

Approval:

  
Raymond Suarez, CEO

XTreme Landsystems  
P.O. Box 552  
Argyle, TX 76226  
George Hazlewood 940-453-0342

Change Order #1  
Oil Separator at O & M Facility

October 5, 2020

DCTA  
1955 Lakeway Drive #260  
Lewisville, TX 75057  
Vendor #0000168  
P0005478

1) Remove 95 sy. of 8" concrete	\$3,448.50
2) Excavation and backfill	\$2,360.00
3) Concrete paving in same area	\$7,350.15
4) Install and compact road base in same area	\$1000.00

Total: \$ 14,158.65

## Board of Directors Memo

October 22, 2020

SUBJECT: Discuss Current Interlocal Agreement with Trinity Metro Providing Lyft Service to the Alliance, Texas Area

### Background

The current Interlocal Agreement with Trinity Metro for Mobility Services expires on January 31, 2021. The agreement provides for on-demand rideshare services to the Alliance, Texas area through a task order with Lyft. The program originated as a pilot on-demand shuttle program in partnership with the private sector, including Toyota and Hillwood, and ran from April 2018 through January 2019. The ridership data and the cost (funded by Toyota) did not support the continuation of the shuttle program, but it was clear there remained a first/last mile transportation gap that needed to be filled. Trinity Metro and DCTA then directly partnered to deploy a Lyft program to take the place of Alliance Link with no break in service to passengers from February 1, 2019 through January 31, 2021.

Originally, the ILA with Trinity Metro was for a 2-year period but was structured to allow for our transit partner to directly contract with Lyft after a six-month period, allowing for expedited continuity of service following the expiration of the Alliance Link service. After the six months, Trinity Metro determined they preferred DCTA continue to manage the contract with Lyft, and thus an amended ILA was drafted to extend the service through the full period of the ILA (Exhibit 2). As the expiration date of January 31, 2021 approaches, Trinity Metro staff has expressed an interest in executing a two-year extension of the ILA. DCTA staff has informed Trinity Metro that an extension would require an increase to the administrative fee from the current 20 percent to 60 percent, per the Board of Directors' administrative fee policy adopted in April 2020. They will need to take the agreement and increased administrative fee to their Board of Directors for approval if DCTA's Board of Directors is amenable to extending the ILA.

The ILA is funded through a grant from the North Central Texas Council of Governments (NCTCOG) to Trinity Metro, which then reimburses DCTA for the direct cost of service and an administrative fee. With DCTA's assistance, Trinity Metro secured Regional Toll Revenue (RTR) funding from the NCTCOG, as approved by the Regional Transportation Council (RTC) on January 10, 2019, for \$250,000 for two years for a total of \$500,000 specifically to deploy an on-demand solution to the Alliance area in partnership with DCTA. Trinity Metro is scheduled to discuss with NCTCOG the ability to extend the use of these funds, as they have not been exhausted.

From February 2019 through August 2020, direct cost of service was approximately \$76,500 with the administrative fee running \$15,300 for a total of \$91,800. If we extend the agreement by two years, the total annual budget of \$250,000 would remain the same but would increase the administrative fee from 20 to 60 percent.

Ridership has remained relatively stable, despite the pandemic. Though there have been slight dips, monthly ridership has averaged 400 over the last 12 months. We do anticipate an increase as the holiday season gears up and the warehouse facilities hire more seasonal employees.

### Identified Need

As noted in the Background section, Alliance, TX faces a first/last mile challenge in getting employees from the North Texas Xpress stops and the North Park & Ride to places of employment. Continuation of the Lyft program will allow employees traveling from Denton and Fort Worth to continue accessing employment opportunities, notwithstanding personal transportation challenges.

### Financial Impact

Direct cost of service and a 60 percent administrative fee would be fully reimbursed by Trinity Metro over a 24-month period for a total ILA budget of \$500,000.

### Recommendation

Staff recommends the Board provide direction to continue negotiations with Trinity Metro to extend the Interlocal Agreement for a two-year period with an increased administrative fee of 60 percent.

