



## Board of Directors Regular Meeting

September 23, 2021 | 10:00 a.m.

**NOTICE IS HEREBY GIVEN** that the members of the Denton County Transportation Authority (DCTA) Board of Directors will hold a Regular Meeting at 10:00a.m. at the DCTA Administrative Offices located at 1955 Lakeway Drive, Suite 260, Lewisville, Texas 75057 and by Zoom Video Conference at which time the following agenda will be discussed.

**Effective September 1, 2021**, the public is allowed to use the ZOOM link below to participate in a Board Meeting; however, audio-only is no longer allowed, therefore, full-video will be required when speaking to the Board. To join the meeting, please use the information below:

<https://us06web.zoom.us/j/86395685685>

Join by phone: +1 346 248 7799

Meeting ID: 863 9568 5685

*As authorized by Section 551-071 of the Texas Government Code, the Board of Directors may convene into Closed Executive Session for the purpose of seeking legal advice from Legal Counsel on any item on the agenda at any time during the meeting.*

CALL TO ORDER

INVOCATION

INTRODUCTIONS

PUBLIC COMMENT

This agenda item provides an opportunity for citizens to address the DCTA Board of Directors on any agenda item(s) or other matters relating to 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 DCTA Board of Directors regarding any item(s) may do so by either completing a Request to Speak Card located in the DCTA Board Room prior to the meeting or if participating virtually, by utilizing the “raise hand” function ensuring when called upon your camera is turned on and your name displayed.

Citizens that are not able to participate in-person or connect virtually to the Zoom meeting must email his or her public comment to [kmorris-perkins@dcta.net](mailto:kmorris-perkins@dcta.net) no later than 3:00 pm on Wednesday, September 22, 2021 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 DCTA 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.



## CONSENT AGENDA

1. **Consider Approval of August 26, 2021 Regular Meeting Minutes**  
(packet pages 7-17)  
*Action Item*  
Backup Information: Exhibit 1: August 26, 2021 Regular Meeting Minutes
2. **Consider Approval of Monthly Financial Statements for August 2021**  
(packet page 18)  
*Action Item*  
Backup Information: Memo
3. **Consider Approval of Resolution R21-06 Approving Financial Management Policies and Annual Investment Policy for FY2022**  
(packet pages 19-42)  
*Action Item*  
Backup Information: Memo  
Exhibit 1: Resolution R21-06 with Exhibit "A" Red-lined Proposed Financial Management Policies including Investment Policy  
Exhibit 2: FY2022 Investment Policy Review Letter
4. **Consider Approval of an Award of Contract to Prudential Global Network, LLC for Request for Proposal (RFP) 21-12 Compensation Study**  
(packet pages 43-148)  
*Action Item*  
Backup Information: Memo  
Exhibit 1: Request for Proposal 21-12  
Exhibit 2: Prudential Global Network (PGN) Proposal  
Exhibit 3: Evaluation Consensus Scores
5. **Consider Approval of an Amendment to the Dallas Area Rapid Transit (DART)/Denton County Transportation Authority (DCTA) Shared Services Agreement as it relates to Access at Various Stations**  
(packet pages 149-170)  
*Action Item*  
Backup Information: Memo  
Exhibit 1: Shared Services Agreement Amendment

## REGULAR AGENDA

1. **Consider Approval of Resolution R21-07 Adopting the FY2022 Operating and Capital Budget**  
(packet pages 171-182)  
*Action Item*  
Presenter: Amanda Riddle, Senior Manager of Budget  
Backup Information: Memo  
Exhibit 1: Resolution R21-07 with the following Exhibits:  
Exhibit A: Long Range Financial Plan

Exhibit B: Change in Net Position  
Exhibit C: Capital Improvement & Major Maintenance Plan  
Exhibit D: Budget Contingency Plan

**2. Consider Approval of Excess Rail Liability Coverage with Dallas Area Rapid Transit (DART)**  
**(packet pages 183-184)**

*Action Item*

Presenter: Marisa Perry, Chief Financial Officer/VP of Finance  
Backup Information: Memo  
Exhibit 1: Excess Rail Liability Premium History

**3. Update on Mobility Services, GoZone and Fixed Route**  
**(packet pages 185-186)**

*Discussion Item*

Presenters: Javier Trilla, Assistant VP of Innovation & Technology  
Rusty Comer, Senior Manager of Mobility Services  
Mary Worthington, Community Relations Manager  
Chris Newport, Accenture  
Backup Information: Memo

**4. Discuss and Consider City of Lewisville Request to Amend Timing of GoZone Expansion to Castle Hills**  
**(packet page 187-223)**

*Discussion Item*

Presenters: Javier Trilla, Assistant VP of Innovation & Technology  
Brittney Farr, Director of Government Relations  
Backup Information: Memo  
Exhibit 1: Proposed GoZone Service Plan – June 11, 2021  
Exhibit 2: DCTA Mobility Service Agreements River North (Via) Task Order No. 1 (Final) – June 2, 2021

**5. Review and Consider Approval of the City of Denton's Requested Reallocation of Project Transportation Reinvestment Program (TRiP) Amounts**  
**(packet page 224-225)**

*Action Item*

Presenter: Tim Palermo, Planning & Data Analytics Manager  
Backup Information: Memo

**6. Review and Discuss Project Management Office (PMO) Activities Related to Task Order #2 with Accenture, LLP**  
**(packet pages 226-229)**

*Discussion Item*

Presenter: Chris Newport, Accenture  
Backup Information: Memo  
Exhibit 1: PMO Progress Report

7. Provide a Report on the Interlocal Agreement (ILA) and Facilities Lease Agreement between the Denton County Transportation Authority (DCTA) and Dallas Area Rapid Transit (DART)

(packet pages 230-231)

*Discussion Item*

Presenter: Raymond Suarez, CEO

Backup Information: Memo

8. Discuss Local & Regional Transportation Updates and Legislative Issues

(packet pages N/A)

*Discussion Item*

Presenter(s) Chris Watts, Chair

Director Dianne Costa

Raymond Suarez, CEO

Brittney Farr, Director of Government Relations

Backup Information: N/A

## INFORMATIONAL REPORTS

1. Monthly Financial Reports

(packet pages 232-242)

Backup Information: Memo 1: Monthly Sales Tax Receipts  
Exhibit 1: FY21 Monthly Sales Tax Report  
Memo 2: Monthly Mobility-as-a-Service Update  
Memo 3: Budget Information  
Exhibit 3: Year-to-Date FY21 Budget Revisions

2. Ridership Trend & Rail Trail Utilization Report

(packet pages 243-256)

Backup Information: Memo  
Exhibit 1: FY19, FY20, & FY21 Total Monthly Ridership – Rail  
Exhibit 2: FY19, FY20, & FY21 Total Monthly Ridership – Bus  
Exhibit 3: FY19, FY20, & FY21 Total Monthly Ridership – Access  
Exhibit 4: FY19, FY20, & FY21 Total Monthly Ridership – On-Demand  
Exhibit 5: A-train Ridership Before and During COVID-19 Comparison  
Exhibit 6: July 2021 Rail Trail Utilization Report

3. Federal Legislative Update

(packet pages 257-259)

Backup Information: Memo

4. Community Advisory Committee Meeting Recap Report – August 2021

(packet pages 260-268)

Backup Information: Memo

Exhibit 1: Community Advisory Committee Meeting Recap Report (August 2021)





5. Social Service Agency Recap Report

(packet pages 269-278)

Backup Information: Memo

Exhibit 1: Social Service Agency Recap Report (August 2021)

6. Request for Proposals (RFP) 21-10 Application for Depository Services

(packet pages 279-351)

Backup Information: Memo

Exhibit 1: RFP 21-10 Application for Depository Services

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.

Next Board Meeting Date: October 28, 2021

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.

CONVENE EXECUTIVE SESSION

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

- A. As Authorized by Section 551.074 of the Texas Government Code, the Board of Directors Meeting may be Convened into Closed Executive Session for the purpose of discussing the duties and evaluation of the Chief Executive Officer (CEO).

RECONVENE OPEN SESSION

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

- A. Consider Amendments to the Chief Executive Officer (CEO) Employment Agreement.

ADJOURN

**Board Members:**

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



**Alternates**

John Ryan, Denton  
Jody Gonzalez, Denton County Seat 1  
Charlotte Wilcox, Highland Village  
Kristin Green, Lewisville

**Non-Voting Board Members:**

Mark Miller  
Connie White  
Dennie Franklin  
Tom Winterburn, Joe Perez

***Staff Liaison:***

Raymond Suarez, CEO

This notice was posted on September 17, 2021 by 5pm.

A handwritten signature in blue ink, reading "Kisha Morris-Perkins", is written over a horizontal line.

Kisha Morris-Perkins  
Executive Assistant | Board Process Manager



## Board of Directors Regular Meeting

August 26, 2021 | 10:00 a.m.

The Board of Directors of the Denton County Transportation Authority (DCTA) convened the Regular Meeting of the Board of Directors with Chris Watts presiding on August 26, 2021, remotely using Zoom Meeting.

### Voting Members

Chair Chris Watts, City of Denton  
Vice-Chair Cesar Molina, Denton County  
Secretary Sam Burke, Denton County  
Board Member Dianne Costa, City of Highland Village  
Board Member TJ Gilmore, City of Lewisville

### Alternates

Board Member John Ryan, City of Denton  
Board Member Jody Gonzalez, Denton County  
Board Member Paul Cristina, Denton County  
Board Member Charlotte Wilcox, City of Highland Village  
Board Member Kristin Green, City of Lewisville

### Non-Voting Members

Board Member Tom Winterburn, City of Corinth  
Board Member Dennie Franklin, City of Frisco  
Board Member Connie White, Small Cities  
Board Member Mark Miller, City of Flower Mound  
Board Member Joe Perez, City of The Colony

### Legal Counsel

Joe Gorfida, NJDHS

### DCTA Executive Staff/Leadership Team

Raymond Suarez, CEO

### CALL TO ORDER

Chair Watts called the meeting to order at 10:00am. All voting Board Members were present. It should be noted that Kristin Green attended as an Alternate for Board Member Gilmore. The Board recessed during the following times:

Recessed at 1:25pm. Reconvened at 1:41pm

Recessed at 3:14pm. Reconvened at 3:25pm (Board Member Costa arrived at 3:28pm)

INVOCATION: Chair Watts asked for a moment of silence during this time.

INTRODUCTIONS: There were no introductions during this time.



## PUBLIC COMMENT

Chair Watts read the comments of the following individual during this time:

- Jim Owen

There were no other individuals who wished to address the Board of Directors.

## CONSENT AGENDA

1. **Consider Approval of July 22, 2021 Regular Meeting Minutes**  
(packet pages 7-18)  
*Action Item*  
Backup Information: Exhibit 1: July 22, 2021 Regular Meeting Minutes
2. **Consider Approval of Monthly Financial Statements for July 2021**  
(packet pages 19-26)  
*Action Item*  
Backup Information: Memo  
Exhibit 1(a): Monthly Financial Statements – July 2021  
Exhibit 1(b): Capital Projects Budget Report – July 2021
3. **Consider Approval of the Annual Renewal of the First Amended and Restated Interlocal Agreement with the City of Coppell**  
(packet pages 27-36)  
*Action Item*  
Backup Information: Memo  
Exhibit 1: First Amended and Restated ILA with the City of Coppell
4. **Consider Approval of the Annual Renewal Lyft Task Order between the Denton County Transportation Authority (DCTA) and Lyft for Service in the City of Coppell**  
(packet pages 37-63)  
*Action Item*  
Backup Information: Memo  
Exhibit 1: Coppell Lyft Task Order 9 Revision 1  
Exhibit 2: Coppell Lyft Task Order 9 Revision 2
5. **Consider Approval of an Award of Contract to Southern Tire Mart and The Goodyear Tire & Rubber Company for Request for Bid (RFB) 21-05 New and Recapped Tires**  
(packet pages 64-348)  
*Action Item*  
Backup Information: Memo  
Exhibit 1: Request for Bid 21-05  
Exhibit 2: Southern Tire Mart Bid  
Exhibit 3: The Goodyear Tire & Rubber Company Bid



6. Consider Approval of a Memorandum of Agreement (MOA) between Denton County Transportation Authority (DCTA) and the Department of Homeland Services (DHS)/Federal Emergency Management Agency (FEMA) for Emergency Transportation for Region 6 Personnel During Implementation of the Continuity of Operations (COOP) Plan for FEMA  
(packet pages 349-354)

*Action Item*

Backup Information: Memo  
Exhibit 1: FEMA Memorandum of Agreement (MOA)

7. Consider Approval of an Award of Contract to DataProse, LLC for Request for Proposal (RFP) 21-09 Print Services  
(packet pages 355-448)

*Action Item*

Backup Information: Memo  
Exhibit 1: Request for Proposal (RFP)  
Exhibit 2: DataProse, LLC, Proposal  
Exhibit 3: Evaluation Consensus Scores

8. Consider Authorizing the Chief Executive Officer (CEO) to Execute a Contract Amendment with PS Stearns, Inc. for Brand Ambassador Services to Support the Launch of GoZone on September 7, 2021  
(packet pages 449-452)

*Action Item*

Backup Information: Memo  
Exhibit 1: PS Stearns, Inc. Contract Amendment

*Motion by Board Member Costa with a second by Secretary Burke to approve the Consent Agenda as presented. Motion passes 5-0.*

#### REGULAR AGENDA

1. Discuss and Consider Resolution R21-04 Authorizing the Issuance of "Denton County Transportation Authority Sales Tax Revenue Refunding Bonds, Series 2021"  
(packet pages 453-487)

*Action Item*

Presenters: Raymond Suarez, CEO  
Amber Karkauskas Controller/Assistant VP of Finance  
Laura Alexander, HilltopSecurities Inc.  
Robert Dransfield, Norton Rose Fulbright US LLP

Backup Information: Memo  
Exhibit 1: Bond Resolution R21-04



CEO Suarez briefly discussed the significant savings of the outstanding bonds (2031 maturity dates) and also introduced Laura Alexander of HilltopSecurities, Inc and Robert Dransfield of Norton Rose Fulbright US LLP, who provided information on the outcome of the solicitation.

*Motion by Board Member Costa with a second by Vice-Chair Molina to approve as presented. Motion passes 5-0.*

2. Consider Authorizing the Chief Executive Officer (CEO) to Allow Exceptions to the Revolving Door Provision Contained in Chapter 7 of the Denton County Transportation Authority (DCTA) Employee Handbook  
([packet page 488](#))

*Action Item*

Presenter: Raymond Suarez, CEO

Backup Information: Memo

Due to the departure of the Deputy CEO and VP of Mobility Services, CEO Suarez gave a presentation requesting Board support of an exception to DCTA's Revolving Door Policy in order to support the onboarding of new employees (as needed) in order to continue the execution of the agency's Work Plan.

Board discussion regarding the dollar amount of the contract (i.e. possibly supporting a small amount - \$15,000 or less), the "optics" being problematic, possible concerns from the community, concerns with setting a precedent, DCTA's "extenuating circumstances", job training, qualifications of applicants, the ability for DCTA to move forward with current and future resources, and clarification of the intent for waiving the policy.

*This item FAILED due to lack of a motion.*

3. Consider Incentive Agreements for the Positions of Deputy Chief Executive Officer (CEO) and Chief Financial Officer (CFO)  
([packet page 489](#))

*Action Item*

Presenter: Raymond Suarez, CEO

Backup Information: Memo

CEO Suarez gave the presentation outlining the proposed for incentive agreement for the Deputy CEO and Chief Financial Officer.

Board discussion regarding differences in severance pay between Deputy CEO and CFO, vacation accruals (i.e. 6 weeks' vacation proposal), probationary periods, clarification on the current status of CFO position, incentive policy for current or future CFO position, CEO hiring responsibilities, clarification of why item being brought before the Board (contract requiring Board approval), policy discussion, DCTA competitiveness in the marketplace,





hiring retention tools, employment agreements with past employees (if any), clarification of “at of “at will” positions, discussion of whether to include incentive language in the DCTA Employee Handbook versus an incentive agreement.

*Motion by Secretary Burke with a second by Board Member Costa to authorize the CEO to offer as an incentive agreement, to be used as a negotiation tool, to increase vacation time to 6 weeks annually for the Deputy CEO position and offer a 4-month severance triggered after 6 months to be used at the discretion of the CEO with no change in the DCTA Employee Handbook. Motion passes 5-1, with the following votes:*

*Vice-Chair Molina: Yes*  
*Secretary Burke: Yes*  
*Board Member Costa: Yes*  
*Board Member Green: Yes (Alternate for Board Member Gilmore)*  
*Chair Watts: No*

*Motion by Secretary Burke with a second by Board Member Costa to authorize the CEO to offer as an incentive agreement, to be used as a negotiation tool, to increase vacation time to 6 weeks annually for the CFO position and offer a 4-month severance triggered after 6 months to be used at the discretion of the CEO with no change in the DCTA Employee Handbook. Motion fails 3-2, with the following votes:*

*Chair Watts: No*  
*Vice-Chair Molina: No*  
*Board Member Green: No (Alternate for Board Member Gilmore)*  
*Secretary Burke: Yes*  
*Board Member Costa: Yes*

*Motion by Board Member Costa with a second by Vice-Chair Molina to add an additional 2-week vacation for a total amount of 6 weeks’ vacation for the CFO position. Motion passes 5-0.*

4. Consider Second Amended and Restated Employment Agreement between Denton County Transportation Authority (DCTA) and the Chief Executive Officer (CEO)  
[\(packet page 490\)](#)

*Action Item*

Presenter: Raymond Suarez, CEO  
 Backup Information: Memo

*No Board action taken at this time.*

5. Review and Discuss Project Management Office (PMO) Activities Related to Task Order #2 with Accenture, LLP  
[\(packet pages 491-493\)](#)

*Discussion Item*



Presenter: Chris Newport, Accenture  
Backup Information: Memo  
Exhibit 1: PMO Progress Report

Chris Newport provided an update to the Board.  
*No Board action taken at this time.*

## 6. Update and Discussion of the September 7, 2021 GoZone Launch and Fixed Route Services

(packet pages 494-512)

*Discussion Item*

Presenters: Javier Trilla, Assistant VP of Innovation & Technology  
Raymond Suarez, CEO

Backup Information: Memo  
Exhibit 1: GoZone Launch Communications Campaign Status Report

Javier Trilla, Assistant VP of Innovation & Technology, provided an update/progress report to the Board on the GoZone launch to include daily staff meetings, operations launch data, vehicles and drivers, GoZone app and the “soft” launch process, community outreach, fixed route services, driver shortages and incentives to retain drivers, aggressive hiring methods, and modification of routes to ensure coverage and service.

Board discussion regarding securing individuals to ride the buses to “problem solve” if necessary, customer service, developing a process for questionnaires, and receiving rider engagement data.

*No Board action taken at this time.*

## 7. Presentation of Proposed FY 2022 Operating and Capital Budget

(packet pages 513-686)

*Discussion Item*

Presenters: Amanda Riddle, Senior Manager of Budget  
Rusty Comer, Manager of Bus Administration

Backup Information: Memo  
Exhibit 1: FY 2022 Proposed Operating and Capital Budget Presentation  
Exhibit 2: Long Range Financial Plan  
Exhibit 3: Change in Net Position  
Exhibit 4: Revenues & Ridership  
Exhibit 5: Grants Detail



Exhibit 6: Change in Net Position by Function  
 Exhibit 7: Expanded Level Projects - Operating  
 Exhibit 8: Expanded Level Projects – Capital & Major Maintenance  
 Exhibit 9: Capital Improvement & Major Maintenance Plan  
 Exhibit 10: Budget Contingency Plan

Amanda Riddle, Senior Manager of Budget and Rusty Comer, Manager of Bus Administration presented the proposed FY 2022 Operating and Capital Budget highlighting the following:

- Changes in Operating Budget (Additional Fixed Route/Bus Service/NorthXpress), Operator incentive pay, additional staffing and increased Rail Service
- Long Range Financial Plan (Reserve Fund Policies/Financial Policies)
- Escalation Assumptions (Revenue, Sales Tax, Labor General Inflation)
- Relationship between Denton County Transportation Authority (DCTA) and North Texas Mobility Corporation (NTMC)
- Change in Net Position (DCTA and NTMC combined)
- Total FY 2022 Proposed Revenues
- Operating Revenue – Bus
- Operating Revenue – Rail
- 5-year Ridership Trend
- Non-Operating Revenue
- Non-Operating Revenue – Sales Tax
- Non-Operating Revenue – Federal Grants – Capital
- Non-Operating Revenue – Federal Grants – Operating
- Operating Expenses – General Administration (6.8 million)
- Staffing Level Review
- Expanded Level Project Request – Operating (G&A)
- Service Miles and Fuel
- Via Budget Details
- Purchased Transportation Services
- Hours of Service Comparison
- UNT Contract Details
- Frisco Contract Details
- Collin County Transit (CCT) Contract Details
- Mobility as a Service (MaaS) Contract Details
- Operating Expenses – Bus (17.5 million)
- Expanded Level Project Request – Operating (Bus) – Facility Management, Consulting Services, Title VI Program, GoZone Mobilization, Law Enforcement, Addition of Mobility Services Representatives
- Operating Expenses of Rail (24.6 million)
- Rail Operation and Maintenance Agreement
- Operating Expenses (Key Budget Components: Fuel)
- DCTA transfers to NTMC Budget



- Capital Improvement and Major Maintenance Needs (Existing Capital Rollovers)
- Annual Major Maintenance Needs – Rail/Bus
- Budget Contingency Plan

Staff also discussed the Treasurer/Secretary position for NTMC. Specifically, NTMC can provide staffing through HTG contract for approximately \$34K annually which can be covered in the existing budget.

*No Board action taken at this time.*

**8. Conduct a Public Hearing on Proposed FY 2022 Operating and Capital Budget**  
(packet pages N/A)

*Discussion Item*

Presenter: Chris Watts, Board Chair

Backup Information: Information included in Regular Agenda Item #2 above

Chair Watts read the legal language to open the Public Hearing at 3:10pm. No one wished to address the Board during this time and the Public Hearing was closed at 3:13pm.

*No Board action taken at this time.*

**9. Discuss Financial Management Policies and Annual Investment Policy for FY 2022**  
(packet pages 687-707)

*Discussion Item*

Presenter: Amber Karkauskas, Controller/Assistant VP of Finance

Backup Information: Memo

Exhibit 1: Draft Proposed FY 2022 Financial Management Policies  
including Investment Policy

Exhibit 2: FY2022 Investment Policy Review Letter

Amber Karkauskas, Controller/Assistant VP of Finance, discussed with the Board Financial Management Policies and the Annual Investment Policy for FY 2022.