### Exhibits

Exhibit 1: Original Interlocal Agreement with Trinity Metro for Mobility Services

Exhibit 2: First Amended Interlocal Agreement with Trinity Metro for Mobility Services

Submitted By:

  
Lindsey Baker, Director of Government Affairs

Approval:

  
Raymond Suarez, CEO



STATE OF TEXAS	§	
	§	INTERLOCAL COOPERATION
	§	AGREEMENT
COUNTIES OF DENTON	§	
AND TARRANT	§	

This Interlocal Cooperation Agreement ("Agreement") is made by and between Denton County Transportation Authority ("DCTA") and Fort Worth Transportation Authority (doing business as and hereinafter referred to as "Trinity Metro"), (each a "Party" and collectively the "Parties"), acting by and through their authorized representatives.

### RECITALS

**WHEREAS**, DCTA is a coordinated county transportation created under Chapter 460 of the Texas Transportation Code; and

**WHEREAS**, Trinity Metro is a regional transportation authority existing and operating under Chapter 452 of the Texas Transportation Code; and

**WHEREAS**, Trinity Metro operates a transportation system, including bus service, in municipalities and unincorporated areas of Tarrant County, Texas, that have joined or contracted for service with Trinity Metro; and

**WHEREAS**, AllianceTexas ("Alliance") is a master-planned, mixed-use community located in north Fort Worth, Texas, and Denton and Tarrant Counties, and is home to roughly 500 companies; and

**WHEREAS**, the Parties have agreed on the terms and conditions for DCTA to provide Trinity Metro first/last mile, on-demand service (the "Services") in Alliance solely by DCTA's utilization of existing contract(s) with mobility provider(s) (i.e. Lyft, Inc.); and

**WHEREAS**, Trinity Metro ultimately intends to negotiate and execute its own contract and task order with Lyft, or other mobility provider, which would go into effect after the first six (6) months of this Agreement and replace and supplant the Services provided initially by DCTA;

**NOW, THEREFORE**, in consideration of the terms and conditions contained herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### Article I Purpose

DCTA will execute a task order for a period not to exceed six (6) months with a contracted mobility provider (i.e. Lyft, Inc.) to provide the Services in Alliance to replace the nine (9)-month "Alliance Link" shuttle pilot program operated by MV Transit which expires January 31, 2019.

The hours of operation for the Services shall be agreed upon by the Parties and adjusted based on ridership.

## **Article II**

### **Term/Notice of Extension/Termination**

2.1 **Initial Term.** The Initial Term of the Agreement will be twenty-four (24) months, commencing on the Effective Date of February 1, 2019 and terminating on January 31, 2021.

2.2 **Notice of Extensions.** Not less than sixty (60) days before the end of the Initial Term, or if applicable, any extended term, either DCTA or Trinity Metro may notify the other in writing that it desires to extend the term of this Agreement for an additional twelve (12)-month-period. If the other Party responds by written notice that it also desires to extend the term, a twelve (12) month extended term will commence on the next anniversary of the Effective Date.

2.3 **Termination.** Either Party may terminate this Agreement, with or without cause, by giving sixty (60) days prior written notice to the other Party. In the event of such termination, each Party shall be entitled to compensation for any services completed, in the reasonable judgment of the other Party, in accordance with this Agreement prior to such termination.

## **Article III**

### **Payments for Service**

3.1 **The Funding.** Trinity Metro will utilize a \$500,000 allocation of funding received by Trinity Metro (the "Funding") from the North Central Texas Council of Governments to provide the Services in Alliance utilizing DCTA's contract with a mobility provider (i.e. Lyft, Inc.) for two (2) years.

3.2 **Reimbursement of DCTA.** DCTA shall be reimbursed for one-hundred percent (100%) of all costs for the Services invoiced from the mobility provider associated with this Agreement, and an administrative fee per the schedule in Exhibit 1.

3.3 **Invoicing.** On or before the fifteenth (15<sup>th</sup>) day of each calendar month during the Initial Term or any extended term of this Agreement, DCTA shall prepare a written invoice to Trinity Metro including number of trips, operating expenses, administrative management fees, and reasonable supporting materials for the Services provided in the previous month.

3.4 **Payment.** Trinity Metro shall pay DCTA within thirty (30) days of the receipt of each monthly compliant invoice using either the Funding or other Trinity Metro funds.