*No comments or Board action taken at this time.*

**10. Update and Discuss the Interlocal Agreement and Facilities Lease Agreement between the Denton County Transportation Authority (DCTA) and Dallas Area Rapid Transit (DART)**  
(packet pages 708-709)

*Discussion Item*

Presenter: Raymond Suarez, CEO

Backup Information: Memo

CEO Suarez discussed the Interlocal Agreement and Facilities Lease Agreement between DCTA and DART highlighting the following 3 Phases:



- Phase 1: DMU Delivery, Testing and Commissioning (Est. May 2022 – December 2024)
- Points for Consideration
- Phase 2: JROF Capital Expansion (October 2021 – May 2023)
- Phase 3: Long-Term Operating and Maintenance (May 2023 – May 2043)

*No comments or Board action taken at this time.*

## 11. Discuss Local & Regional Transportation Updates and Legislative Issues

(packet pages N/A)

*Discussion Item*

Presenter(s) Chris Watts, Chair  
Director Dianne Costa  
Raymond Suarez, CEO

Backup Information: N/A

*No update or Board action taken at this time.*

## INFORMATIONAL REPORTS

### 1. Monthly Financial Reports

(packet pages 710-720)

Backup Information: Memo 1: Monthly Sales Tax Receipts  
Exhibit 1: FY21 Monthly Sales Tax Report  
Memo 2: Monthly Mobility-as-a-Service Update  
Memo 3: Budget Information  
Exhibit 3: Year-to-Date FY21 Budget Revisions

### 2. Ridership Trend & Rail Trail Utilization Report

(packet pages 721-734)

Backup Information: Memo  
Exhibit 1: FY19, FY20, & FY21 Total Monthly Ridership – Rail  
Exhibit 2: FY19, FY20, & FY21 Total Monthly Ridership – Bus  
Exhibit 3: FY19, FY20, & FY21 Total Monthly Ridership  
Access  
Exhibit 4: FY19, FY20, & FY21 Total Monthly Ridership  
On- Demand  
Exhibit 5: A-train Ridership Pre- and During COVID-19  
Comparison  
Exhibit 6: Rail Trail Utilization Report



3. Update on the Proposed Amendment to the DART/DCTA Shared Services Agreement as it Relates to Parking at Various Stations

(packet pages 735-759)

Backup Information: Memo

Exhibit 1: DART/DCTA Shared Services Agreement

4. Request for Proposals (RFP) 21-12 Compensation Study

(packet pages 760-794)

Backup Information: Memo

Exhibit 1: RFP 21-12 Compensation Study

## 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.

Next Board Meeting Date: September 23, 2021

*No Board comments at this time.*

## 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.

Discussion regarding the upcoming GoZone Launch.

## 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 551.074 of the Texas Government Code the Board of Directors Meeting may be Convened into Closed Executive Session for the purpose of discussing the duties and evaluation of the Chief Executive Officer (CEO).

*The Board of Directors entered Closed Executive Session at 10:12am. The Closed Executive Session was adjourned and convened into Regular Session at 12:01pm at which time a break was taken.*





RECONVENE OPEN SESSION

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

*The Board reconvened into Regular Session at 12:13pm with no action taken.*

ADJOURN: The meeting was adjourned at 3:46pm.

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Chris Watts, Chair

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Sam Burke, Secretary



## Board of Directors Memo

September 23, 2021

SUBJECT: Consider Approval of Monthly Financial Statements for August 2021

### Recommendation

Staff recommends approval.

### Background

The financial statements are presented monthly to the Board of Directors for acceptance.

Due to delays in receiving information from NTMC which is required to complete DCTA's monthly financial statements, the monthly financial statements were not yet finalized as of the packet posting deadline. Staff will send the Statement of Change in Net Position, Statement of Net Position, and Capital Projects Fund reports for the period ending August 31, 2021 when the reports are complete and will also include these documents in the presentation at the Board meeting to be viewed and accessible by the Board and the public.

### Previous Board Activity & Action

There has been no previous Board-level activity on this item.

### Identified Need

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

### Financial Impact

Along with the financial statements, an additional memo will be included to explain unfavorable year-to-date budget vs. actual variances for expenses and to explain variances in operating revenues.

### Exhibits

N/A

Submitted By:

Khoa Nguyen, Accounting Manager

Reviewed By:

Amber Karkauskas, Controller/AVP of Finance

Final Review:

Marisa Perry, CPA  
Chief Financial Officer/VP of Finance

## Board of Directors Memo

September 23, 2021

SUBJECT: Consider Approval of Resolution R21-06 Approving Financial Management Policies and Annual Investment Policy for FY2022

### Recommendation

Staff recommends the Board of Directors approve Resolution R21-06 to approve the Financial Management Policies and Investment Policy for FY2022.

### Background

DCTA Financial Management Policies are presented at the start of each fiscal year. The Investment Policy is included the Financial Management Policies document. It is the intent of DCTA to comply with state and federal law. The Texas Public Funds Investment Act, Chapter 2256, Texas Government Code, (the “Act”) governs investment of public funds at the state level. The Act requires that the Board of Directors review and adopt the Investment Policy annually.

It is the policy of DCTA that the administration and investment of its funds shall be handled in a manner that maintains the highest public trust. Investments shall be made that provide the maximum security of principal invested while meeting the daily cash flow needs of DCTA and conforming to all applicable state statutes governing the investment of public funds. While DCTA staff strives to maximize the yield on our investments, increasing the market yield-to-maturity is secondary to the requirements for safety and liquidity.

DCTA contracts with HilltopSecurities Asset Management for investment advisory services. The investment policy has been reviewed by Hilltop to ensure all necessary language as required by the Act is present in the DCTA Investment Policy document. Included as Exhibit 2 is the letter from Hilltop confirming its review of the investment policy. Hilltop is not recommending any changes to the policy for FY2022, other than as noted below and in Attachments I and II of the policy.

In connection with investment transactions conducted between Hilltop and DCTA, Hilltop has provided as required under the Act a certification that they have reviewed the entity’s investment policy. In addition, Hilltop has provided to DCTA a copy of its current SEC Form ADV Part II, as required by Securities and Exchange Commission Regulation Section 275.204-3. These documents are available in the DCTA Finance Department.

The attached red-lined document incorporates the following changes:

- Adding HilltopSecurities Asset Management to authorized training sources
- Updating list of Approved Brokers/Dealers

### Previous Board Activity & Action

- August 26, 2021 – Discussion of the Financial Management Policies and Investment Policy for FY2022

### Identified Need

This action is required to fulfill the legal requirements for an annual review and approval of the Investment Policy as well as the review requirements included in the Financial Management Policies.

### Financial Impact

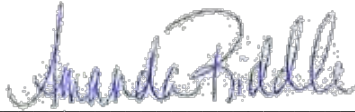
There is no direct financial impact associated with the approval of the Financial Management Policies.

## Exhibits

Exhibit 1: Resolution R21-06 with Exhibit "A" Red-lined Proposed Financial Management Policies including Investment Policy

Exhibit 2: FY2022 Investment Policy Review Letter

Submitted by:



Amanda Riddle  
Senior Manager of Budget

Reviewed By:



Amber Karkauskas  
Controller/AVP of Finance

Final Review:



Marisa Perry, CPA  
Chief Financial Officer/VP of Finance

**DENTON COUNTY TRANSPORTATION AUTHORITY  
RESOLUTION NO. R21-06**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPROVING THE DCTA FINANCIAL MANAGEMENT POLICIES AND UPDATING THE DCTA INVESTMENT POLICY; APPOINTING THE INVESTMENT OFFICERS AND AUTHORIZING INVESTMENT TRANSACTIONS ON BEHALF OF DCTA; PROVIDING A REPEALING CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

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

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

**WHEREAS**, DCTA Financial Management Policies and the DCTA Investment Policy are presented to the DCTA Board of Directors for review at the start of each fiscal year; and

**WHEREAS**, it is the policy of DCTA that the administration of its funds and the investment of those funds shall be handled as its highest public interest; and

**WHEREAS**, investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of DCTA and conforming to all applicable state statutes governing the investment of public funds; and

**WHEREAS**, in accordance with the Public Funds Investment Act, Chapter 2256, Texas Government Code, the Board of Directors by resolution adopted the DCTA Investment Policy; and

**WHEREAS**, Section 2256.005, Tex. Government Code requires the Board of Directors to review the DCTA Investment Policy not less than annually and to adopt a resolution stating the review has been completed and recording any changes made to either the DCTA Investment Policy or investment strategies.

**WHEREAS**, the Board of Directors of DCTA finds it to be in the public interest to approve and adopt the DCTA Financial Management Policies and the updated DCTA Investment Policy attached hereto as Exhibit "A";

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

**SECTION 1.** The DCTA Financial Management Policies and updated DCTA Investment Policy, attached hereto as Exhibit “A”, be and the same is hereby approved and shall govern the financial policies and the investment policies and investment strategies for DCTA, and shall define the authority of the investment officials of DCTA from and after the effective date of this Resolution.

**SECTION 2.** The Board of Directors of DCTA has completed its review of the DCTA Financial Management Policies and the DCTA Investment Policy and any changes to such policies are recorded in Exhibit “A”.

**SECTION 3.** The DCTA Chief Financial Officer, Marisa Perry, is hereby designated the Investment Officer, and DCTA President/CEO, Raymond Suarez, is designated as the Alternate Investment Officer.

**SECTION 4.** The Investment Officer and Alternate Investment Officer are hereby authorized to engage in investment transactions on behalf of DCTA.

**SECTION 5.** The Investment Officers authorized by this Resolution shall also be authorized to approve wire transfers used in the process of investing.

**SECTION 6.** The Investment Officers shall designate a liaison/deputy in writing in the event circumstances require timely action and the Investment Officers are unavailable.

**SECTION 7.** That 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 8.** 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 23<sup>RD</sup> DAY OF SEPTEMBER, 2021.**

**APPROVED:**

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Chris Watts, Chairman

**ATTEST:**

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Sam Burke, Secretary  
(09-10-2021:TM 124700)



**EXHIBIT “A”**  
**DCTA Financial Policies and Updated DCTA Investment Policy**

# Denton County Transportation Authority Financial Management Policies

(~~Adopted September 2020~~ Draft August 2021)

## Operating Policies

### Purpose

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

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

### Review

DCTA Financial Management Policies are presented to the Board of Directors for review, discussion, and approval at the start of each fiscal year.

### Objectives

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

- a. To enable the DCTA Board of Directors (the Board) to establish and manage policy decisions that have significant impact on the agency.
- b. To set forth operating principles that minimize the cost of government and financial risk.
- c. To employ balanced and fair revenue policies that provide adequate funding for desired services and programs.
- d. To maintain appropriate financial capacity for present and future needs.
- e. To promote sound financial management by providing accurate and timely information on DCTA's financial condition.
- f. To protect DCTA's credit rating and provide for adequate resources to meet the provision of DCTA's obligations on all its debt.
- g. To ensure the appropriate use of financial resources through an effective system of written and audited internal controls.
- h. To promote cooperation and coordination with other governments, agencies and the private sector in the financing and delivery of services.
- i. To establish long-term objectives for the financial operations of DCTA.
- j. To ensure an optimum balance between demand for service and resources to provide those services.

## Reserve Fund Policies

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

- a. It will be the policy of DCTA to maintain a Fund Balance Reserve Fund that is equal to three months of the total budgeted operating expenses (excluding capital project expenses) for the fiscal year. This Fund Balance Reserve is maintained to address unanticipated emergencies and may be allocated with approval by the Board if there are not sufficient resources in unrestricted net position. An annual contribution will be budgeted from general operating resources, as available, to maintain the target reserve level.
- b. It will be the policy of DCTA to maintain a Sales Tax Stabilization Fund. This Fund will be used to stabilize revenue received from sales tax in times of economic downturn and will be equal to three percent (3%) of annual budgeted sales tax.
- c. It will be the policy of DCTA to maintain a Capital Replacement/Infrastructure Maintenance Fund (State of Good Repair) to provide funding for maintenance of capital assets and infrastructure at a sufficient level to protect DCTA's investment and maintain appropriate service levels.
- d. It will be the policy of DCTA to maintain a Fuel Stabilization Fund. On average, the Fuel Stabilization Fund will be equivalent to \$0.50 per gallon of budgeted fuel. This will be reviewed each year during the budget process. This fund will be used to mitigate significant fluctuations in fuel prices each year.

Contributions to the Sales Tax Stabilization, Capital Replacement/Infrastructure Maintenance, and Fuel Stabilization Funds will be made from available funds as identified in the annual budget or amended budget. The Chief Financial Officer (CFO) shall make a recommendation to the Board regarding transfers to and from reserve funds. The Board shall authorize the transfers as deemed appropriate at the time. Guidelines for transfers and contributions are as follows:

- a. All transfers for expenses from reserve accounts shall require prior Board approval unless previously and specifically authorized by the Board in the annual budget or amended budget.
- b. Capital Replacement Fund will at a minimum be an amount equivalent to twenty percent (20%) of bus fleet replacement costs (reflective of anticipated grants) plus an additional \$500,000. (Example - FY21 Bus Fleet replacement: \$1.87 million X 20% = \$374,020. Minimum Capital Replacement Fund requirement: \$374,020 + \$500,000 = \$874,020).
- c. Infrastructure Maintenance – Available funds, within limitations of current long range financial plan, in accordance with assessed capital needs which shall be reviewed during the annual budget process.

If after procedures as outlined in the adopted Budget Contingency Plan have been met, and a severe economic downturn or other emergency requires draw down of Fund Balance Reserve or Sales Tax Stabilization funds, it will be a priority to replenish fund balances. Fund balances will be replenished within three (3) years, from any year-end budget surpluses. These surpluses may be achieved through expense reductions or through higher than anticipated revenues. The long range financial plan and annual budget will specifically outline the timeframe and plan for fund balance replenishment.

## Revenue Policies

- a. To the extent possible, a diversified and stable revenue system will be maintained to shelter service delivery from short-run fluctuations in any one revenue source due to changes in economic conditions. Trends analyzing the dependence on distinct revenue sources shall be included in the budget documents for consideration by the Board.
- b. Revenue forecasts will assess the full spectrum of resources that can be allocated for service delivery. Each year the Board shall review potential sources of revenue as part of the annual budget process.
- c. Revenue forecasts shall be realistically estimated and based on the best information available. DCTA shall use a conservative, objective and analytical approach when preparing revenue estimates and follow a vigorous policy of collecting revenues. Shortfalls anticipated based on this forecast will be addressed as follows:
  - i. Short-term (anticipated less than one year) economic downturns and temporary gaps in cash flow: Expense reductions or restrictions may be imposed as outlined in the Budget Contingency Plan adopted as part of the annual budget by the Board. The Board may approve a contribution from the Sales Tax Stabilization Fund or Fund Balance Reserve Fund to address temporary downturns in revenues.
  - ii. Long-term (greater than one year) revenue downturns: Deficit financing and borrowing to support on-going operations is not the policy of DCTA. Revenue forecasts will be revised. Expenses will be reduced to conform to the revised long-term revenue forecast and fare increases will be considered.
- d. All potential grants shall be carefully examined for matching requirements. Some grants may not be accepted if the local matching funds cannot be justified. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted.
- e. DCTA shall develop and maintain fair and equitable fares for all public transportation services which it operates. A fare structure establishing a base fare, categories of prepaid fares and special fare programs shall be adopted by the Board and reviewed no less than every two years. The fare structure should be competitive and offer seamless integration for passengers within the regional transportation system.
- f. Services provided on a contract basis will be charged at rates in accordance with DCTA's Administrative Fee Policy as approved by the Board of Directors.
  - Contracts for service delivered to local Universities and Colleges within member cities must recover a minimum of 75% of total operating and capital costs. Contracts for services delivered outside member cities must recover 100% of total operating and capital costs.
  - An overhead percentage shall be calculated annually based on DCTA's cost allocation model to determine the percentage of allocated, indirect costs in proportion to direct costs. A three percent (3%) fee shall be added to this overhead percentage for all contract services delivered outside member cities. This calculated overhead percentage, plus 3%, shall be used as the Administrative Fee added to direct costs. In no case shall the Administrative Fee be less than 60% without prior approval of the DCTA Board of Directors.
  - The President/CEO or designee is authorized to implement this policy and to issue more detailed procedures to facilitate implementation of the policy as needed. All agreements developed under this policy and any proposed deviations from this policy will be brought to the

Board for prior review and approval.

- g. DCTA will review contracts and leases which result in revenues to DCTA on a timely basis for careful consideration by the Board.

### **Expense Policies**

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

- a. Vice Presidents are responsible for managing budgets within the total appropriation. DCTA will conduct a regular review and analysis of major expense categories to help assure the most efficient use of resources.
- b. DCTA will maintain expense categories according to state statute and administrative regulation.
- c. Emphasis is placed on improving individual and work group productivity rather than adding to the work force. DCTA will consider investing in technology and other efficiency tools to maximize productivity. DCTA will hire additional staff only after the need for such positions has been demonstrated and documented.
- d. All compensation planning will focus on the total cost of compensation, which includes direct salary, health care benefits, pension contributions, training allowance, and other benefits of a non-salary nature, which are a cost to DCTA. A compensation study shall be conducted every three (3) years to ensure that DCTA maintains a competitive position in the market, with a goal to stay at the mid-point of the market range.

### **Accounting, Auditing and Financial Reporting**

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

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



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

### **Budget and Operating Policies**

- a. Decisions of the Agency will be within the context of the long range financial plan and the long range service plan. Staff shall provide a review of the implications of budgetary proposals on the long range financial plan.
- b. The budget is designed to communicate DCTA's financial goals and objectives to its stakeholders by describing the service to be provided, the cost of the service, the proposed allocation of funds and revenue sources used to pay for the service. DCTA is committed to a balanced budget, where current year expenses do not exceed current year revenues and applicable/specific reserve balances.
- c. Chapter 460.403 of the Texas Transportation Code requires the Board to prepare an annual budget. The annual budget shall be developed consistent with state law and in a manner which encourages early involvement with the public and the Board. A calendar of events related to budget development shall be presented to the Board each year prior to the start of the annual budget process.
- d. The Finance Department will maintain a system for monitoring the DCTA's budget performance. The system will provide the Board with monthly and/or quarterly information in a timely manner on fund level resource collections and category level expenses.
- e. Budget Revisions: The budget should be adjusted during the budget period should unforeseen events require changes to the original budget plan. The budget is a plan based on a set of assumptions that may not always match actual experiences during the execution phase. DCTA staff shall watch for significant deviations from expectations and make adjustments so that the plan is consistent with revised expectations as follows:
  - i. Operating Fund Expenses:
    1. DCTA is required to control operating costs and maintain the total expenses incurred at or below the total annual adopted Operating Expenses budget or budget as amended.
    2. The Chief Executive Officer (CEO) may authorize budget transfers between expense categories and departments, in an aggregate amount – not to exceed 5% of the total annual Operating Expenses budget without Board approval.
    3. The Board may authorize a Budget Amendment for approval of new contracts and unbudgeted expenses when available savings cannot be identified within the operating or capital budget.
  - ii. Capital Project Fund Expenses:
    1. Expenses for capital projects must be approved within the fiscal year capital project budget; or
    2. By Board approval of any increase to an existing capital project budget that is not offset by savings within the operating or capital budget; or
    3. The addition of a new capital project during the fiscal year approved by Budget Amendment.
  - iii. All DCTA amendments and transfers will be reflected in the appropriate period for the budget year and long range financial plan.

## f. Definitions:

- i. Budget Amendment – Shall mean a net change in the total adopted fiscal year budget (operating + capital) based on the following criterion:
  - 1. A net change in the budgeted expenses (operating + capital), to include:
    - (a) addition of a new capital project; (b) increase in Capital Projects Fund annual appropriation that is not offset by identified savings within the operating or capital budget; (c) addition of operating expenses that are not offset by identified savings within the operating or capital budget.
  - 2. A resolution approved by the DCTA Board of Directors is required to authorize an amendment as specified in Section e.
- ii. Budget Transfers – Shall mean transfer of funds between the following:
  - 1. Departments, expense line items, or capital projects that neither increase nor decrease the total adopted budget (operating + capital).
  - 2. If budgeted expenses associated with a capital project are deemed operating, the capital project budget will be decreased and transferred to the appropriate operating budget.
- g. A Budget Contingency Plan will be adopted each year as part of the annual budget process. This allows DCTA to be positioned to respond quickly to economic or market fluctuations. The Plan shall identify triggers, key action plans and monitoring processes to allow DCTA to effectively recover and/or adjust to serious downturns.
- h. Accurate inventories of all physical assets, their condition, life spans, and cost will be maintained to ensure proper stewardship of public property. The CFO will establish policies and appropriate procedures to account for fixed assets, including establishing the threshold dollar amount for which fixed asset records are maintained and how often physical inventories are taken. A physical inventory will be conducted no less than every two (2) years.

**Purchase and Disposal of Assets**

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

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

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

**Grant Funds:** When procurement involves the expense of grant funds, purchasing shall be conducted in accordance with all applicable grant laws or regulations.

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

## **Cost Allocation**

Should DCTA choose to include indirect costs in its grant reimbursement requests, DCTA will comply with all laws and recommendations in calculating and receiving appropriate cost recovery for services rendered and for allocating appropriate indirect costs.

Cost allocation is a method to identify and distribute indirect costs. Direct costs are costs assignable to a specific objective, whereas indirect costs are costs incurred for multiple cost objectives or not assignable to a specific cost objective without effort disproportionate to the benefit received. Should DCTA choose to include indirect costs in its grant reimbursement requests, DCTA will prepare and seek funding agency approval of a cost allocation plan to identify direct and indirect costs to use for recovering allowable costs under OMB Circular A-87. The plan will be prepared consistent with guidelines established by:

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

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

### **Governmental Accounting Standards Board (GASB)**

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

## **Debt Management Policy**

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

- a. To minimize the use of debt to the effect that debt service payments will be a predictable and manageable part of the operating budget.
- b. Utilize debt as the last resort, to raise capital at the lowest cost, consistent with the need to borrow.

These will be accomplished by:

- a. Securing and maintaining a high credit rating if appropriate to reduce the cost of borrowing.

- b. Maintaining a good reputation in the credit markets by implementing and maintaining a sound capital program and managing the annual budget responsibly.
- c. Selecting professional service providers (underwriters, financial advisors, bond insurers, etc.) through negotiation, RFQ process or as defined for professional services under DCTA's procurement procedures.
- d. Issuing debt on a competitive basis (except when conditions make a negotiated sale preferable) and awarding to the bidder who produces the lowest true interest cost and underwriting cost. Revenue bonds can be issued through a negotiated sale when the issue is unusually large, the project is speculative or complex, the issue is a refunding, or the market is unstable:
  - i. Long-term debt issued will not exceed the life of the projects financed. Current operations will not be financed with long-term debt.
  - ii. Short-term borrowing will not be used for operating purposes.
- e. Complying with continuing disclosure reporting requirements and the obligation to inform the Municipal Securities Rulemaking Board through the EMMA website (Electronic Municipal Market Access) of any and all continuing disclosure documents and annual financial statements. The DCTA's annual audited financial report will be sent to EMMA as soon as the external auditor issues the report and it has been approved by the Board of Directors, within six months after the fiscal year end.
- f. Ensuring no debt is issued for which DCTA is not confident that a sufficient, specifically identified revenue source is available for repayment. The CFO shall prepare an analytical review for this purpose prior to the issuance of any debt.
- g. Limiting bonded indebtedness to a level that:
  - i. permits sufficient borrowing to support a reasonable level of capital programming;
  - ii. maintains a debt amortization schedule within DCTA's ability to pay; and
  - iii. supports DCTA's credit rating objectives.
- h. Considering credit enhancements only after a cost/benefit analysis has been completed for each bond issue.
- i. Maintaining debt service reserve accounts as required by bond ordinances and where deemed advisable by the Board. DCTA shall structure such debt service reserves to avoid violation of IRS arbitrage regulations.
- j. Maintaining debt service coverage ratios as required for any bond issues but not less than an internal debt service coverage of 1.25X.

## INVESTMENT POLICY

### I. POLICY STATEMENT

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

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

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

### II. SCOPE

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

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

### III. OBJECTIVES AND STRATEGY

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

#### Safety of Principal

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

#### Liquidity

Investments will be based on a cash flow analysis of needs and will remain sufficiently liquid to satisfy all operating requirements which might be reasonably anticipated by the agency's long range financial plan. The

portfolio will be structured so that investments mature concurrent with cash needs. Because all possible cash demands cannot be anticipated, the portfolio will include investments that offer same-day liquidity for those unanticipated situations. In addition, a portion of the portfolio will consist of securities with active secondary or resale markets.