3.5 **Current Revenues.** To the extent applicable, Trinity Metro and DCTA acknowledge that Trinity Metro shall make payment of the aforementioned sums from current revenues available.

## Article IV

### Responsibilities of the Parties: Fare Collection

4.1 Branding. Since both Parties agree that the Services should be rebranded from the current nine (9)-month pilot program referred to as “Alliance Link,” Trinity Metro will assume responsibility for the branding of the Services. The Services will not share branding with DCTA or any other entity, except as legally required according to existing contracts.

4.2 Marketing. Whereas Trinity Metro intends to absorb the Services into its overall transit operations within a period of six (6) months, Trinity Metro will be responsible for creating the marketing and communication plan (the “Plan”) for the Services, with input from DCTA. Additionally, Trinity Metro will be fiscally responsible for costs for marketing programs, tactics, and strategies outlined in the Plan. Trinity Metro will share creative materials prepared pursuant to the Plan with DCTA, including branding materials, and DCTA will support marketing and communications tactics, as outlined by the Plan, so that existing and potential customers in DCTA’s transit area become aware of the Services. DCTA will be responsible for any costs associated with marketing or communicating the Service to its customers to the extent such marketing is not included in the Plan.

4.3 Business Development. Trinity Metro will be responsible for informing businesses in Alliance of the transition of the pilot program “Alliance Link” to the Services as set out in this Agreement and will provide information and marketing to those businesses about the Services.

4.4 DCTA Maintains Contract. Provided Trinity Metro is performing its obligations under this Agreement, DCTA will enforce its rights and comply with its obligations under its existing contract with Lyft, including the General Services Agreement and the applicable Task Order(s).

4.5 Fare. Customers who purchase a local fare from either Trinity Metro or DCTA, and then transfer to use the Services will not be required to pay an additional fare for utilizing the Services. Either Party may modify its own local fare structure, as needed, but will not impose a fare for the Services.

## Article V

### Dispute Resolution

The Parties agree to make a good faith effort to resolve through informal discussions any disagreement or other dispute between them in connection with this Agreement (a “Dispute”). If a Dispute cannot be resolved through informal discussions, before seeking an alternative remedy, either Party must submit a written complaint to the other Party setting out the basis of the complaint and a proposed resolution to the Dispute. The Party receiving the complaint must respond in writing within twenty-one (21) days after receipt of the complaint, by accepting the proposed resolution, rejecting the proposed resolution, or proposing an alternative resolution to the Dispute. If the proposed resolution is rejected, the Parties may seek alternative remedies as they deem appropriate. If an alternative resolution is proposed, the recipient of that alternative proposal shall,

within twenty-one (21) days after receipt, either accept the alternative or reject it. If it is rejected, the Parties may seek alternative remedies as they deem appropriate. Subject to the procedure outlined in this section, both Parties will have all legal remedies allowed to them by applicable law. The provisions of this section are strictly limited in scope to serve as a prerequisite to the enforcement of remedies under this Agreement. Failure by either Party to raise a Dispute through this process shall not constitute waiver or acceptance of an alleged violation of this Agreement.

## **Article VI Miscellaneous**

6.1 Entire Agreement. This Agreement constitutes the sole and only agreement between the Parties and supersedes any prior understandings or agreements, whether written or oral, between the Parties with respect to this subject matter.

6.2 Assignment. This Agreement may not be assigned by either Party without the prior written consent of the other Party.

6.3 Successors and Assigns. Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the Parties and their respective successors and permitted assigns.

6.4 Governing Law. The laws of the State of Texas shall govern this Agreement; and venue for any action concerning this Agreement shall exclusively be in the State District Court of Denton or Tarrant County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

6.5 No Waiver of Liability. The Parties acknowledge that neither Party is an agent, servant, or employee of the other Party, and each Party agrees it is responsible for its own individual negligent acts or omissions or other tortious conduct, as well as such acts and deeds of its contractors, agents, representatives, and employees, during the performance of this Agreement without waiving any governmental immunity available to the Parties under Texas law and other applicable law, and without waiving any available defenses under Texas law and other applicable law. Further, in the execution and performance of this Agreement, the Parties do not waive, and neither Party shall be deemed to have waived, any other immunity or defense that would otherwise be available to each Party as a local governmental entity and/or political subdivision of the State of Texas.

6.6 Amendments. This Agreement may be amended only by the mutual written agreement of the Parties.

6.7 Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

6.8 Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier, or by confirmed telefax or facsimile to the address specified below, or to such other Party or address as either Party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for DCTA:

Raymond Suarez  
Chief Executive Officer  
DCTA  
1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75067  
Phone: 972-221-4600

With Copy to:

Peter G. Smith  
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.  
1800 Ross Tower, 500 North Akard  
500 North Akard  
Dallas, Texas 75201  
Phone: 214-965-9900

If intended for Trinity Metro:

Fort Worth Transportation Authority  
Attn: Paul Ballard  
801 Cherry Street  
Suite 850  
Fort Worth, Texas 76102

6.9 Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the Parties hereto.

6.10 Exhibits. The Exhibits attached hereto are incorporated herein.

6.11 Recitals. The recitals to this Agreement are incorporated herein and made a part hereof for all purposes.

6.12 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

6.13 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination hereof.

6.14 Approval of Parties. Whenever this Agreement requires or permits the approval or consent to be given by a Party, the Parties agree that such approval or consent shall not be unreasonably withheld, conditioned, or delayed.

6.15 No Third-Party Beneficiary. Nothing in this Agreement shall be construed as creating or giving rise to any rights of third-parties or any persons, including the public in general, other than the Parties.

6.16 Recordkeeping and Right to Inspect Records. Each Party shall have mutual access to, and the right to examine, all books, documents, papers, and other records of the other Party involving transactions relating to this Agreement. Each Party shall have access during normal business hours to all necessary facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this Agreement. Each Party shall give the other Party advance written notice of at least forty-eight (48) business hours of intended audits.

*(signature page to follow)*




EXECUTED this 1<sup>st</sup> day of February, 2019.

**Denton County Transportation Authority**

By:   
Raymond Suarez, Chief Executive Officer

Approved as to form:

By:   
Peter G. Smith, General Counsel  
(01-31-2019:TM105386)

EXECUTED this 1<sup>st</sup> day of February, 2019.

**Fort Worth Transportation Authority  
("Trinity Metro")**

By:   
Paul J. Ballard  
President/Chief Executive Officer

EXECUTED this 1<sup>st</sup> day of February, 2019.

**Fort Worth Transportation Authority  
("Trinity Metro")**

By:   
Petra Whitmore, PMP  
Vice President Administration

**EXHIBIT 1**

AGENCY	Service Rendered	Cost Allocation Per Year \$250,000
<b>Denton County Transportation Authority</b>	<b>Contracted Mobility Provider Service:</b> <i>Direct invoiced costs</i> <b>Administrative Fee:</b> <i>Contract management, billing, administration, reporting, and data analytics</i>	Not-to-exceed \$75,000/30%  Not-to-exceed \$50,000/20%  <b>TOTAL: \$125,000</b>
<b>Trinity Metro</b>	Marketing, customer service, and program management	\$125,000/50%  <b>TOTAL: \$125,000</b>



**STATE OF TEXAS**

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**FIRST AMENDED AND RESTATED  
INTERLOCAL COOPERATION  
AGREEMENT**

**COUNTIES OF DENTON  
AND TARRANT**

This First Amended and Restated Interlocal Cooperation Agreement ("Agreement") is made by and between Denton County Transportation Authority ("DCTA") and Fort Worth Transportation Authority (doing business as and hereinafter referred to as "Trinity Metro"), (each a "Party" and collectively the "Parties"), acting by and through their authorized representatives.