#### Diversification

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

#### Yield

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

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

### **IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY**

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

### **V. DELEGATION OF INVESTMENT AUTHORITY**

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

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

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

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

### Authorization Resolution

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

## **VI. PRUDENCE**

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

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

### Limitation of Personal Liability

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

## **VII. INTERNAL CONTROLS**

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

### Cash Flow Forecasting

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

## **VIII. AUTHORIZED INVESTMENTS**

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

- a. Obligations of the United States Government, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC), agencies and instrumentalities and government sponsored enterprises, excluding collateralized mortgage obligations (CMO’s), not to exceed two years to stated maturity with the exception of project funds which may be invested in longer maturities but not to exceed forecasted expense dates;
- b. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas, not to exceed two years to stated maturity. In addition, separate CDs issued by depositories wherever located, bundled together into a single investment with the full amount of principal and interest of



each CD insured by the Federal Deposit Insurance Corporation (FDIC) may be purchased through a broker that has its main office in Texas and is selected from a list adopted by the DCTA Board or a selected depository institution with its main office or branch office in Texas. See Attachment II for a list of Board approved broker/dealers. This broker or depository shall act as the custodian for the various certificates on behalf of DCTA;

- c. Repurchase agreements and reverse repurchase agreements as defined by the Act, not to exceed 90 days to stated maturity, provided an executed Master Repurchase Agreement is on file with DCTA and the counterparty bank or primary dealer. Flexible repurchase agreements used specifically for capital projects may extend beyond the stated limitation, but shall not exceed the expense plan of the projects;
- d. No-load SEC-registered money market funds, each approved specifically before use by DCTA;
- e. Constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act; and
- f. Interest bearing bank savings deposits issued by state and national banks or savings bank or a state or federal credit union (having their main or branch office in Texas) that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund (or their successor organizations).

If additional types of securities are approved for investment by public funds by state statutes, none will be eligible for investment by DCTA until this policy has been amended and approved by the DCTA Board.

#### Competitive Bidding Requirements

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

#### Delivery versus Payment

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

### **IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

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

Securities broker/dealers must meet and disclose certain criteria as determined by the Investment Officer including:

- a. an audited financial statement each year;
- b. proof of certification by the Financial Industry Regulatory Authority (FINRA) and provision of CRD number;
- c. proof of current registration with the State Securities Commission; and
- d. completion of DCTA questionnaire.

Every broker/dealer, investment pool, investment manager and bank with which DCTA transacts business will be provided a copy of this Investment Policy to assure they are familiar with the goals and objectives of DCTA's

investment program. A representative of the transacting organization will be required to return a signed certification stating that the policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to DCTA.

DCTA may appoint one or more investment advisors to assist the financial staff in the management of DCTA funds. The investment advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and also be registered with the Texas State Securities Board as an investment advisor. To be eligible for consideration, an investment advisor shall demonstrate knowledge of, and experience in, the management of public funds. An appointed investment advisor shall act solely in an advisory and administrative capacity, within the guidelines of this Investment Policy, and shall not have discretionary authority to transact business on behalf of DCTA.

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

#### **X. DIVERSIFICATION AND MATURITY LIMITATIONS**

It is DCTA's policy to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

<b><u>Security Type</u></b>	<b><u>Max % of Portfolio</u></b>
U.S. Treasury obligations	100%
U.S. Government agencies and instrumentalities	Not to exceed 75%
Fully insured or collateralized CDs	Not to exceed 30%
Repurchase agreements	100%
Money Market Funds	50%
Local Government Investment Pools	
Liquidity Pools	100%
Maximum percent ownership of pool	Not to exceed 10%
Interest Bearing Bank Savings Deposits	25%

The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investments with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to a specific requirement, the Investment Officer may not:

- a. invest more than 20% of the portfolio for a period greater than one (1) year, or
- b. invest any portion of the portfolio for a period of greater than two (2) years.

## **XI. SAFEKEEPING AND COLLATERALIZATION**

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

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

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

### Collateralization

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

To provide a level of additional security for all funds and to also anticipate any market changes, the collateralization level required will be 105% of the market value of the principal and accrued interest. Collateral will be held by an independent third party safekeeping agent.

## **XII. PERFORMANCE EVALUATION AND REPORTING**

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

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

### **XIII. DEPOSITORIES**

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

### **XIV. TRAINING REQUIREMENT**

The DCTA Investment Officer(s) shall attend at least one investment training session consisting of no less than 10 hours of instruction relating to investment responsibilities within twelve months of taking office or assuming duties, and subsequently shall receive a minimum of 10 hours not less often than once in a two-year period that begins on the first day of the fiscal year and consists of the two consecutive years after that date. The investment training session shall be provided by an independent source approved by the Board of Directors. See Attachment I for a list of Board approved independent investment training sources. Contingent upon Board approval, additional independent sources from which investment training may be obtained shall include a professional organization, an institute of higher learning, or any sponsor other than a business organization with whom DCTA may engage in an investment transaction. Such training shall include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act.

### **XV. ETHICS AND CONFLICTS OF INTEREST**

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

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

### **XVI. SUBJECT TO AUDIT**

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

### **XVII. INVESTMENT POLICY ADOPTION BY DCTA BOARD**

DCTA's Investment Policy shall be adopted annually by the Board of Directors. The policy and strategies shall be reviewed on an annual basis by the Board. A written resolution approving that review, and suggested changes to the policy will be approved by the Board.

**Attachment I**

Board Approved Independent Investment Training Sources

1. Texas Municipal League (TML)
2. Government Finance Officers Association (GFOA)
3. Government Finance Officers Association of Texas (GFOAT)
4. North Central Texas Council of Governments
5. Texas Higher Education Coordinating Board
6. University of North Texas – Center for Public Management
- 6.7. HilltopSecurities Asset Management

Attachment II

Board Approved Broker/Dealers List



**Approved Broker/Dealers**  
**April 2021**

**BofA Securities**  
BOK Financial  
**Cantor Fitzgerald & Co**  
**Citigroup Global Markets**  
**Daiwa Capital Markets**  
FHN Financial  
*Great Pacific Securities\*\**  
**Goldman, Sachs & Co**  
StoneX (formerly INTL FCStone)  
**JP Morgan Securities**  
KeyBanc Capital Markets  
*Loop Capital Markets \*\**  
Mesirow Financial  
**Mizuho Securities**  
**Morgan Stanley & Co**  
*Multi-Bank Securities \*\**  
Piper Sandler & Co  
Raymond James  
**RBC Capital Markets**  
*Rice Financial \*\**  
SunTrust Robinson Humphrey  
Stifel, Nicolaus & Co.  
**TD Securities**  
**UBS Securities**  
Vining Sparks  
**Wells Fargo Securities**  
*Siebert Williams Shank \*\**

\* **Bold face font indicates firm is a Primary Dealer.**

\*\* *Dark blue italics font indicates firm is a Historically Underutilized Business (HUB) or Minority/Women Owned Business (MWOB).*



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Austin, TX 78746

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

**Scott McIntyre, CFA**  
Managing Director

[scott.mcintyre@hilltopsecurities.com](mailto:scott.mcintyre@hilltopsecurities.com)

July 28, 2021

Ms. Marisa Perry, CPA  
Chief Financial Officer/VP of Finance  
Denton County Transportation Authority  
1955 Lakeway Drive, Suite 260  
Lewisville, TX 75057

Dear Marisa:

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

*The Texas Legislature did not amend the PFIA in 2021, so there are no required changes. We believe the Denton County Transportation Authority investment policy, as written, is in full compliance with state law.*

Please contact me with any questions you might have regarding this review.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott McIntyre". The signature is stylized with a large, sweeping initial "S".

Scott McIntyre, CFA  
Senior Portfolio Manager

Cc: Ms. Amber Karkauskas



## Board of Directors Memo

September 23, 2021

SUBJECT: Consider Approval of an Award of Contract to Prudential Global Network, LLC (PGN) for Request for Proposal (RFP) 21-12 Compensation Study

### Recommendation

Staff is recommending the Board approve the award and authorize the CEO to execute a contract with Prudential Global Network, LLC for compensation study services beginning in FY2022.

### Background

As a best practice and as noted in DCTA's financial management policies, DCTA conducts a compensation study every three years with a goal to remain competitive within the marketplace and to attract and retain employees. The compensation study shall include an examination of DCTA's current compensation plan and related component and position hierarchy. This study shall be done in accordance with generally accepted compensation methods and in accordance with applicable federal and state laws. The selected third-party vendor will provide the current compensation, pay ranges, job functions, position structure, benefits, and any other form(s) of compensation compared to market.

The previous compensation study contract was in place from August 10, 2015 through August 9, 2019. The last compensation study was completed in April 2019.

A Request for Proposal (RFP) was released on June 21, 2021 on Bid Sync for Compensation Study Services, and DCTA received a total of three (3) responses on August 10, 2021. Staff reviewed all proposals based on project approach and methodology, understanding project scope and objectives, qualifications of team, experience with similar projects, and overall cost. The following companies submitted proposals:

- Octagon Consulting, LLC
- Prudential Global Network, LLC (PGN)
- The Segal Group (formerly Segal Waters)

After review of all three (3) proposals, the evaluation committee asked for additional information from two of the proposing companies and determined Prudential Global Network (PGN) to be the best qualified company.

The initial term of the agreement is three (3) years with the option to extend for two (2) additional one (1) year terms. The initial term will commence on October 1, 2021 through and including September 30, 2024.

### Identified Need

Staff has identified the need for a compensation study to review job classification, salary ranges, position structure, job functions and benefits compared to market. The compensation study will ensure DCTA's ability to attract and retain qualified workers, and to provide DCTA with a salary and benefit structure that enables DCTA to maintain competitive with other transit agencies and companies.

### Previous Board Activity & Action

- August 26, 2021 – Board Meeting Informational Report

### Financial Impact

The cost for the service will be incorporated within the proposed FY2022 budget. The fees will be a not to exceed amount of \$32,000 for each year that a compensation study is conducted during the contract term.



## Exhibits

Exhibit 1: Request for Proposal 21-12

Exhibit 2: Prudential Global Network, LLC (PGN) Proposal

Exhibit 3: Evaluation Consensus Scores

Submitted By: Mackenzie Armendariz  
Mackenzie Armendariz  
Senior Manager of Human Resources

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

## **Solicitation 21-12**

### **Compensation Study**

### **Bid Designation: Public**



**Denton County Transportation Authority**

## Bid 21-12 Compensation Study

Bid Number **21-12**  
Bid Title **Compensation Study**

Bid Start Date **Jun 22, 2021 5:38:00 PM CDT**  
Bid End Date **Aug 10, 2021 4:00:00 PM CDT**  
Question & Answer End Date **Jul 9, 2021 2:00:00 PM CDT**

Bid Contact **Geraldine Osinaike**  
**gosinaike@dcta.net**

Contract Duration **3 years**  
Contract Renewal **2 annual renewals**  
Prices Good for **90 days**

Bid Comments **The Denton County Transportation Authority (DCTA) is seeking proposals for professional services required to conduct a comprehensive classification compensation study which will include an option to provide a salary and benefit survey every three years to ensure the pay plan remains competitive.**

**Questions may be submitted before the deadline. It is recommended that the insurance requirement be reviewed by you and your agent.**

**Due to the COVID 19 Pandemic and the stay at home declarations in place across the country, DCTA will accept electronic bids through Bidsync only. State of Texas law prohibits DCTA from accepting emailed bids and proposals.**

**Added on Jul 27, 2021:**

**Addendum 1 has been issued, see attachment 1. The due date/time to submit proposals has been changed to August 10, 2021, at 4:00 pm CST**

### Addendum # 1

New Documents **Addendum 1 -.pdf**

Previous End Date **Aug 4, 2021 4:00:00 PM CDT**

New End Date **Aug 10, 2021 4:00:00 PM CDT**

### Item Response Form

Item **21-12--01-01 - Compensation Study**

Quantity **1 each**

Prices are not requested for this item.

Delivery Location **Denton County Transportation Authority**  
Denton County Transportation Authority  
1955 Lakeway Drive  
Suite 260B

Lewisville TX 75057

**Qty** 1

**Description**

Compensation Information



## SOLICITATION OVERVIEW AND ENDORSEMENT

<b>SOLICITATION TYPE/No.</b>	Request for Proposals (RFP) 21-12		
<b>TITLE</b>	Compensation Study		
<b>PROCUREMENT SCHEDULE</b>	Dates and times are subject to change, any changes will be issued by addenda.		
<b>PRE BID/PROPOSAL MEETING DATE</b>	N/A	<b>PRE BID/PROPOSAL MEETING LOCATION</b>	
<b>QUESTIONS DUE</b>	July 9, 2021 by 2:00 pm CST	<b>RESPONSES TO QUESTIONS RELEASED</b>	July 19, 2021 by 5:00 pm CST
<b>DUE DATE/TIME</b>	August 4, 2021 at 4:00 pm CST		
<b>QUESTIONS/ CLARIFICATIONS</b>	All requests for clarifications and questions shall be submitted in writing. No verbal questions will be accepted and no verbal replies will be provided. Bidders/Proposers must submit requests for changes to or approval of equals, clarifications and modifications of the specifications in writing. The solicitation documents can only be modified in writing. Procurement must receive the requests no later than the date indicated above. Procurement will issue a response to those requests to all bidders/proposers by posting the replies to Periscope S2G no later than the date indicated above. DCTA assumes no responsibility for delayed or lost responses		
<b>ALL QUESTIONS AND REQUESTS FOR CLARIFICATIONS SHALL BE SENT TO</b>	Geri Osinaike <a href="mailto:procurement@dcta.net">procurement@dcta.net</a> or submitted via Periscope S2G at <a href="http://www.bidsync.com">www.bidsync.com</a>		
<b>RECEIPT OF BID/PROPOSAL</b>	<p>Prior to the time and date indicated above, all proposals must be received electronically at <a href="http://www.bidsync.com">www.bidsync.com</a></p> <p><b>Proposal received after the due time and date shall not be considered and will be returned unopened.</b> Bids/Proposals submitted to other DCTA locations may be returned unopened and will not be considered in the award of the contract.</p> <p>DCTA reserves the right to change the deadline for submitting bids/proposals. Further, DCTA reserves the right to unilaterally revise or amend the scope of services up to the time set for submitting bids/proposals. Such revisions and addenda, if any, shall be announced by addenda to this solicitation. Copies of such addenda shall be furnished to all prospective bidders/proposers.</p>		
<b>ACCEPTANCE PERIOD</b>	PROPOSALS SHALL REMAIN VALID FOR 90 DAYS FROM THE DUE DATE		
<b>DBE (DISADVANTAGED BUSINESS ENTERPRISE) PROGRAM</b>	It is the policy of DCTA to create a level playing field on which DBEs, as defined in 49 CFR Part 26, can compete fairly for DOT-assisted contracts. Additionally, DCTA is committed to removing barriers to the participation of DBEs on DOT-assisted contracts. The DBE requirements of 49 CFR Part 26 applies to this procurement. By submitting its bid/proposal, Bidder/Proposer certifies that it will take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that DBEs are given the maximum opportunity to compete for and participate in the performance of this contract. Bidder/Proposer further certifies and agrees that it has not and will not discriminate on the basis of race, color, national origin, or sex in the award of subcontracts under this contract or in performance of this contract. DCTA's DBE Program is available at <a href="http://www.dcta.net">www.dcta.net</a>		
<b>DBE GOAL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no DBE goal %		
<b>DAVIS-BACON AND COPELAND ANTI-KICKBACK</b>	The Davis-Bacon and Copeland Acts are codified at 40 USC 3141, et seq. and 18 USC 874. The Acts apply to grantee construction contracts and subcontracts that "at least partly are financed by a loan or grant from the Federal Government." 40 USC 3145(a), 29 CFR 5.2(h), 49 CFR 18.36(i) (5). The Acts apply to any construction contract over \$2,000. 40 USC 3142(a), 29 CFR 5.5(a). 'Construction,' for purposes of the Acts, includes "actual construction, alteration and/or repair, including painting and decorating of public buildings and public works of the Government." 29 CFR 5.5(a).		
<b>CERTIFIED PAYROLL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no Wage Rate		
<b>BID/PROPOSAL ENDORSEMENT</b>	TO BE COMPLETED FOR HAND DELIVERED AND MAILED RESPONSES ONLY		
<b>BUSINESS NAME</b>			
<b>CONTACT NAME</b>		<b>TITLE</b>	
<b>TELEPHONE</b>		<b>EMAIL</b>	
<b>ADDRESS</b>			
<b>SIGNATURE</b>			<b>DATE</b>

## SCOPE OF WORK, TERMS AND CONDITIONS

### 1. CONTRACT

Submission of a proposal constitutes an offer to perform the work specified and to be bound by the terms contained or referenced herein. Upon acceptance of the offer, and upon award of the Contract to the successful offeror (if any), this procurement solicitation document (entitled "Request for Proposal") together with the completed and executed forms required herein, and all attachments hereto, together with the contract shall collectively constitute the Contract documents.

### 2. CONTRACT TERM

The initial term of the contract shall be for three (3) years with the option to renew for two (2) additional one (1) year terms.

### 3. BACKGROUND

About Denton County Transportation Authority The Denton County Transportation Authority (DCTA) is committed to improving mobility, air quality, economic development, and livability in the communities it serves. In collaboration with diverse stakeholders and partners, DCTA is a leader in advancing mobility initiatives to serve the ever-changing transit needs of riders. Formed in 2002 and funded in 2003, DCTA serves Denton, Collin and Tarrant County with a total of 22 fixed bus routes, 21-mile A-train commuter rail line, on-demand, paratransit and additional services. DCTA serves nearly 3 million passengers each year with connections to the Dallas Area Rapid Transit (DART) Green Line. To learn more about how DCTA is shaping the future of North Texas, visit RideDCTA.net.

### 4. SCOPE OF SERVICES:

- 4.1 **Overview:** The Denton County Transportation Authority (DCTA) is accepting proposals for professional services required to conduct a comprehensive classification compensation study which will include an option to provide a salary and benefit survey every three years to ensure the pay plan remains competitive. The goal of DCTA is to conduct a market compensation comparison every three years with a goal to remain competitive with the external marketplace at or near the 50th percentile of the competitive market.
- 4.2 **Goals and Objectives:** The goal of DCTA is to review the current compensation, pay ranges, job functions, and structure compared to market. The objectives of DCTA are: to attract and retain qualified workers who will be paid competitive salaries, and to provide DCTA with a salary and benefit structure that enables DCTA to maintain a competitive position with other transit agencies and companies within the same geographic or recruiting area for positions that require a broader search area.
- 4.3 **Present Condition of Compensation System:** In 2019, a third-party provider conducted a competitive market study; which provided job classification, salary ranges and job groupings. DCTA incorporates a philosophy of maintaining a competitive pay plan position compared to market.



- 4.4. **Scope of Comprehensive Compensation Study:** The compensation study shall include an examination of DCTA's current compensation plan and related component and position hierarchy. This study shall be done in accordance with generally accepted compensation methods and in accordance with applicable federal and state laws.

DCTA employs approximately 35 management, professional, technical, administrative, clerical, and general labor full time and regular part-time positions (excluding contract, seasonal and non- regular part-time employees) in eleven salary ranges.

- 4.5. **Preparation of Working Papers and Reports:** The DCTA Human Resources department will be actively involved in the preparation of the project; however, it is expected that the time available for such involvement will be limited. As part of the proposal, the consultant shall outline which portions of the study shall be the responsibility of DCTA. It shall be the consultant's responsibility to complete all other supporting documentation, reports and staff interviews.

The preparation of the Comprehensive Compensation Plan shall use accepted compensation methodologies.

The vendor selected will present and discuss recommendations with the CEO and Executive staff prior to final recommendation and needs to allow adequate time for those discussions. The vendor shall also be prepared to present to the DCTA Board of Directors, if requested.

- 4.6. **Study Requirements:** The consultant will analyze DCTA's compensation system and recommend updates or changes to achieve the goal and objectives outlined. The following list outlines specific requirements.

- 4.6.1. Review DCTA's existing compensation classification system, benefit structure, position hierarchy, and job functions.
- 4.6.2. Review DCTA's existing job functions by position as they pertain to the current and recommended structure. The study should review and compare the scope of essential job functions, the position's education and experience requirements, the number of employee(s) in a position and/or department, the agency's organizational chart and position structure, the number of employee(s) a position supervises, and any other pertinent items recommended by the vendor to be considered. Coordinate with DCTA Executive Team and Human Resources prior to market research to gain a solid understanding of each position and department function(s).
- 4.6.3. Review DCTA's full compensation package, including annual merit pay, bonuses/perquisites, retirement plan, and detailed benefits package for a holistic comparison to the market.
- 4.6.4. Gather necessary information through the use of questionnaires, job audits, personal interviews or other accepted method from both DCTA and comparable agencies. This should include all forms of compensation, such as: base compensation, detailed benefits (employer versus employee costs; plan design, including deductibles, copays,

coinsurance, out-of-pocket maximum; number of plan(s), etc.), retirement plan(s), bonus pay and methodology, perquisites (executive level vs all staff), service pay, merit pay, sign-on or retention incentives, tuition reimbursement, time-off accruals, and any other related compensation items.

- 4.6.5. Identify a market position and peer comparisons for DCTA, coordinating with DCTA Human Resources and management staff, as required. The peer comparisons would assess position essential functions, education/experience requirements, size of the department, and number of direct reports, as compared to DCTA.
- 4.6.6. Develop a comprehensive labor market salary survey for the North Texas region, other transit agencies, and local municipalities. The proposal should outline the vendor's experience with transit and governmental agencies. Peer entities to be determined by DCTA and contractor, to include transit agencies and municipalities.
- 4.6.7. Analyze existing internal hierarchy based on job relationships and essential functions, identify problem areas within the internal hierarch system, and propose implementation methods to correct identified problems.
- 4.6.8. Review current classification grade methodology and propose recommended strategies for DCTA.
- 4.6.9. Develop a pay plan identifying specific parameters (i.e., percent spreads between ranges and within ranges).
- 4.6.10. Review and recommend assignments of all positions to an appropriate pay grade, as well as make recommendation(s) for corresponding education and experience requirements by classification.
- 4.6.11. Recommend implementation strategies including calculating the cost of implementing the study results.
- 4.6.12. Provide system documentation and data in formats as approved by DCTA Human Resources.
- 4.6.13. Prepare cost analysis for positions that fall below the proposed minimum salaries following reclassification, and any recommended equity pay.

#### 4.7. **Expected Outputs**

- 4.7.1. All original documentation of job analysis for all staff positions.
- 4.7.2. Pay scale chart and appropriate level of compensation for each job title, alongside recommended education and experience recommendations by position or grade level.
- 4.7.3. Progress reports and final reports, including cost analysis and funding recommendations. It's expected for progress meetings to be coordinated with DCTA Human Resources at least biweekly throughout the review period and until final acceptance and implementation by DCTA
- 4.7.4. Electronic detail of information, processes, and procedures, where possible.

- 4.7.5. Listing of all research documentation used and information compiled when determining the market range, position in the market, and any recommended compensation changes (i.e. benefit structure, merit pay, etc.).
- 4.7.6. Copies of position survey distributed and copy of findings and results of the survey.
- 4.7.7. Presenting the results of study to DCTA's Executive team at a meeting to be determined; and/or a presentation to the DCTA Board of Directions, if requested.
- 4.7.8. The first triennial study shall be completed, and reports delivered to DCTA no later than **January 7, 2022** with subsequent study/studies completed on a similar, mutually agreed upon timeline.
- 4.8 DCTA shall provide the space and facilities necessary for the consultant to conduct the study. In addition, all information, data, reports, and records necessary for carrying out the work shall be furnished to the consultant without charge and DCTA shall cooperate with the consultant in every reasonable way to ensure completion of the study.

## PROPOSAL SUBMITTAL INFORMATION

The response shall be submitted online through Bidsync, at [www.bidsync.com](http://www.bidsync.com), proposals received via email shall not be considered. Proposals submitted to DCTA administrative office may not be considered, due to the current pandemic all proposals must be submitted electronically as stated above. DCTA is receiving submittals via electronic means. Standard 8½"x11" standard paper size. All information must be assembled, searchable and indexed in the order described below. The proposal shall not exceed 30 double sided pages.