**RECITALS**

**WHEREAS**, DCTA is a coordinated county transportation created under Chapter 460 of the Texas Transportation Code; and

**WHEREAS**, Trinity Metro is a regional transportation authority existing and operating under Chapter 452 of the Texas Transportation Code; and

**WHEREAS**, Trinity Metro operates a transportation system, including bus service, in municipalities and unincorporated areas of Tarrant County, Texas, that have joined or contracted for service with Trinity Metro; and

**WHEREAS**, AllianceTexas ("Alliance") is a master-planned, mixed-use community located in north Fort Worth, Texas, and Denton and Tarrant Counties, and is home to roughly 500 companies; and

**WHEREAS**, the Parties have agreed on the terms and conditions for DCTA to provide Trinity Metro first/last mile, on-demand service (the "Services") in Alliance solely by DCTA's utilization of existing contract(s) with mobility provider(s) (i.e. Lyft, Inc.); and

**NOW, THEREFORE**, in consideration of the terms and conditions contained herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**Article I  
Purpose**

DCTA may execute a task order for the Initial Term with a contracted mobility provider to provide first/last mile mobility services in Alliance, Texas to replace the 9-month Alliance Link pilot program, as operated by MV Transit which expires January 31, 2019. The hours of operation shall be agreed upon by the Parties and adjusted based on ridership.

## Article II

### Term/Notice of Extension/Termination

2.1 Initial Term. The Initial Term of the Agreement will be twenty-four (24) months, commencing on the Effective Date of February 1, 2019 and terminating on January 31, 2021.

2.2 Notice of Extensions. Not less than sixty (60) days before the end of the Initial Term, or if applicable, any extended term, either DCTA or Trinity Metro may notify the other in writing that it desires to extend the term of this Agreement for an additional twelve (12)-month-period. If the other Party responds by written notice that it also desires to extend the term, a twelve (12) month extended term will commence on the next anniversary of the Effective Date.

2.3 Termination. Either Party may terminate this Agreement, with or without cause, by giving sixty (60) days prior written notice to the other Party. In the event of such termination, each Party shall be entitled to compensation for any services completed, in the reasonable judgment of the other Party, in accordance with this Agreement prior to such termination.

## Article III

### Payments for Service

3.1 The Funding. Trinity Metro will utilize a \$500,000 allocation of funding received by Trinity Metro (the "Funding") from the North Central Texas Council of Governments to provide the Services in Alliance utilizing DCTA's contract with a mobility provider (i.e. Lyft, Inc.) for two (2) years.

3.2 Reimbursement of DCTA. DCTA shall be reimbursed for one-hundred percent (100%) of all costs for the Services invoiced from the mobility provider associated with this Agreement, and an administrative fee per the schedule in Exhibit 1.

3.3 Invoicing. On or before the fifteenth (15<sup>th</sup>) day of each calendar month during the Initial Term or any extended term of this Agreement, DCTA shall prepare a written invoice to Trinity Metro including number of trips, operating expenses, administrative management fees, and reasonable supporting materials for the Services provided in the previous month.

3.4 Payment. Trinity Metro shall pay DCTA within thirty (30) days of the receipt of each monthly compliant invoice using either the Funding or other Trinity Metro funds.

3.5 Current Revenues. To the extent applicable, Trinity Metro and DCTA acknowledge that Trinity Metro shall make payment of the aforementioned sums from current revenues available.

## Article IV Responsibilities of the Parties: Fare Collection

4.1 Branding. Since both Parties agree that the Services should be rebranded from the current nine (9)-month pilot program referred to as “Alliance Link,” Trinity Metro will assume responsibility for the branding of the Services. The Services will not share branding with DCTA or any other entity, except as legally required according to existing contracts.

4.2 Marketing. Trinity Metro will be responsible for creating the marketing and communication plan (the “Plan”) for the Services, with input from DCTA. Additionally, Trinity Metro will be fiscally responsible for costs for marketing programs, tactics, and strategies outlined in the Plan. Trinity Metro will share creative materials prepared pursuant to the Plan with DCTA, including branding materials, and DCTA will support marketing and communications tactics, as outlined by the Plan, so that existing and potential customers in DCTA’s transit area become aware of the Services. DCTA will be responsible for any costs associated with marketing or communicating the Service to its customers to the extent such marketing is not included in the Plan.

4.3 Business Development. Trinity Metro will be responsible for informing businesses in Alliance of the transition of the pilot program “Alliance Link” to the Services as set out in this Agreement and will provide information and marketing to those businesses about the Services.

4.4 DCTA Maintains Contract. Provided Trinity Metro is performing its obligations under this Agreement, DCTA will enforce its rights and comply with its obligations under its existing contract with Lyft, including the General Services Agreement and the applicable Task Order(s).

4.5 Fare. Customers who purchase a local fare from either Trinity Metro or DCTA, and then transfer to use the Services will not be required to pay an additional fare for utilizing the Services. Either Party may modify its own local fare structure, as needed, but will not impose a fare for the Services.

## Article V Dispute Resolution

The Parties agree to make a good faith effort to resolve through informal discussions any disagreement or other dispute between them in connection with this Agreement (a “Dispute”). If a Dispute cannot be resolved through informal discussions, before seeking an alternative remedy, either Party must submit a written complaint to the other Party setting out the basis of the complaint and a proposed resolution to the Dispute. The Party receiving the complaint must respond in writing within twenty-one (21) days after receipt of the complaint, by accepting the proposed resolution, rejecting the proposed resolution, or proposing an alternative resolution to the Dispute. If the proposed resolution is rejected, the Parties may seek alternative remedies as they deem appropriate. If an alternative resolution is proposed, the recipient of that alternative proposal shall, within twenty-one (21) days after receipt, either accept the alternative or reject it. If it is rejected,

the Parties may seek alternative remedies as they deem appropriate. Subject to the procedure outlined in this section, both Parties will have all legal remedies allowed to them by applicable law. The provisions of this section are strictly limited in scope to serve as a prerequisite to the enforcement of remedies under this Agreement. Failure by either Party to raise a Dispute through this process shall not constitute waiver or acceptance of an alleged violation of this Agreement.

## **Article VI Miscellaneous**

6.1 Entire Agreement. This Agreement constitutes the sole and only agreement between the Parties and supersedes any prior understandings or agreements, whether written or oral, between the Parties with respect to this subject matter.

6.2 Assignment. This Agreement may not be assigned by either Party without the prior written consent of the other Party.

6.3 Successors and Assigns. Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the Parties and their respective successors and permitted assigns.

6.4 Governing Law. The laws of the State of Texas shall govern this Agreement; and venue for any action concerning this Agreement shall exclusively be in the State District Court of Denton or Tarrant County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

6.5 No Waiver of Liability. The Parties acknowledge that neither Party is an agent, servant, or employee of the other Party, and each Party agrees it is responsible for its own individual negligent acts or omissions or other tortious conduct, as well as such acts and deeds of its contractors, agents, representatives, and employees, during the performance of this Agreement without waiving any governmental immunity available to the Parties under Texas law and other applicable law, and without waiving any available defenses under Texas law and other applicable law. Further, in the execution and performance of this Agreement, the Parties do not waive, and neither Party shall be deemed to have waived, any other immunity or defense that would otherwise be available to each Party as a local governmental entity and/or political subdivision of the State of Texas.

6.6 Amendments. This Agreement may be amended only by the mutual written agreement of the Parties.

6.7 Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

6.8 Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier, or by confirmed telefax or facsimile to the address specified below, or to such other Party or address as either Party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for DCTA:

Raymond Suarez  
Chief Executive Officer  
DCTA  
1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75067  
Phone: 972-221-4600

With Copy to:

Peter G. Smith  
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.  
1800 Ross Tower, 500 North Akard  
500 North Akard  
Dallas, Texas 75201  
Phone: 214-965-9900

If intended for Trinity Metro:

Fort Worth Transportation Authority  
Attn: Robert Baulsir  
President and Chief Executive Officer  
Trinity Metro  
801 Cherry Street  
Suite 850  
Fort Worth, Texas 76102

6.9 Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the Parties hereto.

6.10 Exhibits. The Exhibits attached hereto are incorporated herein.

6.11 Recitals. The recitals to this Agreement are incorporated herein and made a part hereof for all purposes.

6.12 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

6.13 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination hereof.

6.14 Approval of Parties. Whenever this Agreement requires or permits the approval or consent to be given by a Party, the Parties agree that such approval or consent shall not be unreasonably withheld, conditioned, or delayed.

6.15 No Third-Party Beneficiary. Nothing in this Agreement shall be construed as creating or giving rise to any rights of third-parties or any persons, including the public in general, other than the Parties.