In order to be considered responsive to this RFP, the Proposal Packet shall include at least the following information:

The page count shall not include:

- Cover Letter (two pages maximum)
- Front and back cover and section dividers (bindings and covers will be at the discretion of the Proposer).
- Company brochure (not more than one item), which shall be part of the Appendix.
- Required certificates and forms

Each technical proposal shall include the following information:

1. A detailed description of the plan to achieve the necessary requirements and a plan for accomplishing this work.
2. A detailed estimated timeline for completion of work.
3. A detailed description and compensation methodology to be used if the consultant has a pre-designed system.
4. A proposed fee schedule and break-down of costs for compensation study.
5. Experience of the firm in conducting similar reference studies for Governmental entities, Public Transit and other comparable studies.
6. Professional resume(s) of all personnel to be involved in the study and a clear indication of the responsibilities of each
7. Any additional information which the consultant deems appropriate.

## COVER LETTER

The cover letter must contain the following statements and information:

- Company name, address, telephone number(s), and website.
- Name, title, email address, and telephone number of the person(s) to contact and who are authorized to represent the firm and to whom correspondence should be directed.
- whether the organization is an individual, partnership, corporation or joint venture; and the name
- A brief statement of your understanding of the services to be performed and a positive commitment to provide services as specified.

- The letter must be signed by a corporate officer or person authorized to bind the proposer to the proposal and cost schedule.
- A statement indicating that the proposal and cost schedule will be valid and binding for ninety (90) days following the proposal due date and will become part of the contract.

#### **TAB 1: QUALIFICATIONS AND EXPERIENCE**

- Briefly introduce firm, providing a summary of the administration, organizations and staffing of your firm, including multiple offices, if applicable. Provide an organizational chart indicating the positions and names for the core management team which will undertake this engagement.
- Identify the project manager and each individual who will work as part of this engagement. Include any professional designations and affiliations, certifications and licenses, etc. or other information that will illustrate the technical competence of the proposed personnel.
- Describe experience of the firm in the last 36 months in performing services in similar size and scope, highlighting work in the public sector.
- Demonstrate the firm's knowledge and understanding of the Service required by DCTA.
- Please list any special certifications by firm and/or key employees
- Identify Small, Minority-owned, DBE, and Woman-owned business, if applicable, intended to be utilized on this project.

#### **TAB 2: PROJECT APPROACH**

This section should include a detailed summary of the approach to be undertaken for development of this effort and individuals responsible for the deliverables. It must be based on the project understanding and Scope of Services but provide additional detail on the process to be used in delivering these services. The responsibilities of any sub-contractors, if any, should be clearly noted.

Additionally, this section must:

- Detail the firm's approach to meeting the scope of services defined herein
- Indicate in a narrative format the firms understanding of the scope of work, including a detailed project plan for this engagement outlying major tasks and responsibilities, time frames, and staff assignments.
- Support availability (days of week and time)
- Steps for resolving problem escalation
- Response time and goal for resolving problems
- Provide a summary, including why the firm is pursuing the work and how the firm is qualified to perform the services.
- Describe the ongoing training and support provided.
- Describe the data privacy and ownership of information provided by DCTA.
- Provide a detailed description of application security and connection.
- Provide a test/demo site, if available.

### **TAB 3: REFERENCES**

Provide name, title, address, email address and telephone number of three references for clients, whom similar services have been provided in the last 36 months, including information referencing the actual services performed and length of tenure. At least one of the references provided must be in the public sector.

### **TAB 4: PRICING**

The proposed pricing shall include all costs necessary to fully complete the project. DCTA may require firms to provide services after hours and on weekends depending on system needs. It is the intention of the contract documents to include and require from all proposers, the following pricing information:

- Software
- Installation and data integration
- Maintenance and ongoing support
- Training

### **TAB 5: ATTACHMENTS**

Include company brochure, copies of referenced certifications, acknowledgement of any Addenda issued, certifications and required forms, and any other attachments or acknowledgement required as part of this submittal.

### **TAB 6: APPENDIX**

The following documents/forms will be completed by the Offeror and must be submitted with the Technical Proposal:

- Exhibit A            Bidders Questionnaire
- Exhibit B            Form CIQ Conflict of Interest Questionnaire
- Exhibit C            Non-Collusion Affidavit
- Exhibit D            Prohibition of Contracts with Companies Boycotting Israel

Each Proposer shall submit a detailed response to the RFP. The response shall include sufficient information to enable the Denton County Transportation Authority to evaluate the capabilities of the Proposer and its approach to providing the specified services. Best Value will be the base for the evaluation. Unnecessarily elaborate or voluminous responses are neither required nor wanted. The 30-page limit and other requirements described shall be enforced. Discussion of the firm's past experience, which is not related to the specified services, should not be included. The response shall specifically address the issues raised, and provide the information requested.

It is the responsibility of the proposer to examine the entire RFP package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a proposal.

Proposers may not contact members of the Authority's Board of Directors concerning this procurement. Any proposer violating this provision may be disqualified from consideration in this procurement.

DCTA will not respond to oral requests. Any request for a change to any part of this document must be fully supported with technical data, or other pertinent information evidencing that the exception will result in a condition equal to or better than the required by the RFP, without substantial increase in cost or time requirements. Any responses to such written requests shall be provided by DCTA in the form of an addendum. Only written responses (including e-mail and/or e-mail attachments) provided as addenda shall be official and all other forms of communication with any officer, employee or agent of DCTA shall not be binding on DCTA.



## EVALUATION AND SELECTION

### 1. GENERAL RESPONSIVENESS

In order for a Proposer to be eligible to be awarded the Contract, the Proposal must be responsive to the Request for Proposal, and DCTA must be able to determine that the proposer is responsible to perform the Contract satisfactorily. Responsive Proposals are those complying in all material aspects of the solicitation. Proposals which do not comply with all the terms and conditions of this solicitation may be rejected as nonresponsive. A Proposer may, at any time after the submission of the Proposal, be requested to submit further written evidence verifying that the firm(s) meet the criteria necessary to be determined a responsible Proposer. Refusal to provide requested information may result in the Proposer being declared nonresponsive, and the Proposal may be rejected.

### 2. EVALUATION OF PROPOSAL

Proposals will be reviewed for compliance with the requirements of the RFP. Those proposals which are deemed incomplete will be rejected. Proposals will also be scored on the clarity and completeness.

A committee of DCTA staff will evaluate the responses and will make a recommendation for award based on the best value to the agency. Evaluation will be based on the following criteria:

SCORING CRITERIA	WEIGHT
Understanding project scope and objectives	20
Key project areas and project approach and methodology to meet the RFP requirements	30
Firm & staff qualification of management team, subcontractors (if proposed)	25
References and experience with similar projects	15
Overall cost and fees to be charged.	10
<b>TOTAL</b>	<b>100</b>

### **3. TECHNICAL EVALUATION**

Following evaluation and scoring of the technical proposals submitted, DCTA will identify those firms technically qualified to perform the work. If DCTA determines that a Proposal is not technically sufficient or a Proposer is not technically qualified, that Proposal will not be evaluated further.

### **4. INTERVIEWS**

The evaluation committee will determine whether acceptance of the most favorable initial proposals without discussion is appropriate, or whether interviews and/or discussions should be conducted. Interviews may be conducted by phone or webinar.

### **5. BEST AND FINAL OFFER**

DCTA reserves the right to request a best and final offer from all or select proposers.

### **6. CONTRACT AWARD**

Award will be made to the responsible firm whose proposal are most advantageous to DCTA. Accordingly, DCTA may not necessarily make an award to the Proposer with the highest technical ranking nor award to the Proposer with the lowest Price Proposal if doing so would not be in the overall best interest of DCTA.

## **GENERAL TERMS AND CONDITIONS**

### **1. CANCELLATION**

The DCTA reserves the right to cancel this RFP or cancel the award of this contract at any time before execution of the contract by both parties if cancellation is deemed to be in DCTA's best interest. In no event shall the DCTA have any liability for the cancellation of award. The Proposer assumes the sole risk and responsibility for all expenses connected with the preparation of its proposal.

### **2. EVALUATION AND AWARD OF CONTRACT**

The Owner reserves the right to reject any and all proposals, to waive any and all informalities except for the time of submission of the Proposal and to negotiate contract terms with the Successful Proposer. The Owner also reserves the right to reject all nonconforming, non-responsive, unbalanced or conditional Proposals. Also, the Owner reserves the right to reject the Proposal of any Proposer if the Owner believes that it would not be in the best interest of the Project to make an award to that Proposer, whether because the Proposal is not responsive or the Proposer is unqualified or has doubtful financial ability or fails to meet any other pertinent standard or criteria established by the Owner. Discrepancies in the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum.

In evaluating Proposals, the owner will consider the qualifications of the Proposers, whether or not the Proposals comply with the prescribed requirements, unit prices, completion time, and other data, as may be requested in the Proposal form or prior to the Notice of Award.

Because offers can at times be ambiguous, DCTA reserves the right to request additional information before making an award. DCTA also reserves the right to seek clarification from any proposer or offeror about any statement in its proposal that DCTA finds ambiguous.

The Owner may consider the qualifications and experience of any Subcontractors, Suppliers, or other persons or organizations proposed for those portions of the Work as to which the identity of Subcontractors, Suppliers, and other persons and organizations must be submitted as requested by the Owner:

The Owner may consider its past experience with the Proposer and any Subcontractors, Suppliers or other persons or organizations proposed to perform any portions of the Work, and the Owner reserves the right to reject any and all proposals from persons or organizations with whom the Owner has previously experienced problems including but not limited to issues relating to performance, workmanship, and disputes or litigation.

The Owner may conduct such investigations as the owner deems necessary to assist in the evaluation of any Proposal and to establish the responsibility, qualifications and financial stability of Proposers, proposed Subcontractors, Suppliers and other persons and organizations to perform and furnish the Work in accordance with the Contract Documents to the Owner's satisfaction within the prescribed time.

If contract is to be awarded, it will be awarded to the best qualified Proposer whose evaluation by the Owner indicates to the Owner that the award will be in the best interests of the DCTA. DCTA may award the contract to a single supplier, affording DCTA the improved cost effectiveness as well as one stop shopping. If determined to be in the best interest of DCTA, it reserves the right to award to multiple proposers.

### **3. ADDENDUM**

The contents of all addendums sent to proposer are to be incorporated in the RFP documents and will become part of the contract documents.

**4. PROOF OF INSURABILITY**

Proposer must submit proof of insurability with their proposal. Proof of insurability can be in the form of a letter from the Proposer's insurance provider stating the provider's commitment to insure the Proposer for the types of coverages and levels of coverages specified in this RFP.

**5. CONFIDENTIALITY**

It is in the public interest for the DCTA to receive as many proposals as possible. The DCTA acknowledges the possible confidential nature of any aspect of the proposal including the cost or price information requested by the Request for Proposals, and the DCTA obliges itself in good faith not to disclose any page of the proposal containing information which the Proposer clearly marks as confidential during the evaluation process. After contract award, disclosure of information shall be made only in accordance with Texas law and applicable Federal requirements.

**6. TAXES**

DCTA is tax exempt and shall furnish the successful proposer with the necessary tax exemption certificate.

**7. INDEMNIFICATION**

**DCTA SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE, OR INJURY OF ANY KIND OR CHARACTER TO ANY PERSON OR PROPERTY ARISING FROM THE SERVICES OF THE CONTRACTOR PURSUANT TO THIS AGREEMENT. CONTRACTOR HEREBY WAIVES ALL CLAIMS AGAINST DCTA, ITS OFFICERS, AGENTS AND EMPLOYEES (COLLECTIVELY REFERRED TO IN THIS SECTION AS "DCTA") FOR DAMAGE TO ANY PROPERTY OR INJURY TO, OR DEATH OF, ANY PERSON ARISING AT ANY TIME AND FROM ANY CAUSE OTHER THAN THE NEGLIGENCE OR WILLFUL MISCONDUCT OF DCTA. CONTRACTOR AGREES TO INDEMNIFY AND SAVE HARMLESS DCTA FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, CLAIMS, SUITS, COSTS (INCLUDING COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION) AND ACTIONS BY REASON OF INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO OR LOSS OF PROPERTY TO THE EXTENT CAUSED BY THE CONTRACTOR'S NEGLIGENT PERFORMANCE OF SERVICES UNDER THIS AGREEMENT OR BY REASON OF ANY ACT OR OMISSION ON THE PART OF CONTRACTOR, ITS OFFICERS, DIRECTORS, SERVANTS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, SUBCONTRACTORS, LICENSEES, SUCCESSORS OR PERMITTED ASSIGNS (EXCEPT WHEN SUCH LIABILITY, CLAIMS, SUITS, COSTS, INJURIES, DEATHS OR DAMAGES ARISE FROM OR ARE ATTRIBUTED TO SOLE NEGLIGENCE OF DCTA). IF ANY ACTION OR PROCEEDING SHALL BE BROUGHT BY OR AGAINST DCTA IN CONNECTION WITH ANY SUCH LIABILITY OR CLAIM, CONTRACTOR, ON NOTICE FROM DCTA, SHALL DEFEND SUCH ACTION OR PROCEEDINGS AT CONTRACTOR'S EXPENSE, BY OR THROUGH ATTORNEYS REASONABLY SATISFACTORY TO DCTA. CONTRACTOR'S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY CONTRACTOR UNDER THIS AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

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

**By the execution and submission of this proposal, proposer acknowledges proposer has read and does comply with all terms and conditions, clauses and requirements contained**

herein.

## **8. PAYMENT**

DCTA shall pay the PROPOSER, upon the submission of proper invoices. Unless otherwise specified in this contract, payment shall be made within thirty (30) days of receipt of a complete and correct invoice.

Proposer's invoices for the services rendered shall be emailed to the following e-mail address:

[accountspayable@dcta.net](mailto:accountspayable@dcta.net)

## **9. ASSIGNMENT**

The successful proposer shall not assign, sell, transfer or convey the agreement completely or in part, without the prior written consent of DCTA.

## **10. VENUE**

The agreement will be governed and construed according to the laws of the State of Texas; and venue for any action concerning this contract shall be in Denton County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

## **11. INDEPENDENT CONTRACTOR**

It is understood and agreed by and between the parties, that successful proposer, in satisfying conditions in this contract, 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 successful proposer pursuant to this contract shall be in the capacity of an independent proposer, and not as an agent or employee of DCTA. Successful proposer 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 contract.

## **12. TERMINATION / DISPUTE RESOLUTION**

### **Termination for Convenience of DCTA**

DCTA may terminate all or part of this Contract upon determining that termination is in the public interest. Termination under this Article shall be effective upon delivery of written notice of termination to Contractor. Upon termination under this provision, Contractor shall be entitled to payment in accordance with the terms of this Contract for Contract work completed before termination, and to payment for all reasonable Contract close-out costs including reasonable profit to include materials purchased and work performed. Within thirty (30) days after termination pursuant to this provision, Contractor shall submit an itemized invoice for all un-reimbursed Contract work completed before termination and all Contract close-out costs actually incurred by Contractor. DCTA shall not be liable for any costs invoiced later than thirty (30) days after termination notice. Contractor is not entitled to any alleged lost profit on work not performed but which would have been performed had this Contract not been terminated.

### **Termination for Default**

If the Contractor 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 the Contractor, 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. The Contractor and its sureties shall be liable for any damage to DCTA resulting from the Contractor's refusal or failure to complete the work within the specified time or not performed in a good workmanship like manner, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by DCTA in completing the work.

The Contractor's right to proceed shall not be terminated nor the Contractor charged with damages under this Article, if:

- (1) The delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include (i) acts of God or of the public enemy, (ii) acts of another Contractor in the performance of a contract with DCTA, (iii) fires, (iv) floods, (v) epidemics, (vi) quarantine restrictions, (vii) strikes, (viii) freight embargoes, (ix) unusually severe weather, or (x) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the control and without the fault or negligence of both the Contractor and the subcontractors or suppliers; and
- (2) The Contractor, within 10 days from the beginning of any delay (unless extended by the Project Manager), notifies the Project Manager in writing of the causes of delay. The Project Manager shall ascertain the facts and the extent of delay. If, in the judgment of the Project Manager, the findings of fact warrant such action, the time for completing the work shall be extended with an appropriate Contract amendment, the right to proceed terminated or no action taken by the Project Manager. The findings of the Project Manager shall be final and conclusive on the parties, but subject to Claims.
- (3) The Contractor cures such failures to perform within 10 calendar days (or more if authorized in writing by the Project Manager) after receipt of the notice of default.

If, after termination of the Contractor's right to proceed, it is determined that the Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of DCTA.

#### **Termination of 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.

#### **Disputes**

Performance During Dispute – Unless otherwise directed by DCTA, contractor shall continue performance under this contract while matters in dispute are being resolved. Further, DCTA shall pay contractor for any undisputed work performed by contractor prior or during the resolution of the matters in dispute.

### **13. PROTEST PROCEDURES**

Protests relative to this procurement will be reviewed and adjudicated by DCTA in accordance with its Procurement Policy and Procedures Manual maintained in DCTA's offices in Lewisville, TX.

#### **14. ADMINISTRATIVE REMEDIES**

Denton County Transportation Authority reserves the right to accept or reject any and/or all proposals, to waive any formalities and/or irregularities and to award the Contract in the best interest of the DCTA.

By submission of a proposal in response to this solicitation, the Proposer agrees to exhaust its administrative remedies under DCTA's Procurement Regulations or Disputes Clause of any resulting contract prior to seeking judicial relief of any type in connection with any matter related to this solicitation, the award of any contract, and any dispute under any related contract. Protests relative to this procurement will be reviewed and adjudicated by DCTA in accordance with its Procurement Policy and Procedures Manual maintained in DCTA's offices in Lewisville, TX.

#### **15. OPEN RECORDS**

All responses submitted to DCTA become the property of DCTA and are subject to the Public Information Act (Texas Government Code Chapter 552). The interested firms/individuals should familiarize themselves with the provisions of that Act. In no event shall DCTA, or any of its agents, Representatives, consultants, directors, officers, or employees, be liable to a firm/individual for the disclosure of all or any portion of a response submitted pursuant to the RFB.

If a firm/individual has special concerns about information that it desires to make available to DCTA, but which it believes constitutes a trade secret, proprietary information or other information excepted from disclosure, such firm/individual should specifically and conspicuously designate each page of that information, which the Proposer believes, should not be disclosed outside DCTA. Disclosure of requested information will be subject to the Texas Public Information Act.

#### **16. CONTRACT**

The successful Proposer may be required to execute a contract prepared and approved by DCTA General Counsel.

#### **17. PROHIBITION OF BOYCOTT ISRAEL**

Company verifies that (i) it does not Boycott Israel; and (ii) will not Boycott Israel during the term of the Contract. This section does not apply if the Company is a sole proprietor, a non-profit entity or a governmental entity; and only applies if: (i) the Company has ten (10) or more fulltime employees and (ii) this Contract has a value of \$100,000.00 or more to be paid under the terms of this Contract.

#### **18. PROHIBITION OF CONTRACTS WITH CERTAIN COMPANIES**

DCTA is prohibited from entering into a contract with a company that does business with Iran, Sudan, or a foreign terrorist organization.

#### **19. RELATIONSHIP AND WORK IN GENERAL**

Contractor, an independent contractor, covenants and agrees to perform for the stated compensation, all of the services described in Scope of Work, Terms and Conditions of this Contract. Contractor agrees to complete the work in a professional and workmanlike manner with a high degree of care to ensure the accuracy and timeliness thereof.

#### **20. ASSIGNMENT OF PERSONNEL**

Contractor agrees to assign qualified staff members including a Project Manager who shall be responsible for the task administration and work performance.

#### **21. EMPLOYMENT OF PERSONNEL**

Contractor agrees to employ, at its own expense, all personnel required in performing the services under this contract. Personnel employed by Contractor shall not be employees of, nor have any contractual relationship with DCTA. All personnel engaged in the work shall be fully qualified and shall be authorized or licensed to perform such work as required.

**22. EMPLOYMENT OF VETERANS**

Applicable to capital projects only-Contractor shall provide a hiring preference, to the extent practicable, to veterans (as defined in section 2108 of Title 5) who have the requisite skills and abilities to perform the construction work required under this contract. This shall not be understood, construed or enforced in any manner that would require an employer to give a preference to any veteran over any equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a disability, or a former employee.

**23. USE OF SUBCONTRACTORS**

The Contractor may utilize the services of specialty subcontractors on those parts of the work which, under normal contracting practices, are performed by specialty subcontractors.

No work or services under this Contract shall be subcontracted without the prior written approval of DCTA. DCTA reserves the right to reject any subcontractors proposed to be utilized on this project.

**24. DBE SUBCONTRACTS**

If DBE subcontractors are utilized to perform under this contract the contractor must make available to DCTA copies of all DBE subcontracts upon request. The subcontractor shall ensure that all subcontracts or agreements with the Prime to supply labor or materials require that the subcontract and all lower tier subcontracts be performed in accordance with 49 CFR Part 26.55.

**25. INSPECTION OF WORK**

DCTA shall have the right to review and inspect the progress of the work described herein at all times.

**26. COPYRIGHT**

No reports, maps, or other documents produced in whole or in part under this contract shall be the subject of an application for copyright by or on behalf of the Contractor. All reports, maps, and other documents produced under this contract shall become the property of DCTA. The Contractor shall, at its expense, defend all suits or proceedings instituted against DCTA and pay any award of damages assessed against DCTA in such suits or proceedings, insofar as the same are based on any claim that materials furnished or work performed under the contract constitutes an infringement of any patent, trade secret, copyright, or any other proprietary right.

**27. PROPRIETARY RIGHTS**

Contractor agrees not to release data or information about the results of the project to any person outside of DCTA without first obtaining written authorization to release such information from DCTA.

**28. OWNERSHIP OF DOCUMENTS**

The parties agree and understand that any and all documents produced under this Contract are the sole and exclusive property of DCTA and DCTA retains ownership of all such documentation including, but not limited to, studies, plans, specifications, intellectual property and all related documents. To the extent necessary, CONTRACTOR HEREBY ASSIGNS AND TRANSFERS ANY AND ALL COPYRIGHTS TO DCTA.

**29. MAINTENANCE OF RECORDS**



Proposer must maintain records to show actual time involved in performance of the Work.

**30. CHANGES BY CONTRACTOR**

If, during the performance of Work under the Contract, the Contractor finds it impracticable to comply strictly with the specifications, the Contractor will notify the DCTA Project Manager and Procurement Manager immediately in writing.

**31. WRITTEN ACCEPTANCE BY DCTA**

Any proposals by Contractor that vary or add to this Contract shall be construed as additional terms or modifications and shall not become part of the Contract unless accepted in writing, by DCTA.

**32. CHANGE ORDERS / CONTRACT MODIFICATIONS**

All requests for changes in the work must be submitted in writing to the DCTA Project Manager. Changes shall be made only with the prior approval DCTA and only by appropriate written Change Order or Contract Modification as appropriate. The Procurement Manager may, at any time, by a written Change Order or Contract Modification, and without notice to the Surety (if any), make changes within the general scope of this Contract. If the change affects the Contractor's costs, then the Procurement Manager shall also make an equitable adjustment in the Contractor's compensation.

**33. WHOLE AGREEMENTS**

The Contract constitutes the whole of the agreement between the parties hereto and neither thereof has been induced to make or enter into the Contract by reason of any promise, agreement, representation, statement, or warranty other than contained herein.

**34. PARTIAL INVALIDITY**

If any term, provision, covenant, or condition of this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

**35. TITLES AND HEADINGS FOR CONVENIENCE ONLY**

As used throughout this Contract, titles and headings of sections are for convenience only, and shall not be used to aid in interpretation of the provisions contained herein.

**36. COMPENSATION**

The proposer shall be compensated for work in performance of the contract and per the agreed upon fees. The proposer shall include as part of his invoice a list of all subcontractors and the amounts to be paid to each of the subcontractors from this invoice. DCTA will require specific payment reporting criteria for all payments made to subcontractors and will provide additional information and forms upon selection as the awarded firm.

**37. PROMPT PAYMENT**

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the Denton County Transportation Authority. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Denton County Transportation Authority. This clause applies to both DBE and non-DBE subcontracts and must be included in contracts between the Denton County Transportation Authority, the prime contractor, sub contracts and sub-recipients.

**38. RETAINAGE**

The prime contractor agrees to return retainage payments to each subcontractor within 30 days after the subcontractors work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Denton County Transportation Authority. This clause applies to both DBE and non-DBE subcontracts.

### **39. MINORITY OWNED FINANCIAL INSTITUTIONS**

In accordance with the requirements of 49 CFR Part 26, and grant agreements between DCTA and the Department of Transportation (DOT), to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contract to make use of these institutions. Information regarding financial institutions may be obtained on-line from the Federal Reserve at <https://www.fdic.gov/regulations/resources/minority/mdi.html>

### **40. NON-DISCRIMINATION**

The contractor, sub-recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions
- (3) Liquidated damages; and/or
- (4) Disqualifying the contractor from future solicitations as non-responsible

### **41. GRATUITIES**

It shall be unethical for any person to offer, give, or agree to give any DCTA officer or former DCTA officer, or for any DCTA officer or former DCTA officer to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation therefore.

### **42. FUNDING**

Funds for payment have been provided through the DCTA budget approved by the Board of Directors for this fiscal year only. State of Texas statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Therefore, anticipated orders or other obligations that may arise past the end of the current DCTA fiscal year shall be subject to budget approval.

### **43. FEDERAL FUNDS**

DCTA is a recipient of federal funds from the Federal Transit Authority (FTA) and as a recipient of federal funds specific clauses and certifications must be included in any contract that involves the disbursement of federal funds. If federal dollars will be utilized under this contract, Proposers must adhere to the clauses and certifications if applicable. All required clauses and certifications will be included if applicable.

**44. PROCUREMENT OF RECOVERED MATERIALS**

If federal dollars are utilized for this project all contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

**45. SILENCE OF SPECIFICATIONS**

The apparent silence of the specifications as to any detail or to the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of these specifications shall be made on the basis of this statement.

## **INSURANCE REQUIREMENTS**

Proposers performing work on DCTA's behalf shall provide the DCTA a certificate of insurance or a copy of their insurance policy(s) evidencing the coverage and coverage provisions identified herein within ten (10) days of request from DCTA. Proposers shall provide DCTA evidence that all subcontractors performing work on the project have the same types and amounts of coverage as required herein or that the subcontractors are included under the proposer's policy. Work shall not commence until insurance has been approved by DCTA.

All insurance companies and coverage must be authorized by the Texas Department of Insurance to transact business in the State of Texas and must have a A.M. Best's rating A-VI or greater.

Listed below are the types and minimum amounts of insurances required and which must be maintained during the term of the contract. DCTA reserves the right to amend or require additional types and amounts of coverage or provisions depending on the nature of the work.

### **COMMERCIAL GENERAL LIABILITY:**

Covering Bodily Injury/Property Damage, Products/Completed Operations and Personal Advertising Injury

- Per occurrence .....\$1,000,000
- General Aggregate ..... \$2,000,000
- Products/Completed Aggregate ..... \$2,000,000
- Personal Advertising Injury per occurrence ..... \$1,000,000

### **BUSINESS AUTO LIABILITY**

to include coverage for:

- Owned/Leased vehicles
- Non-owned vehicles
- Hired vehicles
- Combined Single Limit ..... \$1,000,000

### **WORKERS' COMPENSATION EMPLOYERS' LIABILITY**

Texas Statutory Limits with Employer's Liability limits per occurrence:

- Each accident ..... \$1,000,000
- Disease Policy Limits ..... \$1,000,000
- Disease each employee ..... \$1,000,000

### **PROFESSIONAL LIABILITY**

- \$1,000,000 per claim
- \$1,000,000 per aggregate

### **ADDITIONAL INSURED:**

The Commercial General Liability and Business Automobile Liability policies shall be endorsed to name DCTA, its directors and employees as additional insured regarding Bidder's operations in performance of this Contract.

### **WAIVER OF SUBROGATION:**

The Workers' Compensation and Employers' Liability policies shall be endorsed to provide a waiver of subrogation in favor of DCTA, its officers, directors and employees.

**COVERAGE PRIMARY:**

Such insurance as is provided therein shall be primary and non-contributing with any other valid and collectible insurance available to DCTA. The limits of liability required above may be provided by a single policy of insurance or by a combination of primary, excess or umbrella policies. But in no event shall the total limits of liability available for any one occurrence or accident be less than the amounts required herein.

**NO COMMENCEMENT WITHOUT COVERAGE:**

The Bidder shall not commence work at the site under this Contract until he/she has obtained all required insurance and until such insurance has been approved by DCTA. Bidder shall not allow any subcontractor to commence work until all similar required insurance has been obtained and approved. Approval of the insurance by DCTA shall not relieve or decrease the liability of the Bidder hereunder.

**CERTIFICATES:**

Certificate of Insurance evidencing insurance coverage as required shall be furnished to the Purchasing Manager prior to commencement of work and within ten (10) calendar days after the date of Notice of Award. CERTIFICATES SHALL BE PROVIDED BY BIDDER AND ANYONE INVOLVED IN THE PERFORMANCE OF WORK UNDER THIS CONTRACT (not otherwise included under Bidder's coverage), INCLUDING ALL SUBCONTRACTORS. All certificates from Bidder and any subcontractors must be issued reflecting DCTA as the certificate holder. All Certificates of Insurance shall reflect the Denton County Transportation Authority project number. Failure to furnish the required certificates of insurance within the time allowed shall not be considered cause for modification of any contractual time limits. All policies of insurance presented, as proof of compliance with the above requirements shall be on forms and with insurance companies approved by DCTA. All such insurance policies shall be provided by insurance companies having a Best's rating of A-VI rating or greater as shown in the most current issue of A.M. Best's Key Rating Guide. Policies of insurance issued by insurance companies not rated by Best's or have a Best's rating lower than A-VI will not be accepted as complying with the insurance requirements of the Contract unless such insurance companies are approved in writing prior to the award of the Contract. Certificate of Insurance shall contain transcripts from the proper office of the insurer, evidencing in particular those insured, the extent of the insurance, the location, and the cancellation clause as required below.

**NO LAPSE OR CANCELLATION:**

The Bidder and any subcontractor shall not cause any insurance to be canceled nor permit any insurance to lapse. All insurance policies shall not be canceled, reduced, restricted, or limited until thirty (30) days after DCTA has received written notice. In the event of cancellation or lapse of insurance, the Bidder shall notify DCTA immediately and unless otherwise directed by DCTA, shall cease work until evidence of acceptable insurance coverage is supplied to DCTA.

**BREACH:**

Failure to maintain insurance coverage as required herein shall constitute a material breach and default.

**BIDDER'S QUESTIONNAIRE**

1. Name of Contractor ("Business", herein) <input type="text"/>		19. Is any litigation pending against the Business? <input type="checkbox"/> Yes <input type="checkbox"/> No
2. Doing Business As (other business name if applicable) <input type="text"/>		20. Has the Business been debarred, suspended, proposed for debarment, and declared ineligible, voluntarily excluded or otherwise disqualified from bidding, proposing or contracting? <input type="checkbox"/> Yes <input type="checkbox"/> No
3. Federal Tax ID Number <input type="text"/>		21. Has the Business ever been a defaulter, as principal, surety or otherwise? <input type="checkbox"/> Yes <input type="checkbox"/> No
4. Business Mailing Address (include City/State/Zip Code) <input type="text"/>		22. Has the government or other public entity requested or required enforcement of any of its rights under a surety agreement on the basis of a default or in lieu of declaring the Business in default? <input type="checkbox"/> Yes <input type="checkbox"/> No
5. Business Email Address <input type="text"/>		23. Is the Business in arrears upon a contract or debt? <input type="checkbox"/> Yes <input type="checkbox"/> No
6. Business Telephone <input type="text"/>	Business Fax Number <input type="text"/>	24. Are there any proceedings pending relating to the Business' responsibility, debarment, suspension, voluntary exclusion or qualification to receive a public contract? <input type="checkbox"/> Yes <input type="checkbox"/> No
7. Business Type <input type="text"/>		25. Have liquidated damages or penalty provisions been assessed against the Business for failure to complete the work on time or for any other reason? <input type="checkbox"/> Yes <input type="checkbox"/> No
8. Number of Years in Business <input type="text"/>		26. If a "yes" response is given to questions 17-25, please provide a detailed explanation including dates, references to contract information, contacts, etc. (attach additional pages as necessary). DCTA reserves the right to inquire further with respect thereto <input type="text"/>
9. <u>Annual Gross Revenue</u> for the past three years (M = Millions) <input type="checkbox"/> \$1M or Less <input type="checkbox"/> \$1M-\$5M <input type="checkbox"/> \$5M-\$10M <input type="checkbox"/> \$10M-\$16M <input type="checkbox"/> \$16M+		27. List the name and business address of each person or each entity which has a 10% or more ownership or control interest in the Business (attach additional pages as necessary). <input type="text"/>
10. Number of Employees <input type="checkbox"/> 100 or Less <input type="checkbox"/> 101-500 <input type="checkbox"/> 501-750 <input type="checkbox"/> 751-1,000 <input type="checkbox"/> 1,001+		
11. Is Business a DBE Firm? <input type="checkbox"/> Yes <input type="checkbox"/> No		
12. Is Business Owned by Minority Ethnicity? <input type="checkbox"/> Yes <input type="checkbox"/> No		
13. Ethnic Group Black American Hispanic American Native American Other	Subcontinent Asian American White/Caucasian Asian Pacific American	
14. Woman Owned? <input type="checkbox"/> Yes <input type="checkbox"/> No		

I, individually and on behalf of the business named above, do by my signature below certify that the information provided in this questionnaire is true and correct. I understand that if the information provided herein contains any false statements or any misrepresentations: 1) DCTA will have the grounds to terminate any or all contracts which DCTA has or may have with the business; 2) DCTA may disqualify the business named above from consideration for contracts and/or 3) DCTA may have grounds for initiating legal action under federal, state or local law. **Note: This questionnaire is also a certification form; the information requested will be used to determine small business status as per 13 CFR Part 121. Additionally, this information will allow DCTA to report the amount of subcontracting activity for DCTA.**

15. Veteran Owned

☐ Yes ☐ No

Printed Name

16. Type of Work Performed

☐ Manufacturing ☐ Professional Service  
☐ Retail ☐ General/Technical Service

Title

17. Has the Business, or any officer or partner thereof, failed to complete a contract?

☐ Yes ☐ No

Signature of owner

18. Has the Business ever been declared "Not Responsible"

☐ Yes ☐ No

Date

Email Address

*(Owner, CEO, President, Majority Stockholder or Designated Representative) Questions about this document should be directed to the Procurement Manager*

**CONFLICT OF INTEREST QUESTIONNAIRE****FORM CIQ**

For vendor or other person doing business with local governmental entity

This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person doing business with the governmental entity .

**OFFICE USE ONLY**

By law this questionnaire must be filed with the records administrator of the local government not later than the 7<sup>th</sup> business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

Date Received

A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor .

1 Name of person doing business with local governmental entity .

2

☐ Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than September 1 of the year for which an activity described in Section 176.006(a), Local Government Code, is pending and not later than the 7<sup>th</sup> business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3

Describe each affiliation or business relationship with an employee or contractor of the local governmental entity who makes recommendations to a local government officer of the local governmental entity with respect to expenditure of money.

4

Describe each affiliation or business relationship with a person who is a local government officer and who appoints or employs a local government officer of the local governmental entity that is the subject of this questionnaire.

**CONFLICT OF INTEREST QUESTIONNAIRE****FORM CIQ**

For vendor or other person doing business with local governmental entity

**Page 2**

5 Name of local government officer with whom filer has affiliation or business relationship. (Complete this section only if the



**answer to A, B, or C is YES.)**

This section, items 5 including subparts A, B, C & D, must be completed for each officer with whom the filer has affiliation or business relationship. Attach additional pages to this Form CIQ as necessary.

A. Is the Local government officer named in this section receiving or likely to receive taxable income from the filer of the questionnaire?

☐ YES

☐ NO

B. Is the filer of the questionnaire receiving or likely to receive taxable income from or at the direction of the local government officer named in this section AND the taxable income is not from the local governmental entity?

☐ YES

☐ NO

C. Is the filer of this questionnaire affiliated with a corporation or other business entity that the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ YES

☐ NO

D. Describe each affiliation or business relationship.

6

**Describe any other affiliation or business relationship that might cause a conflict of interest.**

7

Signature of person doing business with the governmental entity

Date

## NON-COLLUSION AFFIDAVIT

***This affidavit must be completed and submitted with the bid/proposal***

The authorized representative for bidder / proposer, , being first duly sworn, deposes and says that he or she is of the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Signature of Authorized Company Representative

Name and Title of Authorized Company Representative

Date

Subscribed and sworn to before me on  (Date)

(Notary Seal)

Signature Notary Public

## **Prohibition of Contracts with Companies Boycotting Israel**

***This form must be completed and submitted with the bid/proposal***

*House Bill 89, effective September 1, 2017, amended the Texas Government Code to add Chapter 2270, Prohibition of Contracts with Companies Boycotting Israel.*

*Effective September 1, 2017, a state agency and a political subdivision (which includes a transportation authority) may not enter a contract with a company for goods or services unless the contract contains a written verification from the company that: (i) it does not Boycott Israel; and (ii) will not Boycott Israel during the term of the contract.*

*"Boycott Israel" is defined to mean refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.*

*"Company" is defined to mean a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.*

---

"I,  (Name of certifying official), the  
 (title or position of certifying official) of  
 (name of company), verifies that (i) it does not Boycott Israel;  
and (ii) will not Boycott Israel during the term of the Contract. This section does not apply if the  
Company is a sole proprietor, a non-profit entity or a governmental entity; and only applies if: (i)  
the Company has ten (10) or more fulltime employees and (ii) this Contract has a value of  
\$100,000.00 or more to be paid under the terms of this Contract.

Signature of Certifying Official Title:

Title:

Date:

July 27, 2021

**ADDENDUM NO. 1**

Request for Proposals (RFP) 21-12

Compensation Study

**Changes:**

1. The due date/time to submit proposals has been changed to August 10, 2021 at 4:00 pm CST
2. The Solicitation overview and endorsement form on page 3 is deleted and replaced with Attachment 1.

**Addendum 1 Attachments:**

Attachment 1: Solicitation overview and endorsement revised

***Addendum must be acknowledged below and returned with the bid submittal. The underlined text is the addition or change. Some unchanged text from original solicitation is shown only for purposes of context. All other text not referenced below remains the same as stated in the original solicitation or as stated in previous addendums.***

Sign here

*Geraldine Osinaike*

Name Geri Osinaike

Title Senior Procurement Specialist

Acknowledged by: \_\_\_\_\_ Date: \_\_\_\_\_  
Firm/Representative



## SOLICITATION OVERVIEW AND ENDORSEMENT

<b>SOLICITATION TYPE/No.</b>	Request for Proposals (RFP) 21-12		
<b>TITLE</b>	Compensation Study		
<b>PROCUREMENT SCHEDULE</b>	Dates and times are subject to change, any changes will be issued by addenda.		
<b>PRE BID/PROPOSAL MEETING DATE</b>	N/A	<b>PRE BID/PROPOSAL MEETING LOCATION</b>	
<b>QUESTIONS DUE</b>	July 9, 2021 by 2:00 pm CST	<b>RESPONSES TO QUESTIONS RELEASED</b>	July 19, 2021 by 5:00 pm CST
<b>DUE DATE/TIME</b>	<b>August 10, 2021 at 4:00 pm CST</b>		
<b>QUESTIONS/ CLARIFICATIONS</b>	All requests for clarifications and questions shall be submitted in writing. No verbal questions will be accepted and no verbal replies will be provided. Bidders/Proposers must submit requests for changes to or approval of equals, clarifications and modifications of the specifications in writing. The solicitation documents can only be modified in writing. Procurement must receive the requests no later than the date indicated above. Procurement will issue a response to those requests to all bidders/proposers by posting the replies to Periscope S2G no later than the date indicated above. DCTA assumes no responsibility for delayed or lost responses		
<b>ALL QUESTIONS AND REQUESTS FOR CLARIFICATIONS SHALL BE SENT TO</b>	Geri Osinaike <a href="mailto:procurement@dcta.net">procurement@dcta.net</a> or submitted via Periscope S2G at <a href="http://www.bidsync.com">www.bidsync.com</a>		
<b>RECEIPT OF BID/PROPOSAL</b>	Prior to the time and date indicated above, all proposals must be received electronically at <a href="http://www.bidsync.com">www.bidsync.com</a>		
	<p><b>Proposal received after the due time and date shall not be considered and will be returned unopened.</b> Bids/Proposals submitted to other DCTA locations may be returned unopened and will not be considered in the award of the contract.</p> <p>DCTA reserves the right to change the deadline for submitting bids/proposals. Further, DCTA reserves the right to unilaterally revise or amend the scope of services up to the time set for submitting bids/proposals. Such revisions and addenda, if any, shall be announced by addenda to this solicitation. Copies of such addenda shall be furnished to all prospective bidders/proposers.</p>		
<b>ACCEPTANCE PERIOD</b>	<b>PROPOSALS SHALL REMAIN VALID FOR 90 DAYS FROM THE DUE DATE</b>		
<b>DBE (DISADVANTAGED BUSINESS ENTERPRISE) PROGRAM</b>	It is the policy of DCTA to create a level playing field on which DBEs, as defined in 49 CFR Part 26, can compete fairly for DOT-assisted contracts. Additionally, DCTA is committed to removing barriers to the participation of DBEs on DOT-assisted contracts. The DBE requirements of 49 CFR Part 26 applies to this procurement. By submitting its bid/proposal, Bidder/Proposer certifies that it will take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that DBEs are given the maximum opportunity to compete for and participate in the performance of this contract. Bidder/Proposer further certifies and agrees that it has not and will not discriminate on the basis of race, color, national origin, or sex in the award of subcontracts under this contract or in performance of this contract. DCTA's DBE Program is available at <a href="http://www.dcta.net">www.dcta.net</a>		
<b>DBE GOAL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no	<b>DBE goal %</b>	
<b>DAVIS-BACON AND COPELAND ANTI-KICKBACK</b>	The Davis-Bacon and Copeland Acts are codified at 40 USC 3141, et seq. and 18 USC 874. The Acts apply to grantee construction contracts and subcontracts that "at least partly are financed by a loan or grant from the Federal Government." 40 USC 3145(a), 29 CFR 5.2(h), 49 CFR 18.36(i) (5). The Acts apply to any construction contract over \$2,000. 40 USC 3142(a), 29 CFR 5.5(a). 'Construction,' for purposes of the Acts, includes "actual construction, alteration and/or repair, including painting and decorating of public buildings and public works of the Government." 29 CFR 5.5(a).		
<b>CERTIFIED PAYROLL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no	<b>Wage Rate</b>	
<b>BID/PROPOSAL ENDORSEMENT</b>	<b>TO BE COMPLETED FOR HAND DELIVERED AND MAILED RESPONSES ONLY</b>		
<b>BUSINESS NAME</b>			
<b>CONTACT NAME</b>		<b>TITLE</b>	
<b>TELEPHONE</b>		<b>EMAIL</b>	
<b>ADDRESS</b>			
<b>SIGNATURE</b>			<b>DATE</b>

## Question and Answers for Bid #21-12 - Compensation Study

### Overall Bid Questions

There are no questions associated with this bid.

Question Deadline: Jul 9, 2021 2:00:00 PM CDT



## COVER LETTER

August 10, 2021

Dear Ms. Geraldine Osinaike,

RE: RFP #21-12 Compensation Study

We are honored to provide its response to your request for proposal under RFP#21-12.

Prudential Global Network LLC;s legacy dates back 2004, we have been in business for 17 years. We are founded here in Dallas. We are formerly known as Ulibarri-Mason Global HR LP. We are renamed in 2018 following the retirement of one of the partners and expansion of our services to include technology in HR consulting.

With a view to total rewards analysis, we utilize our corporate artifact and advanced HR project delivery approaches to provide data driven compensation studies and job classification solutions.

At the heart of our existence, is a community concern that goes beyond financial. We support our local businesses in the Dallas Metroplex including Denton. The founder of PGN HR, Elena Mason is a long-time resident of Flower Mound (20 years), which is in Denton County. We truly want to see our local governmental organizations thrive and continue to make local small businesses thrive with them, by making mobility possible, especially in the wake of COVID-19 shutdowns.

**PGN HR is a Texas HUB Certified woman-owned company. We are also an SBA certified WOSB (Woman-owned Small Business).**

All our consultants that we assigned to this project are degree holders and experienced HR consultants. Two of whom are doctorate degree holders, three are master's degree holders who area also SPHR, CCP, and SHRM-SCP professional certificate holders.

We have provided compensation study and job classification services to public transportation organizations and municipalities. Below is a short list of our past clients:

1. Dallas Area Rapid Transit (DART)
2. Southwest Ohio Regional Transit Authority (SORTA)
3. Northern Arizona Regional Transportation Authority (NAIPTA)
4. North Texas Tollway Authority (NTTA)
5. City of Denton
6. City of Dallas
7. Texas Tech University System

To describe our core competencies, we summarize what we do best, by which our clients stand.

- **Job Classification** — using our proprietary Job Complexity Levelling and Point-Factor method, we analyze the jobs' contents using our online Position Description Questionnaire (PDQ) and one-to-one interviews.
- **Compensation Study** — that goes beyond collecting market data. We analyze our client's current eco-system that encompass "**rewards**". Rewards would include not just the base salaries and the measurable benefit packages and perquisites, but also the work environments (e.g., an office with windows), the prestige of work relationships (for example, the opportunity to report directly to the CEO, or the



opportunity to influence the public perception even if the job title is not a senior position), and the opportunity to represent the organization to prestigious community awards or national conferences.

- **Internal Equity Analysis** — using our proprietary procedure, we analyze internal equity based on cohort grouping and existing compensation structures, prior to performing in-depth statistical analyses and tests, that include compa-ratios, range penetration, confidence intervals, Kruskal-Wallis H-Test, Mann-Whitney U-Test, Chi-squared test, Multiple Regression test, and Multivariate Analysis of Covariance (MANCOVA).

We are looking forward to working with your team.

A handwritten signature in black ink, appearing to read "Elena C. Mason".

With Warm Regards,

Elena C. Mason, CCP, SPHR

Chief Executive Officer



**Prudential Global Network (PGN HR)**

3010 LBJ Freeway, 12<sup>th</sup> Floor, Suite 1200

Dallas, TX, 75234

Tel: 972-919-6183

Fax: 214-276-7852

Cell: 214 636 9025

On the web: <https://www.pgnhr.com>





*Denton County Transportation Authority*

*Solicitation # 21 12*

*Compensation # Study*

## ***TAB 1 QUALIFICATION AND EXPERIENCE***

*Submitted By:*

*Prudential Global Network, LLC*

*3010 LBJ Freeway, Suite 1211A*

*Dallas, TX, 75234*

*Tel: 972 919 6183*

*Cell: 214 636 9025*

*Email: emason@pgnhr.com*



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## SUMMARY PGN HR'S QUALIFICATION

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## OUR EXPERIENCE

Prudential Global Network (PGN HR) and its consultants have been providing compensation studies, job classification and internal equity services to public transits, municipalities, higher education, and private organization since 2004.