6.16 Recordkeeping and Right to Inspect Records. Each Party shall have mutual access to, and the right to examine, all books, documents, papers, and other records of the other Party involving transactions relating to this Agreement. Each Party shall have access during normal business hours to all necessary facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this Agreement. Each Party shall give the other Party advance written notice of at least forty-eight (48) business hours of intended audits.

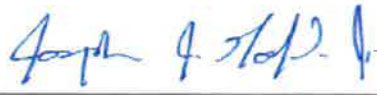
*(signature page to follow)*

EXECUTED this 10<sup>th</sup> day of June, 2019.

**Denton County Transportation Authority**

By:   
Raymond Suarez, Chief Executive Officer

Approved as to form:

By:   
Peter G. Smith, General Counsel  
(FINAL 05-13-2019:TM107964)

EXECUTED this 31 day of May, 2019.

**Fort Worth Transportation Authority  
("Trinity Metro")**

By:   
Robert Baulsir  
President and Chief Executive Officer

EXECUTED this 3 day of June, 2019.

**Fort Worth Transportation Authority  
("Trinity Metro")**

By:   
Detra Whitmore, PMP  
Vice President Administration



**EXHIBIT 1**

AGENCY	Service Rendered	Cost Allocation Per Year \$250,000
<b>Denton County Transportation Authority</b>	<b>Contracted Mobility Provider</b>	
	<b>Service:</b>	<b>Not-to-exceed</b>
	<i>Direct Invoiced costs</i>	<b>\$75,000/30%</b>
	<b>Administrative Fee:</b>	
	<i>Contract management, billing,</i>	
	<i>administration, reporting, and</i>	<b>Not-to-exceed</b>
	<i>data analytics</i>	<b>\$50,000/20%</b>
		<b>TOTAL: \$125,000</b>
<b>Trinity Metro</b>		
	<b>Marketing, customer service, and program management</b>	<b>\$125,000/50%</b>
		<b>TOTAL: \$125,000</b>





## Board of Directors Memo

October 22, 2020

SUBJECT: Consider Approval of Resolution R20-18 Electing the Officers of the Board of Directors

### Background

Pursuant to Article IV of the Denton County Transportation Authority Board of Directors' Bylaws, the Board of Directors shall elect members to serve in Board Officer positions as set forth in the Bylaws.

### Identified Need

Article IV, Section 6 of the Bylaws requires the officers to be elected from among the members of the Board of Directors and shall hold office in accordance with the term as set forth in the Bylaws.

### Financial Impact

There is no financial impact.

### Recommendation

Staff recommends the Board of Directors conduct an election of the officers for the Board and approve Resolution R20-18 Electing Officers of the Board of Directors of DCTA to take effect November 1, 2020.

### Exhibits

Exhibit 1: Resolution R20-18 Electing Officers of the Board of Directors of DCTA

Submitted By:

  
\_\_\_\_\_  
Brandy Pedron, Executive Administrator

**DENTON COUNTY TRANSPORTATION AUTHORITY  
RESOLUTION NO. R20-18**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY ELECTING THE OFFICERS OF THE BOARD OF DIRECTORS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, pursuant to Article IV of the Denton County Transportation Authority Board of Directors' Bylaws, the Board of Directors shall elect four (3) of its members to serve as the Chair, Vice-Chair, and Secretary; and

**WHEREAS**, the Board of Directors conducted an election of the officers for the Board;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THAT:**

**SECTION 1.** The following members of the Board of Directors of the Denton County Transportation Authority were duly elected to the following positions:

Chair – \_\_\_\_\_

Vice-Chair – \_\_\_\_\_

Secretary – \_\_\_\_\_

**SECTION 2.** This resolution shall become effective on November 1, 2020 upon its passage and approval.

**DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 22ND DAY OF OCTOBER 2020.**

**APPROVED:**

\_\_\_\_\_  
Chair

**ATTEST:**

\_\_\_\_\_  
Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Joe Gorfida, General Counsel  
(09-14-2020:TM 117932)