Below is our clients lists:

Organization	Project Name	Project Briefs	From	To
The United Nations	Job Classification	Provided Job Description reviews, Job Classification	2021	Present
Southwest Ohio Regional Transit Authority	Compensation Study for all Non-Unionized Positions	Provided Job Description reviews, Job Classification, Compensation Studies, Statistical Analyses	2020	Present
College of Southern Nevada	Compensation Study for Faculty	Provided Job Description reviews, Job Classification, Compensation Studies, Statistical Analyses	2021	Present
North Texas Tollway Authority (NTTA)	Executive Compensation Study, IT Market Study, FLSA compliance, and Internal Equity	Provided Job Description reviews, Job Classification, Compensation Studies, Statistical Analyses	2015	2016
Dallas Area Rapid Transit (DART)	Career Ladder / Point Factor Job Analysis and Job Reviews	Review of Career Ladder, Development of Job Descriptions, Point-Factor Job Analysis and Job Classification	2015	2015
Texas Medical Board	Compensation Study	Market Study (2 contracts) for medical practitioners and staff	2015	2018
New Braunfels Utility	Compensation and Classification Study	Development of Compensation Structures, Job Classification using Point Factor Method, Compensation Study	2017	2018
Texas Political Subdivision	Compensation and Classification Study	Development of Compensation Structures, Job Classification using Point Factor Method, Compensation Study	2017	2018
Coconino County	Human Resources Consulting for Transportation Transformation/Transition Project	Organizational Structuring	2013	2014



Organization	Project Name	Project Briefs	From	To
Gila County	Compensation and Classification Study	Development of Compensation Structures, Job Classification using Point Factor Method, Compensation Study. Job Description development Multi-year, multi-contract	2014	2018
Northern Arizona Intergovernmental Public Transportation Authority	Compensation and Classification Study	Development of Compensation Structures, Job Classification using Point Factor Method, Compensation Study. Job Description development Multi-year, multi-contract	2013	2018
City of Globe, Arizona	Compensation and Classification Study	Development of Compensation Structures, Job Classification using Point Factor Method, Compensation Study. Job Description development	2016	2016
City of Dallas, Texas	Compensation Study	Compensation Study for Dallas PD and FRD. Technical Analysis support.	2018	2019
City of Denton, Texas	Job Classification and Compensation Study	Development of Compensation Structures, Job Classification using Point Factor Method, Compensation Study. Job Description development Multi-year, multi-contract	2016	2018
Texas Tech University System	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers. Update of Salary Structures	2015	2017
Texas Tech Health Sciences Center	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers. Update of Salary Structures	2015	2017
Texas Teach University	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers. Update of Salary Structures	2015	2017







Organization	Project Name	Project Briefs	From	To
Texas Tech Health Science Center, El Paso	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers.  Update of Salary Structures	2015	2017
San Angelo University	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers	Compensation Study for all staff positions including executives, technical, nurses, doctors, and mental health providers.  Update of Salary Structures	2015	2017
Alamo College District	Compensation Study for faculty	Market research, statistical analysis, reporting, presentations	2013	2015
San Antonio College	Compensation Study for faculty	Market research, statistical analysis, reporting, presentations	2013	2015
Northwest College	Compensation Study for faculty	Market research, statistical analysis, reporting, presentations	2013	2015
St. Philips College	Compensation Study for faculty	Market research, statistical analysis, reporting, presentations	2013	2015
Dallas County Community College Faculty Association	Compensation Study for faculty	Market research, statistical analysis, reporting, presentations	2014	2016
Santa Fe College	Organizational Structure Review	Pro bono analysis	2015	2015
Dona Ana Community College	Compensation Study for faculty	Market research, statistical analysis, reporting, presentations, development of uniformed salary structures	2018	2019
Grants Community College	Compensation Study for faculty	Market research, statistical analysis, reporting, presentations, development of uniformed salary structures	2018	2019
Carlsbad Community College	Compensation Study for faculty	Market research, statistical analysis, reporting, presentations, development of uniformed salary structures	2018	2019
Alamogordo Community College	Compensation Study for faculty	Market research, statistical analysis, reporting, presentations, development of uniformed salary structures	2018	2019



Organization	Project Name	Project Briefs	From	To
University of Houston Downtown	Compensation Study for Staff and Faculty	Market research, statistical analysis, reporting, presentations, development of uniformed salary structures	2015	2016
Santa Fe Community College	Organizational structure analysis using “Informal Network Approach”, developed by my firm.	Pro bono organizational structure analysis using “Informal Network Approach”, developed by my firm.	2013	2013
Metropolitan State University of Denver	Compensation Re-design Pay for Performance for Faculty	Compensation Re-design Pay for Performance for Faculty	2011	2012



## OUR TEAM

TEAM	BIOGRAPHY AND PROJECT ROLES	TEAM	BIOGRAPHY AND PROJECT ROLES
 Elena Mason	<p><b>Elena Mason, CCP, SPHR   LEAD CONSULTANT</b></p> <p><b>Education:</b> MBA Finance &amp; HR – The University of Hong Kong</p> <p><b>Certifications &amp; Licenses:</b> Certified Compensation Professional (CCP), SPHR, MBTI License to Administer MBTI Personality Tests, QMS Auditor (ISO9001:2000) Registered under RABQSA International. Certification #109773.</p> <p><b>Role in this Project:</b> Project Lead, Principal Investigator.</p> <p><b>Experience:</b> 25+ Years Human Resources Consulting and Practice</p> <p><b>Clients Served:</b> DART, NTTA, NAIPTA, MTS San Diego, New Mexico State University, City of Dallas, City of Denton, Gila County, Texas Tech University System, Texas Tech University, Texas Tech University Health Science Center, San Angelo University, Alamo Colleges, Santa Fe College, Dallas County Community College, Metropolitan State University of Denver, University of Houston-Downtown.</p> <p><b>Duties In This Project:</b> Office of HR Project Team communication, leadership &amp; employee communication, data analysis, statistical analysis, data validation, data reporting, policy analysis, strategy development, Level of Work Complexity© analysis and reporting.</p>	 Ellen Switkes	<p><b>Ellen Switkes, PhD   TRANSIT ADVISORY</b></p> <p><b>Education:</b> PhD Inorganic Chemistry – Massachusetts Institute of Technology (MIT) Goodyear Fellow and NIH Graduate Fellow</p> <p><b>Role in this Project:</b> Sr. Consultant.</p> <p><b>Experience:</b> 35+ Years HR Consulting and Practice.</p> <p><b>Clients Served:</b> Ellen is the former Asst. Vice President Emeritus, Academic Affairs, University of California System for over 20 years. <b>She also served as a member of the Transit Board Advisory for MBTA Boston.</b></p> <p>The University of California System, New Mexico State University, Texas Tech University System, TTUS, Texas Tech University Health Science Center, San Angelo University, Alamo Colleges, Santa Fe College, Dallas County Community College, Metropolitan State University of Denver, University of Houston-Downtown.</p> <p><b>Duties In This Project:</b> Report reviewer, Multidiscipline Policy Analysis, Communication with University Leadership.</p>
 Daniel Ulibarri	<p><b>Daniel Ulibarri, PhD, SPHR   DATA ANALYSIS, HR ADVISORY</b></p> <p><b>Education:</b> Doctor of Philosophy Cognitive Psychology and Statistics – University of California, Berkeley.</p> <p><b>Role in this Project:</b> Sr. Advisor.</p> <p><b>Experience:</b> 30+ Years HR Consulting and Practice.</p> <p><b>Clients Served:</b> DART, NTTA, NAIPTA, MTS San Diego, New Mexico State University, Texas Tech University System, Texas Tech, Texas Tech University Health Science Center, San Angelo University, Alamo Colleges, Santa Fe College, Dallas County Community College, Metropolitan State University of Denver, University of Houston-Downtown.</p> <p><b>Duties In This Project:</b> Data analysis, statistical analysis, data validation, data reporting, policy analysis, strategy development, Level of Work Complexity© analysis and reporting.</p>	 Shelley McPherson	<p><b>Shelley McPherson, SPHR, SHRM-SCP   SR CONSULTANT</b></p> <p><b>Education:</b> BSc Org Psychology</p> <p><b>Role in this Project:</b> Sr. Consultant.</p> <p><b>Experience:</b> 30+ years as Human Resources Director</p> <p>Dedicated Executive Human Resources / Risk Management professional. Results-driven, known to foster relationships across all departments. Effective leader able to champion multidisciplinary/multilevel teams. Leads with courage and compassion, along with a dash of humor, and enjoys motivating others, while driving strategic, positive change to create a culture of continuous improvement and operational excellence.</p> <p><b>Duties In This Project:</b> Level of Work Complexity© analysis, Data Analysis, Data Review.</p>





*Denton County Transportation Authority*

*Solicitation # 21 12*

*Compensation # Study*

## ***TAB 2 PROJECT APPROACH***

*Submitted By:*

*Prudential Global Network, LLC*

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## OUR UNDERSTANDING OF THE PROJECT

Prudential Global Network (PGN HR) understands that at the foundation of this project, DCTA's goal is to conduct a market compensation comparison **every three (3) years** to remain competitive with the external marketplace.

One of DCTA's strategies for accomplishing this goal is to pay competitive salaries, and to maintain an effective salary and benefit structures. DCTA's market position target is to be at the **50<sup>th</sup> percentile** of the competitive market or **near it**. This target is the starting point towards maintaining DCTA's confidence in attracting and retaining qualified workers.

## DCTA'S DESIRED CYCLE FOR COMPENSATION REVIEWS

The desired compensation review cycle is every three (3)-years, which include an examination of DCTA's current compensation plan, related component and position hierarchy, and associated benefits to complete a total rewards strategy.

As such, consultants are requested to provide an optional pricing and approach that covers the 3-year schedule for review and maintenance of the compensation plan.

In synchrony with the desired review cycle, the project's initial term of the contract shall be for three (3) years with the option to renew for two (2) additional one (1) year terms.

## DCTA'S LABOR MARKET

DCTA believes that its competitive position is measured against other transit agencies, municipalities, and **private companies** within the same geographic or recruiting area, particularly for positions that require a broader search area.

## DCTA'S OVERARCHING REQUIREMENTS

The overarching requirements of this project are to review the current compensation, pay ranges, job functions, and structure and compare all current realities with the market.



## SUMMARY AS TO WHY PGN HR IS PURSUING THIS WORK & PGN HR'S QUALIFICATION TO PERFORM THE SERVICES

PGN HR's legacy dates back 2004, we have been in business for 17 years. We are founded here in Dallas. We are formerly known as Ulibarri-Mason Global HR LP. We are renamed in 2018 following the retirement of one of the partners and expansion of our services to include technology in HR consulting.

With a view to total rewards analysis, we utilize our corporate artifact and advanced HR project delivery approaches to provide data driven compensation studies and job classification solutions.

At the heart of our existence, is a community concern that goes beyond financial. We support our local businesses in the Dallas Metroplex including Denton. The founder of PGN HR, Elena Mason is a long-time resident of Flower Mound (20 years), which is in Denton County. We truly want to see our local governmental organizations thrive and continue to make local small businesses thrive with them, by making mobility possible, especially in the wake of COVID-19 shutdowns.

PGN HR is a Texas HUB Certified woman-owned company. We are also an SBA certified WOSB (Woman-owned Small Business). All our consultants that we assigned to this project are degree holders and experienced HR consultants. Two of whom are doctorate degree holders, three are master's degree holders who are also SPHR, CCP, and SHRM-SCP professional certificate holders.

We have provided compensation study and job classification services to public transportation organizations and municipalities. Below is a short list of our past clients:

1. Dallas Area Rapid Transit (DART)
2. Southwest Ohio Regional Transit Authority (SORTA)
3. Northern Arizona Regional Transportation Authority (NAIPTA)
4. North Texas Tollway Authority (NTTA)
5. City of Denton
6. City of Dallas
7. Texas Tech University System

To describe our core competencies, we summarize what we do best, by which our clients stand.

- **Job Classification** — using our proprietary Job Complexity Levelling and Point-Factor method, we analyze the jobs' contents using our online Position Description Questionnaire (PDQ) and one-to-one interviews.
- **Compensation Study** — that goes beyond collecting market data. We analyze our client's current ecosystem that encompass "**rewards**". Rewards would include not just the base salaries and the measurable benefit packages and perquisites, but also the work environments (e.g., an office with windows), the prestige of work relationships (for example, the opportunity to report directly to the CEO, or the opportunity to influence the public perception even if the job title is not a senior position), and the opportunity to represent the organization to prestigious community awards or national conferences.
- **Internal Equity Analysis** — using our proprietary procedure, we analyze internal equity based on cohort grouping and existing compensation structures, prior to performing in-depth statistical analyses and tests, that include compa-ratios, range penetration, confidence intervals, Kruskal-Wallis H-Test, Mann-Whitney U-Test, Chi-squared test, Multiple Regression test, and Multivariate Analysis of Covariance (MANCOVA).



## DETAILED PROJECT PLAN

PGN HR intends to complete the first triennial study, and reports delivered to DCTA no later than **January 7, 2022**. We will compete the subsequent study/studies on a similar, mutually agreed upon timeline.

We anticipate a project to commencement of **September 6, 2021**. With this begin date, the estimated total time is **21 weeks or 5 months**.

With this said, our **Work Breakdown Structure (WBS)** is detailed in the next page, where we show the major tasks involved in this engagement according to our methodology, the responsibilities of each consultant assigned to the study, our time frames, and our consultants assigned.





## WORK BREAKDOWN STRUCTURE

Work Breakdown Structure and Time Frame						
Task #	Major Tasks	Sub Tasks	Consultants	Role	Time Frame In Weeks	Total Weeks
4.6.1.	Review DCTA's existing compensation classification system, benefit structure, position hierarchy, and job functions	Data collection	Shelley McPherson	Sr. Consultant	1	2.2
		Data documentation	Shelley McPherson	Sr. Consultant	0.5	
		Statistical analysis of current structures	Elena C. Mason	Lead Consultant	0.2	
		Initial findings	Elena C. Mason	Lead Consultant	0.5	
4.6.2.	Review DCTA's existing job functions by position as they pertain to the current and recommended structure	Conduct job analysis using PGN HR's JCL and point factor system	Elena C. Mason	Lead Consultant	1	2
		Interview Executive Team and HR prior to market research to gain a solid understanding of each position and department function(s).	Shelley McPherson	Sr. Consultant	0.5	
			Ellen Switkes	Sr. Consultant	0.5	
4.6.3.	Review comp package, including annual merit pay, bonuses, perquisites, retirement plan, benefits package for a holistic market comparison	Data documentation	Shelley McPherson	Sr. Consultant	1	3
		Conduct statistical analysis of current structures	Elena C. Mason	Lead Consultant	1	
		Initial findings	Elena C. Mason	Lead Consultant	1	
4.6.4.	Gather information through the use of questionnaires, job audits, interviews or other accepted method from both DCTA and comparable agencies.	Develop survey questionnaire	Ellen Switkes	Sr. Consultant	0.1	2.1
		Review job descriptions and identify benchmark jobs	Shelley McPherson	Sr. Consultant	1	
		Conduct job analysis through interviews	Ellen Switkes	Sr. Consultant	1	
4.6.5.	Identify a market position and peer comparisons.	Coordinate with DCTA HR and management staff	Shelley McPherson	Sr. Consultant	0.1	0.6
		Conduct labor market definition through established parameters	Elena C. Mason	Lead Consultant	0.5	
4.6.6.	Develop a comprehensive labor market salary survey for the North Texas region, other transit agencies, and local municipalities.	Communication development with peers and collect data	Shelley McPherson	Sr. Consultant	2	4
		Benchmark jobs comparisons by job content and qualifications	Shelley McPherson	Sr. Consultant	1	
		Data tabulation	Shelley McPherson	Sr. Consultant	1	
4.6.7.	Analyze existing internal hierarchy	Use job relationships and essential functions	Elena C. Mason	Lead Consultant	0.2	1
		Identify problem areas within the internal hierarch system	Elena C. Mason	Lead Consultant	0.3	
		Propose implementation methods	Elena C. Mason	Lead Consultant	0.5	



## WORK BREAKDOWN STRUCTURE (CONTINUE)

Work Breakdown Structure and Time Frame						
Task #	Major Tasks	Sub Tasks	Consultants	Role	Time Frame In Weeks	Total Weeks
4.6.8.	Review current classification grade methodology and propose recommended strategies.	Review and document findings	Elena C. Mason	Lead Consultant	0.5	1
		Recommend strategies for changes	Elena C. Mason	Lead Consultant	0.5	
4.6.9.	Develop a pay plan identifying specific parameters	Draft a pay plan identifying range spread, mid point progression, etc.	Elena C. Mason	Lead Consultant	0.5	1
		Discuss, present, and edit when necessary	Elena C. Mason	Lead Consultant	0.5	
4.6.10.	Review and recommend assignments of all positions to an appropriate pay grade	Review current position assignments to grades	Shelley McPherson	Sr. Consultant	1	1.5
		Assign positions to grade based on education, experience, market data	Shelley McPherson	Sr. Consultant	0.5	
4.6.11.	Recommend implementation strategies including calculating the cost of implementing the study results.	Provide Implementation Roadmap	Elena C. Mason	Lead Consultant	0.5	1.5
		Provide scenarios and alternatives	Elena C. Mason	Lead Consultant	1	
4.6.12.	Provide system documentation and data in formats as approved by HR.	Provide spreadsheets	Elena C. Mason	Lead Consultant	0.1	0.2
		Provide access to online documents	Elena C. Mason	Lead Consultant	0.1	
4.6.13.	Prepare cost analysis for positions that fall below the proposed minimum salaries following reclassification, and any recommended equity pay.	Provide cost analysis for salaries falling below the new minimum	Elena C. Mason	Lead Consultant	0.2	0.6
		Provide cost analysis for salaries due to reclassification	Elena C. Mason	Lead Consultant	0.2	
		Provide cost analysis for salaries due to internal equity & market study	Elena C. Mason	Lead Consultant	0.2	
					Total Weeks	21
					Months	5

## SUPPORT AVAILABILITY

PGN HR provides support from Monday through Saturday, from 7 am to 6 pm. This includes support to DCTA's general employees for issues surrounding Position Description Questionnaire fill-outs or questions about the project's objectives and timeline. This support is also available for DCTA leadership as well as the DCTA Human Resources group.





## STEPS FOR RESOLVING PROBLEMS

PGN HR receives issues by directly emailing the consultants assigned to the project either by email, by telephone or by instant messaging. For technical issues, PGN HR's Tier II team can be an excellent resource as well.

90% of the issue resolution requests that we receive involve **recursive self-improvement** with respect to Position Description Questionnaire fill-outs. In fact, most of these are technology-based assistance requests, such as "how to save my work online" or "how do I go back to the last page of the questionnaire".

## PROBLEM ESCALATION PROCEDURE

Issue and Prioritization Descriptions				
Category	Description	Resolution Goal	Expected Response Time	Expected Resolution Time
<b>1. Online PDQ Assistance</b>	<b>Feature clarification requests</b>			
Low	Online FAQ and Knowledge Base Exist	Immediate resolution may not be needed	Online FAQ and Knowledge-Base Exist	N/A
Normal	Interruption is imminent, no workaround	Immediate resolution is needed	Within 1 hour of assistance request	6 business days
High	Interruption to critical processes	Immediate resolution is needed	Within 1 hour of assistance request	3 business days
Urgent	Interruption to critical business processes	Immediate resolution is needed	Within 1 hour of assistance request	1 business day
<b>2. Online Job Classification</b>	<b>Feature support</b>			
Low	Online FAQ and Knowledge Base Exist	Immediate resolution may not be needed	Online FAQ and Knowledge-Base Exist	N/A
Normal	Interruption is imminent, no workaround	Immediate resolution is needed	Within 1 hour of assistance request	6 business days
High	Interruption to critical processes	Immediate resolution is needed	Within 1 hour of assistance request	3 business days
Urgent	Interruption to critical business processes	Immediate resolution is needed	Within 1 hour of assistance request	1 business day
<b>3. Online Market Data Results</b>	<b>Feature support</b>			
Low	Online FAQ and Knowledge Base Exist	Immediate resolution may not be needed	Online FAQ and Knowledge-Base Exist	N/A
Normal	Interruption is imminent, no workaround	Immediate resolution is needed	Within 1 hour of assistance request	6 business days
High	Interruption to critical processes	Immediate resolution is needed	Within 1 hour of assistance request	3 business days
Urgent	Interruption to critical business processes	Immediate resolution is needed	Within 1 hour of assistance request	1 business day
<b>4. Online Salary Structures</b>	<b>Feature support</b>			
Low	Online FAQ and Knowledge Base Exist	Immediate resolution may not be needed	Online FAQ and Knowledge-Base Exist	N/A
Normal	Interruption is imminent, no workaround	Immediate resolution is needed	Within 1 hour of assistance request	6 business days
High	Interruption to critical processes	Immediate resolution is needed	Within 1 hour of assistance request	3 business days
Urgent	Interruption to critical business processes	Immediate resolution is needed	Within 1 hour of assistance request	1 business day

Throughout the project's evolutionary progress, PGN HR consultants are equipped, qualified, and knowledgeable to resolve any issues the first time. However, should DCTA employees need additional advice or feel that an escalation is required for the issue to be resolved, PGN HR's escalation procedure is shown below:

Contacting PGN HR client support team can be done by instant messaging through our website. Our Tier II technical support is available Monday to Saturday, from 7 am to 6 pm.



## PROCEDURE

- Advise the Tier II service team of the situation, including the actions requested PGN HR must take. Include production dates or deadlines that may be adversely affected, and any other anticipated business impact if the case is not promptly addressed.
- The Tier II service team will assess the situation and determine if the needed actions are in the scope for him/her to perform.
- If the needed actions are out of scope for the Tier II service team to perform, the Tier II service rep will assign the case to a Support Manager, who will be the Support Delivery Manager, Critical Situation Manager, or Business Critical Account Manager, as appropriate.
- At this next level, the Support Manager will collaborate with PGN HR's Technical Support Engineering team and DCTA to drive resolution of the technical issue. The Support Manager will manage communication and feedback between all parties.
- The Support Manager will maintain the momentum needed to address any issues in a timely manner. The Support Manager will engage PGN HR executives when needed.

## PGN HR'S CRITERIA FOR CLOSING ESCALATION

We will consider the issue is closed if it meets one or more of the following requirements:

- Planned solution(s) has been completed.
- Objectives have been achieved.
- The escalation has been reviewed and an agreement has been reached to downgrade the case severity level.
- Client has agreed that the issue is addressed.

## PGN HR'S PROJECT APPROACH

As required by the Request for Proposal we are hereby detailing PGN HR's approach to meeting the scope of services defined therein.

### OVERVIEW

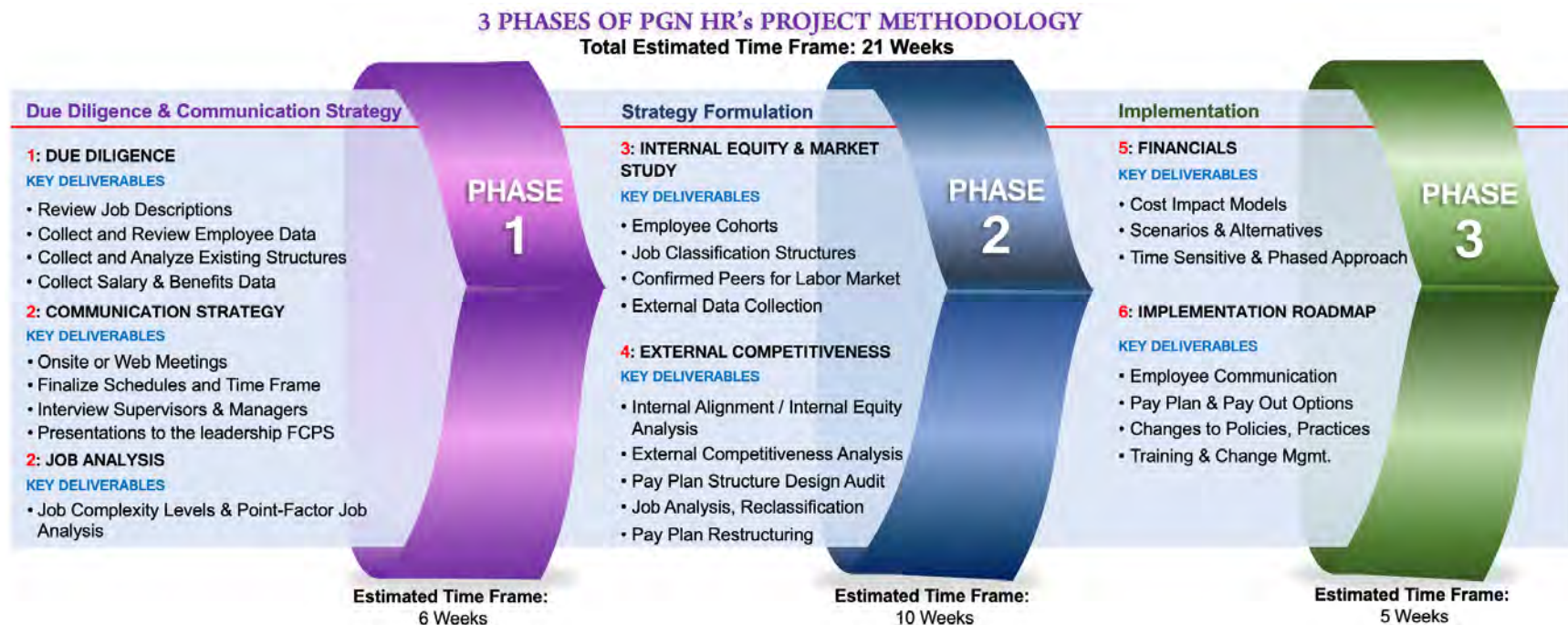


Figure 1: PGN HR Project Approach



## STEP-WISE DELIVERY & OPERATIONAL INVOLVEMENT BY PHASE

Table 1: PGN HR's Project Approach and Methodology with Stepwise Segmentation

PHASE	DESCRIPTION	STEPS & OPERATIONAL INVOLVEMENT	TIME-FRAME
PHASE ONE	Due Diligence and Communication Strategy (Data Gathering & Analysis)	1. Communication Strategy	
		<ul style="list-style-type: none"> <li>Project kick Off meetings</li> <li>Employee briefings through townhalls</li> <li>Web-meetings, on-site visits, project dashboard</li> <li>Discussions about compensation philosophy</li> </ul>	Approximately 10 total business days
		2. Due Diligence and Reviews	
		<ul style="list-style-type: none"> <li>Analyze current classification structures</li> <li>Analyze current job grades</li> <li>Perform salary structure audits</li> <li>Analyze and document policies &amp; practices</li> </ul>	Approximately 10 business days
PHASE TWO	Strategy Formulation	3. Internal Equity Analysis & Data Reporting	
		<ul style="list-style-type: none"> <li>Review current job descriptions</li> <li>Evaluate jobs using PGN's LWCC</li> <li>FLSA analysis &amp; gender/race compa-ratios</li> <li>Salary compression analysis</li> </ul>	Approximately 20 business days
		4. External Competitiveness Analysis & Data Reporting	
		<ul style="list-style-type: none"> <li>Define labor market &amp; identify benchmark jobs</li> <li>Design survey tools, confirm published data use</li> </ul>	Approximately



		<ul style="list-style-type: none"> <li>Perform data tabulation, data quality control</li> <li>Run statistical analysis</li> </ul>	20 business days
PHASE THREE	Implementation & Strategy Execution	5. Financial Impact Analysis, Final Reporting	
		<ul style="list-style-type: none"> <li>Develop and roll-out Compensation Philosophy</li> <li>Develop and roll-out Classification Structure</li> <li>Provide implementation roadmap</li> <li>Provide financial impact and cost models</li> <li>Provide documentation and training</li> <li>Presentations, discussions, final reporting</li> </ul>	Approximately 43 business days

Approximately 103 Days, or 21 Weeks, or 5 Months.



## PHASE ONE

### DUE DILIGENCE AND COMMUNICATION STRATEGY

#### 1. DUE DILIGENCE

##### ASSUMPTIONS

The bulk of this project is the determination of the current situation in the areas of compensation practices, job documentation, job classification, job analysis process, performance management, performance appraisal, employee attrition, and employee hiring. These institutional records are the cornerstones for compensation philosophy, internal equity, and external competitiveness. PGN HR will place a special emphasis on reviewing, analyzing, and documenting DCTA's current situation.

With this said, we assume that all job descriptions are updated, all jobs have job descriptions, and archival data such as salary changes for the past 3-5 years exist, performance records for the past 3-5 years also exist. Please note that we use current and historical salary data as well as performance appraisal data to analyze internal equity, update policies, design new structure, design new policies, and then make predictions for the next 5-10 years.

To obtain both current and historical data PGN HR will use a combination of data collection methods. By email, by interviews, by online data capture (such as Position Description Questionnaire - PDQ), and if necessary, by ethnographic research where we conduct non-invasive direct observations during desk audit, focus groups, and town halls.

##### MISSION

The mission for conducting due diligence and reviews is to build a foundation for a consensus-driven compensation philosophy. Along the way, the information learned will also be used to form strategies for internal equity and market research design.

##### Internal Data Collection and Analysis

PGN HR intends to collect necessary institutional literature. These documents will include:

Policies for Initial Placement, Promotion, and Transfers — these policies typically address the placement of new recruits in the salary structure. The criteria typically consist of years of experience credit, academic level credit, certification credit, and licensure credit.

These policies have profound impact on the overall health of any compensation structures. Where a new hire is placed because of past years of experience and qualifications that exceed the minimum requirements can be a challenge to internal equity if the salary structures and policies are not designed well.

Job Position Descriptions — review of job descriptions is one of the most important steps in the project. We use this document for job analysis and evaluation. We will determine if any of the job descriptions require updates and recommend individuals to fill-out our free online Position Description Questionnaire (PDQ);



Employee Census (Employee Data) — this will include record serial, names, gender, job title, job code, department, date of hire, date of last promotion, current salaries, other compensation entitlement, FLSA status, employee email, supervisor email, supervisor name, supervisor job title.

Current Salary Schedule(s) — this will be DCTA’s existing pay plan or salary schedules for all employee classifications.

Performance Records — we use this data in our research design and for recommending salary adjustment rules as one of the variable predictors.

Exit Interview Records — we will quantify and measure this data. The resulting quantitative values will be used for job classification and job placements in the salary structure. Exit interview record show patterns of reasons for leaving. These patterns are useful for identifying jobs that are dynamic and “hard-to-fill.”

## Analyze Current Job Classification Structures

To deliver this task, we will use the results of our job documentation analysis. The process for auditing current job classification structures involves the use of Point-Factor Method Job Evaluation. We attach values to each factor in the job to signify major differences between classification.

Through the lens of PGN HR’s Point-Factor Method, which utilizes 14 factors, we will examine the factors considered when placing jobs in technical, professional, individual contributor, computer professional, supervisory, managerial, and executive classification. We will examine the cut-off values, the essential functions, the predominant duties, as well as the qualifications required.

It is worth noting employees may find themselves performing additional tasks during the **COVID-19 pandemic** as operations and businesses slow down. This may include exempt employees who may need to carry out more nonexempt duties because of lay-offs of non-exempt workers.

According to The U.S. Department of Labor (DOL) exempt employees under the executive, administrative and professional exemptions may temporarily perform nonexempt duties during **emergency situation** without losing their exempt status.

Notwithstanding this special arrangement during COVID-19, exempt employees, however, still need to earn the minimum weekly salary of \$684 a week to qualify for the white-collar exemptions.

Should this be the case at DCTA, PGN HR will ensure that any temporary non-exempt duties [taken on by exempt employees] do not affect the classification of the job, by using its Point-Factor Method approach to look at 14 specific factors plus the FLSA standard regulation for testing.



## PGN HR's Classification Structure Audit Using Point-Factor Method

The table on the right demonstrates the results of our job **classification structure audit** through point-factor method and “Level of Work Complexity (LWC©)” system.

The cut-off values of point-factors signify the parameters within which jobs should be placed either above or below depending on the level of work complexities.

We use these cut-off values to identify job strata and the appropriate placement of jobs in the classification structures. Recommendations for changes are backed by data.

The DCTA jobs featured in this table are for demonstration purposes only and they are examples. They are placed based solely on job titles at this point.

We will of course, perform thorough analysis using job documentation, PDQ, interviews, and other organizational records, to arrive at findings, conclusions and recommendations for change.

PGN HR Job Classification Using Point Factor Method				PGN HR's Level of Work Complexity	Point - Factor Values	
PGN HR Classification Decision	SORTA Jobs	FLSA Status	Exemption Test		Min	Max
<b>Executive / Administrative</b>	CEO / General Manager Chief Administrative Officer Chief Financial Officer Chief Operating Officer (COO) Vice President of External Affairs VP HR/EO Officer VP Safety & Security VP Strategic Planning and Dev Director Fleet Facilities Director of ADA & Accessible Services Director of Communications & Marketing Director Of Financial Planning & Analysis Director of IT Director of Procurement Director of Project Management	Executive	Highly Compensated	From 5.1 to 6.3	7,800	10,000
<b>Administrative / Directors</b>	Director of ADA & Accessible Services Director of Communications & Marketing Director Of Financial Planning & Analysis Director of IT Director of Procurement Director of Project Management	Executive	Highly Compensated	From 5.1 to 5.3	7,400	7,799
<b>Administrative / Sr. Managers</b>	Sr Division Manager 5100 Sr Manager of Employee Relations Division Manager 5100	Administrative	Administrative Exemptions	From 4.1 to 4.3	7,200	7,399
<b>Administrative / Middle Managers, Supervisors</b>	Benefits & Compensation Manager Benefits Administrator/DER DBE Administrator Business Intelligence Manager External Affairs Manager Facilities & Grounds Manager Fleet Manager 6100	Administrative	Administrative Exemptions	From 3.1 to 3.4	6,100	7,199
<b>Exempt Learned Professionals/ Creative Professionals</b>	Staff Accountant Sr. Accountant Sr Manager of Grants & Administration Graphic Design Supervisor Graphic Designer	Professional	Professional Exemption (Learned)	From 3.1 to 3.4	4,500	6,099
<b>Computer Professionals*</b>	I.T. Operations Manager I.T. Business Systems Analyst System Administrator Sr. Systems Administrator	Computer Employees	Computer Employee Exemption	From 3.1 to 3.4	3,300*	4,199*
<b>Non-exempt Supervisors</b>	Fare Deal Supervisor Maint. F&F Supervisor 6100 Maintenance Supervisor - Access Road Supervisor Storeroom/Inventory Supervisor	Non-Exempt	Non-Exempt	From 2.1 to 2.4	4,200	4,499
<b>Leads</b>	Executive Assistant (to COO) Executive Assistant to CEO Executive Assistant to CFO & COO	Non-Exempt	Non-Exempt	From 2.1 to 2.4	3,300	4,199
<b>Clerical, Technical, Trade</b>	Claims Agent Contract Administrator Contract Specialist Customer Relations Coordinator Customer Service Investigator Digital Media Specialist	Non-Exempt	Non-Exempt	From 1.1 to 1.3	2,111	3,299

\* Computer Professional FLSA Exemption test is a special case. The point-factor values for this classification overlaps with that of non-exempt.



## Perform Audit of Current Salary Structure (Analysis)

To deliver this task, we will use qualitative and quantitative technique geared to identify areas that might be contributing to internal equity issues as well as external relativities and perceptions when it comes to job postings and hiring decisions.

Because DCTA's current **compensation philosophy** play a pivotal role in the structuring exercises, we would be remiss if we did not attempt to understand it first before proceeding. So, our consultants will discuss with DCTA's HR the organization's baseline pay policy that is the product of its compensation philosophy.

### PGN HR's Qualitative Salary Structure Audit Questions

- 📍 How are jobs assigned to the salary structure?
- 📍 Is the current structure designed to foster internal equity?
- 📍 To what extent is it capable of adapting to pressures arising from labor regulations changes
- 📍 To what extent can it accommodate immediate and temporary compensation changes brought about by emergencies like COVID-19?

**For example:** Changes to duties of a group of exempt employees to cover for sick colleagues (who are non-exempt) affected by COVID-19, can potentially affect the FLSA exemptions if such changes become permanent.

This is particularly important if there are two separate structures for exempt and non-exempt, since the mixture of exempt & non-exempt duties can become murky and determining the right grade and correct range placement can be a challenge.

- 📍 What are the criteria for qualifying to the next position in the range or grade in the structure?
- 📍 How deep is the influence of performance rating in the movement of position through the structure?
- 📍 Does the structure recognize the levels of work complexity?
- 📍 How are pay scales for jobs slotted in the "pay spine" constructed?
- 📍 Are there stop rates for individual jobs where there is no scope for progression?

## PGN HR's Salary Structure Quantitative Approach Audit Process

The completion of qualitative audit will bring us to the quantitative part of the salary structure analysis. PGN HR will design solutions appropriate to DCTA's unique situation, but our 5-step baseline audit approach is summarized below:

### PGN HR's KEY STEPS FOR SALARY STRUCTURE AUDIT



Figure 2: PGN HR's Key Steps for Salary Structure Audit

### Determine the Recency and Relevancy of Market Rate Analysis Recently Used

The reason for reviewing the most recent market study performed by internal staff is to determine how much the structure is kept up to date with the market. As a matter of external relativity. This is information is important especially when collecting the data from the same organizations who have participated in this recent market study.

### Determine if Differing Structures Exist According to Job Classification

Having multiple salary structures per job classification is a normal practice among transit and transportation industries. Often times this is necessitated due to collective bargaining, and even due to FLSA regulations.

### Determine Pay Ranges, Number of Grades, Bands, and Midpoint Differentials

Our consultants will consider not only the design and shape of the existing salary structures, but also the practices of how they are developed and maintained over the years. In addition to technical analysis, we will review the current market rate tracking practices, and the job evaluation method being used. We will determine DCTA's salary structures and conduct our analysis accordingly. There are at least 2 possible structures that we envisioned DCTA might be using for its administrative positions:

- 📍 **Grade and Range Structure** — for administrative and professional support jobs
- 📍 **Broad-banded Structure** — for executive positions
- 📍 **Pay Spines** — also known as “Step-Pay Structure” are probably used for non-exempt jobs

There are fundamental differences among each type of pay structures. Each has its own advantages and disadvantages depending on the group of employees for which they are designed.

Nevertheless, our **quantitative approach** will focus on analyzing the following:

- 📍 Percent differentials between hierarchy — in the case of broadband structure
- 📍 Grade midpoint differentials — do they make sense?
- 📍 Grade overlap — do they provide flexibility to recognize experience and years of service?
- 📍 Are all jobs correctly graded?
- 📍 Are pay ranges wide enough to avoid topping off quickly and allow pay progression without having the need to promote, when it’s not appropriate to promote?
- 📍 Are pay scales reviewed yearly?

#### **Determine the Criteria for Pay Structure, Initial Placement, Promotion, Demotion**

- 📍 Does the structure provide a logical framework for enabling consistent and defensible decisions to be made on the levels of pay and differentials?
- 📍 How are newly hired placed?
- 📍 How are newly promoted / demoted employees placed in the structure?
- 📍 How are newly transferred employees placed?

#### **Determine Permitted Deviation Practices**

- 📍 Does the structure make provision for the reasonable external market considerations that may to prevail over the requirements of strict internal equity — particularly when it comes to “hard-to-fill” jobs?







## 2. COMMUNICATION STRATEGY

Key to the success and to seamless transition of this initiative is an effective communication plan. We intend to communicate the objectives of the project, the speed by which tasks must be completed, results of the study, and the impact changes. For these purposes, our communication plan is

PGN HR COMMUNICATION PLAN								
Task #	Major Tasks	Purpose of Meetings or Presentations	PGN Consultants	Role	DCTA Personnel	Planned Timing	Total # of Meetings	Hours Each Meeting
4.6.1.	Review DCTA's compensation classification system, benefit structure, position hierarchy, and job functions	Project Kick Off with Project Team	Shelley McPherson	Sr. Consultant	HR Director & team	Week 1	10	1
		Project Kick Off with Executives	Shelley McPherson	Sr. Consultant	DCTA Executives			1
		Project Kick Off with Department Heads	Elena C. Mason	Lead Consultant	DCTA Dept Heads			1
		Data Collection	Elena C. Mason	Lead Consultant	HRIS Analyst	Week 2		0.5
4.6.2.	Review DCTA's job functions by position. Recommend Structure	Interview Executive Team and HR prior to market research	Elena C. Mason	Lead Consultant	DCTA General Mgr	Week 3	15	1
			Shelley McPherson	Sr. Consultant	DCTA Chiefs	Week 4		4
			Ellen Switkes	Sr. Consultant	DCTA Dept Heads			8
4.6.3.	Review comp package, annual merit pay, bonuses, perquisites, retirement, benefits	Initial findings	Shelley McPherson	Sr. Consultant	HR Director & team	Weeks 5, 6 & 7	2	1
			Ellen Switkes	Sr. Consultant				
			Elena C. Mason	Lead Consultant				
4.6.4.	Gather information through questionnaires, job audits, interviews.	Conduct job analysis through interviews	Elena C. Mason	Lead Consultant	Employees Group 1	Week 8	3	1
			Shelley McPherson	Sr. Consultant	Employees Group 2			1
			Ellen Switkes	Sr. Consultant	Employees Group 3			1
4.6.5.	Identify a market position and peer comparisons.	Coordinate with DCTA HR and management staff	Shelley McPherson	Sr. Consultant	DCTA Executives	Week 11	1	1
			Elena C. Mason	Lead Consultant	HR Director & team			1
4.6.6.	Develop market survey	Communication development with peers and collect data	Elena Mason & Shelley McPherson	Lead Consultant & Sr. Consultant	*External Peer Communication	Weeks 12 thru 14	20	0.5
4.6.7.	Analyze existing internal hierarchy	Identify problem areas	Elena C. Mason	Lead Consultant	HR Director & team	Week 12	2	0.5
4.6.8.	Review current classification grade methodology	Review, document findings, recommend changes	Elena C. Mason	Lead Consultant	HR Director & team	Week 12	2	0.5
4.6.9.	Develop a pay plan identifying specific parameters	Discuss and present drafted pay plans	Elena C. Mason	Lead Consultant	DCTA Executives	Week 16	2	0.5
					HR Director & team	Week 16		0.5
4.6.10.	Recommend assignments of positions to grades	Assign positions to grade based on PGN HR's LWC and Point Factor method	Shelley McPherson	Sr. Consultant	HR Director & team	Week 18	2	1
4.6.11.	Implementation strategies recommendation	Provide Implementation Roadmap	Elena C. Mason	Lead Consultant	DCTA Executives	Week 19	2	1
		Provide cost scenarios and alternatives	Elena C. Mason	Lead Consultant	HR Director & team	Week 19		1
Screenshot	Provide system documentation and data formats as approved by HR.	Provide spreadsheets & access to online documents	Elena C. Mason	Lead Consultant	HR Director & team	Week 20	1	0.5
						Week 20		
4.6.13.	Prepare cost analysis and Deliver Final Reports	Cost Scenarios: New minimum match, reclass, equity study	Elena C. Mason	Lead Consultant	DCTA Executives	Week 21	4	1
					HR Director & team	Week 21		1

\*External parties. Not DCTA personnel. These are the contacts from peer organizations

below:

## Project Dashboard

PGN HR provides an online project time tracking to show contemporaneous information about the progress of the project. The dashboard will be accessible only by DCTA employees. Access has varying levels of security (employee, supervisor, administrator).

The dashboard features the scope of work's major tasks, timeline, percentages complete, balance, milestones, and important notes.

## Position Description Questionnaire (PDQ)

PGN HR will review all existing position descriptions (PD). In cases where PD's are outdated we recommend using our web-based (on-line) Position Description Questionnaire or PDQ, to bring all documentation about jobs up-to-date.

It is understood that there may be times when desk audits are necessary, especially on jobs that evolved significantly over a long period of time. We use our ethnographic research method for this purpose. For example, an incumbent with one job title is doing the work of two jobs — an admin assistant and an underwriting clerk at the same time.



Figure 3: Project Dashboard Example

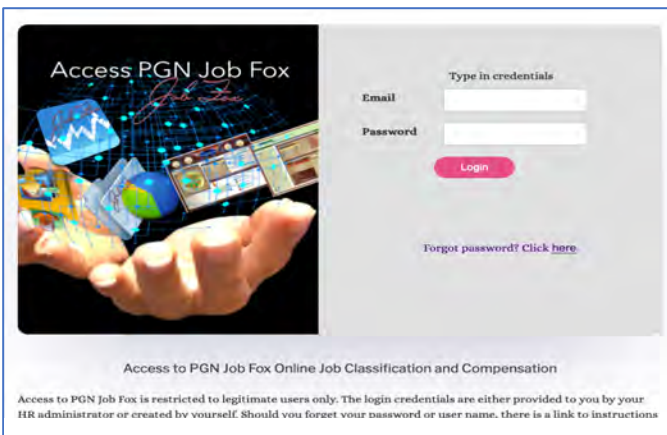


Figure 4: PGN HR Job Fox PDQ Access

The purpose of our desk audit is to determine and document the predominant duties of the jobs and use the information gathered to classify and evaluate the job properly.



## COMMUNICATION WITH PARTICIPATING ORGANIZATIONS

The protocol that we follow when communicating with the approved peers include:

- Drafting of invitation letters
- Approval by DCTA
- Initial email blasts
- Follow up phone calls
- Provision of copy of executive summary report





## PHASE TWO

### STRATEGY FORMULATION

#### 3. INTERNAL EQUITY ANALYSIS

Our work involving internal equity analysis begins with analyzing job documentation and by encouraging our clients to let employees fill-out our online Position Description Questionnaire (PDQ).

The results of internal equity analysis will be used to arrive at final pay adjustment recommendations along with market rates (external relativity analysis).

#### PGN HR's Key Steps for Internal Equity Analysis

##### Perform Job Analysis and Develop Job Classification Structures

Our proprietary method, “Level of Work Complexity© or LWCC©” for evaluating jobs provides an effective and reliable classification results for jobs across the organization. We call the job evaluation and classification process, “Job Architecture review and development.”

The creators of LWCC© are doctorate degree holders, Certified Compensation Professionals, and Senior Professional HR, with specialization in Cognitive Psychology, Measurement (Statistics), and Compensation.

- 📍 “Levels of Work Complexity©” is a framework we developed for organizing jobs into hierarchical levels of difficulty based on the complexity of the work that has to be performed;
- 📍 Jobs that are more complex take longer to complete, require more decision making, present more unknowns, present more ambiguity, and require more alternative plans;
- 📍 Jobs can be grouped into time horizons or how long it takes before the work product is completed and can be evaluated;
- 📍 The time horizon is the longest time in which a worker has to make decisions before receiving input or feedback from their supervisor or client;
- 📍 Work Complexity is based on cognitive research and adult learning theory.

Our goal is to differentiate and place jobs into strata that are in close proximity and in synchrony with the organizational structure. By doing so, we are also standardizing similar positions to reduce the overall number of positions.

##### Position Description Reviews and Possible Desk Audit

PGN HR will review all existing position descriptions (PD). In cases where PD's are outdated we recommend using our web-based (on-line) Position Description Questionnaire or PDQ, to bring all documentation about jobs up-to-date.

It is understood that there may be times when desk audits are necessary, especially on jobs that evolved significantly over a long period of time. We use our ethnographic research method for this purpose. For example, an incumbent with one job title is doing the work of two jobs — an admin assistant and an underwriting clerk at the same time. The purpose of our desk audit is to determine and document the predominant duties of the jobs and use the information gathered to classify and evaluate the job properly.