## DCTA Board Agenda Outlook As of 10/16/20

NOVEMBER 12, 2020	DECEMBER 10, 2020	January 2021
<p><b><u>CONSENT</u></b></p> <ul style="list-style-type: none"> <li>▪ Approval of Minutes</li> </ul> <p><b><u>INFORMATIONAL REPORTS</u></b></p> <ul style="list-style-type: none"> <li>▪ Monthly Financial Reports: (MaaS Update, Budget Transfers)</li> <li>▪ Ridership Trend Report</li> <li>▪ Lyft Task Order for Service at Alliance (placeholder – pending Alliance decision)</li> <li>▪ Collin County Transit Contract Extension (1/1/2021 - 6/30/2021)</li> </ul> <p><b><u>REGULAR AGENDA</u></b></p> <p><b><u>Discussion Topics</u></b></p> <ul style="list-style-type: none"> <li>▪ Mayhill Bridge Project</li> <li>▪ Fiber Project with Denton County &amp; DISD</li> </ul> <p><b><u>Action</u></b></p> <ul style="list-style-type: none"> <li>▪ Transformation Initiative Progress Report (possible action)</li> <li>▪</li> <li>▪ MaaS Task Order #2 with Spare/Lyft for On-Demand Service in Member Cities</li> <li>▪ MaaS Task Order #3 with RiverNorth (Via) for On-Demand Service in Member Cities</li> <li>▪ Consider Approval of Spring 2021 UNT Service Changes (<i>may need to move to Dec</i>)</li> </ul> <p><b><u>Information</u></b></p> <ul style="list-style-type: none"> <li>▪ Local &amp; Regional Transportation Updates and Legislative Issues</li> </ul>	<p><b><u>CONSENT</u></b></p> <ul style="list-style-type: none"> <li>▪ Approval of Minutes</li> <li>▪ OCT. Monthly Financial Statements: (Monthly Financials, Capital Projects Budget Report)</li> </ul> <p><b><u>INFORMATIONAL REPORTS</u></b></p> <ul style="list-style-type: none"> <li>▪ Monthly Financial Reports: (Sales Tax, MaaS Update, Budget Transfers)</li> <li>▪ Ridership Trend Report</li> <li>▪ Quarterly Social Service Agency Roundtable Recap Report (October 2020)</li> </ul> <p><b><u>REGULAR AGENDA</u></b></p> <p><b><u>Discussion Topics</u></b></p> <ul style="list-style-type: none"> <li>▪ MK101 Ridership/Fare Discussion</li> </ul> <p><b><u>Action</u></b></p> <ul style="list-style-type: none"> <li>▪ Transformation Initiative Progress Report (possible action)</li> <li>▪ FY21 Budget Amendment</li> <li>▪ Arboc Vehicle Purchase (FY '21)</li> <li>▪ Non-Revenue Vehicle Purchase</li> <li>▪ Lyft Task Order for Service at Alliance (placeholder – pending Alliance decision)</li> <li>▪ Consider Approval of DCTA Access Policies and Procedures</li> <li>▪ Consider Approval of Collin County Transit Contract Extension (1/1/2021 - 6/30/2021)</li> </ul> <p><b><u>Information</u></b></p> <ul style="list-style-type: none"> <li>▪ Local &amp; Regional Transportation Updates and Legislative Issues</li> </ul>	<p><b><u>CONSENT</u></b></p> <ul style="list-style-type: none"> <li>▪ Approval of Minutes</li> <li>▪ NOV &amp; DEC - Monthly Financial Statements: (Monthly Financials, Capital Projects Budget Report)</li> <li>▪ Quarterly Investment Report</li> <li>▪ Quarterly Grants Report</li> </ul> <p><b><u>INFORMATIONAL REPORTS</u></b></p> <ul style="list-style-type: none"> <li>▪ Monthly Financial Reports: (Sales Tax, MaaS Update, Budget Transfers)</li> <li>▪ Ridership Trend Report</li> <li>▪ COVID Passenger Survey Recap Report (PENDING)</li> </ul> <p><b><u>REGULAR AGENDA</u></b></p> <p><b><u>Discussion Topics</u></b></p> <ul style="list-style-type: none"> <li>▪ Preliminary FY2020 Audit Report &amp; Presentation (Guest Presenter)</li> </ul> <p><b><u>Action</u></b></p> <p><b><u>Information</u></b></p> <ul style="list-style-type: none"> <li>▪ Local &amp; Regional Transportation Updates and Legislative Issues</li> </ul>