## Job Complexity Level Analysis Through Levels of Work Complexity©

PGN HR's Levels of Work Complexity© consist of classifying positions into one of six (6) levels of increasing job complexity and then further classifying jobs as high, medium or low in the level.

### Levels of Work Complexity© General Descriptions

**Level VI:** Executive leadership with responsibility for creating a vision and a mission. Work involves interpreting internal and external events, values, culture, and economies to create a conceptual path of where the organization wants to be in the future. Realization of the work product is generally **10 or more years**

**Level V:** Work involves interpreting the organizational strategic plan and articulating a business strategy regarding the deployment of resources in support of sustaining the long-term viability and "Mission" of the overall organization. Realization of the work product is generally **5 to 10 years**

**Level IV:** Work involves developing and implementing operational strategy, setting policies or priorities, and controlling costs within an operational area. Work products are generally completed within **2 to 5 years**.

**Level III:** This is the first JCL level where managers manage lower level "Managers/Supervisors", professionals, specialists, "operational" work units or division heads, and where an understanding of how the whole process fits with an overall tactical plan. It also includes professional technical "experts", with high levels of training. Work products are generally completed within **1 to 2 years**.

**Level II:** Work involves general control of a work process, project, or task, or responsibility of a technical or specialist area that requires some interpretation. This is also the first level where supervisors/managers supervise other employees, crews, specialists or multiple work processes. Work products are generally completed within **3 months to 1 year**.

**Level I:** Work involves direct, hands-on manual, administrative, clerical or service delivery work to make, complete something, or perform tasks that are specified beforehand. Work products are generally completed within **0 to 3 months**.

Parameters we use for classifying jobs into one of the six levels:

- 📍 The time it takes to complete the longest task (time horizon) in which the individual uses **knowledge** of the job and discretion to produce an output without feedback from a supervisor or client;
- 📍 The **scope** of the responsibility as determined by the number of functions in which the position is involved either as a worker or a supervisor;
- 📍 **The nature of the work** (manual, operational, coordinating, supervisory, tactical operational, tactical strategic, strategic);
- 📍 **Impact** in the organization or the role of the position in the organization.

In our model, we believe that jobs that are more complex take longer to complete, require more decision-making, present more unknowns, present more ambiguity, and require more alternative plans.

It is very important to note that PGN HR's job classification process evaluates the job itself, not the employee or the employee's qualifications and performance. We have a separate process that addresses employee contributions such as performance, qualifications, licensure, etc.

### **Job Complexity Level and Rank (JCLR)**

After positions are classified in one of the six (6) complexity levels, they are ranked as Low, Medium, or High in the level. This ranking is an estimate of the value of the job relative to other positions in the same level — a process we call "Job Complexity Level and Rank (JCLR)".

The result is a score as shown in the matrix below. Each position is assigned one of the numbers indicating the level of complexity, and the compensation value as 1 (low), 2 (medium) and 3 (high).

PGN HR's JCLR system is able to determine the combined complexity level of each of the jobs in a grade or position codes. We can estimate the complexity level of the grade levels. It follows that all jobs in the same grade should be of the same complexity value as the grade and all other jobs in the grade.

The end results are standardized positions collapsed into categories or classifications according to their levels and ranks of job complexities.

		Complexity Levels					
		Level I	Level II	Level III	Level IV	Level V	Level VI
Cognitive Requirements	Cognitive Requirements JCLR (Low)	1.1	2.1	3.1	4.1	5.1	6.1
	Cognitive Requirements JCLR (Medium)	1.2	2.2	3.2	4.2	5.2	6.2
	Cognitive Requirements JCLR (High)	1.3	2.3	3.3	4.3	5.3	6.3

### Demonstration (Example) of our Levels of Work Complexity© and JCLR

Below is the analysis we completed for Northern Arizona Intergovernmental Public Transportation Authority.

The **examples of work** shown below are derived from actual individual employee salaries data and individual position descriptions. We conducted a thorough and deep analysis of all employees' jobs and salaries at NAIPTA using our Levels of Work Complexity and Job Complexity Level Rank (JCLR), and point-factor method.

Current Level and Job Title	JCLR Levels										Total
	I			II			III			IV	
	1.1	1.2	1.3	2.1	2.2	2.3	3.1	3.2	3.3	4.3	
<b>Level 1</b>											
BUS WASHER	2										2
FACILITIES WORKER I		2									2
<b>Level 2</b>											
ACCOUNTING CLERK		1									1
ADMINISTRATIVE ASST 1			1								1
PARATRANSIT OPERATOR				5							5
PARATRANSIT OPERATOR ON CALL				2							2
PLANNING INTERN					1						1
TRANSIT BUS OPERATOR					36						36
TRANSIT BUS OPERATOR PART TIME					10						10
FACILITIES WORKER II						1					1
BUS DETAILER - FUELER		1									1
<b>Level 3</b>											
HUMAN RESOURCES SPEC					1						1
FLEET SUPERVISOR						1					1
OPERATIONS SUPERVISOR						7					7
TRAINING ASSISTANT						1					1
<b>Level 4</b>											
ACCT TECH I I						1					1
CLERK OF THE BOARD					1						1
ADA SPECIALIST						1					1
MECHANIC						3					3
TECHNICAL SPECIALIST						1					1
<b>Level 5</b>											
SAFETY COORDINATOR							1				1
TRANSIT PLANNER							1				1
<b>Level 6</b>											
ADMINISTRATIVE MANAGER								1			1
OPERATIONS MANAGER								2			2
INFORMATION TECHNOLOGY MGR								1			1
CAPITAL PROJECT MANAGER									1		1
FLEET MANAGER									1		1
<b>Level 7</b>											
FACILITIES & SECURITY MANAGER									1		1
MARKETING MANAGER									1		1
MOBILITY MANAGER									1		1
<b>Level 8</b>											
DEVELOPMENT DIRECTOR- INTRM											
GM										1	1
OPERATIONS DIRECTOR										1	1
<b>Level 9</b>											
COMPLIANCE AND AUDITING MANAG										1	1
<b>Grand Total</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>7</b>	<b>49</b>	<b>16</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>93</b>

Table 2: Similar Analysis we did for NAIPTA

The table above compares the current Level of Work Complexity (LWC©) of NAIPTA positions to the new JCLRs. For all but three positions, the JCLR rankings coincides with the current NAIPTA Pay Plan levels. The Accounting Clerk, Administrative Assistant, and Bus Detailer/Fueler are currently rated 2 but appear more aligned with Level 1 work at 1.2 and 1.3 rankings.

The current Step 1 pay rate for these positions is consistent with the JCLR.

**ALIGNMENT OF POSITIONS BY COMPLEXITY LEVEL AND MINIMUM OF SALARY RANGE**

Job Title	Minimum Range Salary by Job Complexity Level										Total
	1.1	1.2	1.3	2.1	2.2	2.3	3.1	3.2	3.3	4.3	
BUS WASHER	\$17,930										\$17,930
BUS DETAILER - FUELER		\$21,008									\$21,008
ACCOUNTING CLERK		\$23,448									\$23,448
FACILITIES WORKER I		\$24,179									\$24,179
ADMINISTRATIVE ASST I			\$26,202								\$26,202
PARATRANSIT OPERATOR				\$26,915							\$26,915
PARATRANSIT OPERATOR ON CALL				\$26,935							\$26,935
PLANNING INTERN					\$20,800						\$20,800
TRANSIT BUS OPERATOR					\$26,935						\$26,935
TRANSIT BUS OPERATOR PART TIME					\$26,935						\$26,935
HUMAN RESOURCES SPEC					\$27,906						\$27,906
CLERK OF THE BOARD					\$29,594						\$29,594
ACCT TECH I I						\$31,620					\$31,620
FLEET SUPERVISOR						\$31,631					\$31,631
TRAINING ASSISTANT						\$32,227					\$32,227
ADA SPECIALIST						\$33,067					\$33,067
FACILITIES WORKER II						\$33,654					\$33,654
OPERATIONS SUPERVISOR						\$33,654					\$33,654
MECHANIC						\$33,761					\$33,761
TECHNICAL SPECIALIST						\$36,837					\$36,837
SAFETY COORDINATOR							\$39,248				\$39,248
TRANSIT PLANNER							\$40,110				\$40,110
OPERATIONS MANAGER								\$43,515			\$43,515
MARKETING MANAGER								\$46,034			\$46,034
ADMINISTRATIVE MANAGER								\$46,334			\$46,334
INFORMATION TECHNOLOGY MGR								\$44,339			\$44,339
CAPITAL PROJECT MANAGER									\$49,811		\$49,811
MOBILITY MANAGER									\$50,232		\$50,232
FACILITIES & SECURITY MANAGER									\$51,393		\$51,393
FLEET MANAGER									\$51,655		\$51,655
DEVELOPMENT DIRECTOR- INTRM GM										\$63,525	\$63,525
OPERATIONS DIRECTOR										\$66,383	\$66,383
COMPLIANCE AND AUDITING MANAG										\$73,692	\$73,692
<b>Grand Total</b>	<b>\$17,930</b>	<b>\$21,008</b>	<b>\$26,202</b>	<b>\$26,915</b>	<b>\$20,800</b>	<b>\$31,620</b>	<b>\$39,248</b>	<b>\$43,515</b>	<b>\$44,339</b>	<b>\$63,525</b>	<b>\$17,930</b>

### Further Interpretation

- 93.4% of jobs' complexity level assignment align with NAIPTA's pay plan structure;
- Measures of association show high correlations, all of which are statistically significant;
- Kendall's Tau is a non-parametric measure of concordance/discordance, where concordance is the number pairs of complexity ratings that align and discordance are pairs that do not align.

Job Complexity Alignment of Job Titles with Current Grade Placement			
Below Grade	Above Grade	Total Misaligned	Aligned
76	64	140	2135
3.3%	2.8%	6.1%	93.4%

Symmetric Measures		
Symmetric Measures		Value <sup>a</sup>
Ordinal by Ordinal	Kendall's tau-b	0.93
	Spearman Correlation	0.92
Interval by Interval	Pearson's R	0.94
N of Valid Cases		2275
a. All values are statistically significant		



*Statistical Analysis Overview for work we did for NAIPTA*

## Point Factor Analysis

PGN HR supplements its examination of job complexity level with “Point-Factor Method” for job classification. While the results of LWC© tell us **which** grade within the salary structure a job should be, the Point-Factor Method results would show us **where** within the grade’s range the job must be placed.

For example:

**PAY PLAN STRUCTURE**

**JOB PLACEMENT WITHIN GRADE'S RANGE BASED ON POINT FACTOR SCORES**

			MIN	10TH	25TH	MIDPOINT	75TH	90TH	MAX	RANGE SPREAD
LWC©	JCLR©	GRADE	Point Factor Scores							
			From 1,250 to 1,285	From 1,320 to 1,355	From 1,390 to 1,425	From 1,460 to 1,508	From 1,617 to 1,652	From 1,687 to 1,722	From 1,757 to 1,792	
I	1.1	200	\$17,065	\$18,174	\$19,838	\$22,611	\$25,384	\$27,047	\$28,157	65%
	1.2	210	\$22,733	\$24,210	\$26,427	\$30,121	\$33,815	\$36,031	\$37,509	65%
	1.3	220	\$24,423	\$26,010	\$28,391	\$32,360	\$36,329	\$38,710	\$40,297	65%
II	2.1	230	\$26,238	\$27,943	\$30,502	\$34,765	\$39,029	\$41,587	\$43,293	65%
	2.2	240	\$28,188	\$30,021	\$32,769	\$37,350	\$41,930	\$44,679	\$46,511	65%
	2.3	250	\$30,284	\$32,252	\$35,205	\$40,126	\$45,047	\$48,000	\$49,968	65%
III	3.1	260	\$32,535	\$34,650	\$37,822	\$43,109	\$48,395	\$51,568	\$53,682	65%
	3.2	270	\$34,953	\$37,225	\$40,633	\$46,313	\$51,993	\$55,401	\$57,673	65%
	3.3	280	\$37,551	\$39,992	\$43,653	\$49,756	\$55,858	\$59,519	\$61,960	65%
IV	4.1	290	\$40,343	\$42,965	\$46,898	\$53,454	\$60,010	\$63,943	\$66,565	65%
	4.2	300	\$43,341	\$46,159	\$50,384	\$57,427	\$64,470	\$68,696	\$71,513	65%
	4.3	310	\$46,563	\$49,590	\$54,130	\$61,696	\$69,263	\$73,803	\$76,829	65%
V	5.1	320	\$50,024	\$53,276	\$58,153	\$66,282	\$74,411	\$79,289	\$82,540	65%
	5.2	330	\$53,743	\$57,236	\$62,476	\$71,209	\$79,942	\$85,182	\$88,676	65%
	5.3	340	\$57,738	\$61,491	\$67,120	\$76,502	\$85,885	\$91,514	\$95,267	65%
VI	6.1	350	\$62,029	\$66,061	\$72,109	\$82,189	\$92,269	\$98,317	\$102,349	65%
	6.2	360	\$66,640	\$70,972	\$77,469	\$88,298	\$99,127	\$105,625	\$109,956	65%
	6.3	370	\$71,594	\$76,247	\$83,228	\$94,862	\$106,496	\$113,476	\$118,130	65%

**Point-Factor Score**

**Level of Work Complexity and Job Complexity Ranking (JCLR)**

Bear in mind that this is just the initial steps. This process seeks to determine the job’s placement in the structure, not the individual employee.

Now, to acknowledge an employee’s contribution to the job, we need to further introduce variables that would differentiate an exemplary employee from the rest (for example). Our proposal document discusses individual contributions as predictor variables for placements in the structure. PGN HR’s Point Factor Method

We use fourteen (14) compensable factors to quantify aspects of jobs and validate the results we have from prior analysis.

#### PGN HR COMPENSABLE FACTORS & WEIGHTINGS

Factor Scores (FS)					
Code	Compensable Factors	Lowest	Avg. Value	Highest	Weighting
FS1	Knowledge	453	909	1538	14%
FS2	Directly Related Experience In Related Field	393	781	1338	13%
FS3	Consequences of Error	342	753	1163	11%
FS4	Formal Education	298	512	1011	9%
FS5	Supervisory Activities	198	452	879	8%
FS6	Written Communications	134	353	765	7%
FS7	Oral Communications	116	306	1200	11%
FS8	Project Responsibility	57	219	578	5%
FS9	Working Conditions	52	187	503	5%
FS10	Interactions Specifically with Customers	129	283	437	4%
FS11	Credentials	59	169	380	4%
FS12	Budget Responsibility	44	138	331	3%
FS13	Supervision Received	222	255	288	3%
FS14	Interactions	74	135	250	2%
10661					100%

#### PGN HR's Fourteen (14) Compensable Factors for Point-Factor Method

**FS1: Knowledge** — of the 14 factors, “Knowledge” carries the most weight and gravitas in our job evaluation process. This factor measures the level of expertise an incumbent must apply to successfully carry out the essential functions of the job. We use the interconnection between knowledge acquisition and knowledge retrieval on learning to predict the cognitive abilities required of a job. We use the cumulative achievements through learning acquisition from academic contexts and formal training interventions, as well as knowledge gained through experiential learning — which can vary from 6 months to 10 years. The level of expertise then provides the comparative and superlative degrees of understanding and capability to apply on analysis, steps, procedures, practices, rules, policies, theories, principles, and concepts.

**FS2: Directly Related Experience in Related Field** — this factor measures the length of time of direct and relevant experience. Relevancy means the exact profession and function.

**FS3: Consequence of Errors** — this factor measures the potential impact of momentary lapses of good judgment an incumbent may commit. Sometimes this can be due to lack of training, sometimes due to negligence, and sometimes due to a momentary deficit in attention or momentary preoccupation with something other than the task at hand.

**FS4: Minimum Education Required** — this factor measures the level of formal academic training incumbents must have to successfully hold the job and carry out its essential functions.

**FS5: Supervisory Responsibility** — there are 16 types of supervisory responsibilities measured by this factor. We test for depth of vicarious liabilities and levels of vested authority that come with having supervisory responsibilities. These include (1) providing professional recommendations only (2) making the final decisions and being accountable for actions taken.

**FS6: Written Communication** — this factor measures the type of written communication and the incumbent's level and frequency of involvement in bringing information across.



**FS7: Oral Communication** — this factor measures the nature of communication done verbally. The nature of interactions on person-to-person basis are delineated by both the frequency and the impact such interactions might have on the department, function, or organization.

**FS8: Project Responsibilities** — this factor measures the engagement of employees with projects of varying importance. Points are awarded for involvements that require incumbents to make decisions. Conversely lower points are awarded for involvements that require no decision-making.

**FS9: Working Conditions** — this factor measures the primary location as well as the conditions under which the job must be carried out. Further, the frequency and the length of time an incumbent must stay in the environment to carry out the work are also measured under this factor.

**FS10: Interactions Specifically with Customers** — this factor measures the nature of interactions directly with customers, passengers, patients, students, internal clients, etc. Additionally, it measures the frequency of such interactions.

**FS11: Professional Credentials** — this factor measures the requirements of the job and not any other credentials that the incumbents happened to have. Scores are provided according to the frequency of the renewal of the required credentials.

**FS12: Budget Responsibility** — this factor measures the type of the budget and the depth of the involvement and responsibility on the budget

**FS13: Supervision Received** — this factor measures the degree of complexity of a department by virtue of reporting line. Jobs that report directly the CEO will have higher rates than jobs that report to team lead.

**FS14: General Interactions** — this factor measures the interactions an incumbent in the job must carry out both internal or external.

### Other Variables Used by PGN HR for Placing Jobs in the Salary Structures

There are other considerations that must be taken when deciding the most appropriate placement of jobs along the salary structures; therefore, in addition to LWCC© and Point-Factor Method, we also use the following variables:

- 📍 Years of Service (YOS)
- 📍 Years in Position (YIP)
- 📍 Performance Rating (PR)
- 📍 Range Penetration in a given timeline (RP)
- 📍 Internal Compa-Ratio (ICR)
- 📍 External Competitiveness Range (ECR)

## FLSA Analysis

### FLSA Testing Using Criterion Referenced Test

PGN HR will use quantitative method for reviewing DCTA's FLSA status. We will use "Criterion-Referenced Exemption Test" along with FLSA guidelines issued by the US Department of Labor (DOL) to establish a quantifiable means of predicting a jobs exemption status.

As an example, we show the criteria for over-time pay exemption on the basis of administrative duty below.

Consequences of Errors	Project Management
Freedom to Act	Human Collaboration
Budget Management	Supervision Given

Jobs are scored against the defined exemption criteria. The scores for the criteria range from 0-1, which denotes that if the incumbent in the job is performing the task, then the score of “1” is awarded, conversely it would be “0” if the incumbent is not performing the task, and 0.5 score if the incumbent in the job is only assisting or the level of involvement is ad-hoc. The total score should sum 80% for a job to pass the exemption test.

		CRITERION REFERENCED ADMINISTRATIVE DUTY TEST								
	JOB TITLE	JOB GRADE	COE (1)	FTA (2)	BM (3)	PM (4)	HC (5)	SG (6)	TOTAL SCORES	Percent Total
1	Marketing Coordinator	916	0	0	0	0	1	1	2.0	0.333
2	Customer Service Specialist	913	0.5	0	0	1	0.5	0	2.0	0.333
3	Lead Roadway Maintenance Technician	917	1	0	0	0	0.5	1	2.5	0.417
4	Technician Specialist Project Delivery	917	0	0	0	1	1	1	3.0	0.500
5	Finance Technician	916	0	0	0	1	1	1	3.0	0.500
6	Human Resources Coordinator	917	0	0.5	1	0	1	1	3.5	0.583
7	Claims Coordinator	917	0.5	0.5	1	0	1	0	3.0	0.500
1	Sr. Web Applications Developer	616	0.5	1	1	1	1	1	5.5	0.917
2	Media Relations Manager	617	1	1	1	0.5	1	0.5	5.0	0.833
3	Marketing Manager	618	0.5	1	1	0.5	1.5	1	5.5	0.917
4	Compensation and Benefits Manager	618	0.5	1	1	1	1	1	5.5	0.917
5	Manager of Program Controls	618	0.5	1	1	1	1.5	1	6.0	1.000
6	Maintenance Support Manager	617	0.5	0.5	1	1	1	1	5.0	0.833

COE = Consequences of Errors  
 FTA = Freedom to Act  
 BM = Budget Management  
 PM = Project Management  
 HC = Human Collaboration  
 SG = Supervision Given

Total Avg. 4.0  
 Non-Exempt Avg. 2.7  
 Exempt Avg. 5.4

### Validation of Criterion Scores Using Discriminant Analysis Method

With discriminant analysis method we will take samples of exempt and non-exempt jobs tested using criterion-referenced. The samples will be non-borderline on exemption status with respect to salary, job grade, and duties.

The purpose is to determine how well the scores for each criterion actually predicted group memberships (where group membership is either exempt or non-exempt.)

The result must show that the criteria along with the combined total score successfully classified positions into exempt and non-exempt with 100% accuracy.

Classification Results <sup>a</sup>				
		Predicted Group Membership		Total
		0	1	
Original	Count	0	7	7
	1	0	6	6
	%	0	100.0	100.0
	1	0	100.0	100.0

a. 100.0% of original grouped cases are correctly classified



## Results Using Administrative Duty Factors:

Group	Administrative Duties Factor	Mean	Std. Deviation	Valid N (List-Wise)
0 (Non-Exempt)	Consequences of Error	0.29	0.39	7
	Freedom to Act	0.14	0.24	7
	Budget Responsibility	0.29	0.49	7
	Project Management/ Strategic Planning	0.43	0.53	7
	Human Collaboration	0.86	0.24	7
	Supervisory Responsibilities	0.71	0.49	7
1 (Exempt)	Consequences of Error	0.58	0.20	6
	Freedom to Act	0.92	0.20	6
	Budget Responsibility	1.00	0.00	6
	Project Management/Strategic	0.83	0.26	6
	Human Collaboration	1.17	0.26	6
	Supervisory Responsibilities	0.92	0.20	6
Total	Consequences of Error	0.42	0.34	13
	Freedom to Act	0.50	0.46	13
	Budget Responsibility	0.62	0.51	13
	Project Management/Strategic	0.62	0.46	13
	Human Collaboration	1.00	0.29	13
	Supervisory Responsibilities	0.81	0.38	13

Level of Technical Skills Requirements Group	Factor	Mean	Std. Deviation	Valid N (List Wise)
0 (Non-Exempt)	Total Score	2.7143	0.56695	7
1 (Exempt)	Total Score	5.4167	0.37639	6
Total	Total Score	3.9615	1.47848	13

## Salary Compression Analysis

PGN HR's method for identifying salary compression uses rank/ratio and range penetration techniques.

### Rank/Ratio Technique

This technique taxonomizes jobs by Levels of Work Complexity (LWC©) scores, Point-Factor Scores, and by Job Classification. We take the mean value of salaries within the taxonomy, calculate the standard deviations and confidence interval of 95%, and then measure each individual's salary against the range produced by calculating the confidence interval.



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### **Range Penetration Technique**

This technique also taxonomizes jobs by Levels of Work Complexity (LWC©) scores, Point-Factor Scores, and by Job Classification.

This technique further validates the results obtained through rank/ratio by determining how deep the individual's salary really is through the group's mean. Generally, if an employee had been with the organization for many years we expect to see his/her salaries to be further deep into the salary range for the given group.

The results of our compression analysis along with the gender/race analysis provide powerful and compelling reasons for immediate salary adjustments on a wholesale basis.

## 4. EXTERNAL COMPETITIVENESS ANALYSIS

Our work involving external competitiveness analysis begins with finalizing DCTA's compensation philosophy and by obtaining consensus about it.

The ultimate goal of PGN HR's market study is to determine DCTA's external competitiveness position within the defined labor market. Our actions seek to support DCTA's business strategy of operational excellence. We deliver our market study results through a six-step process as shown below:

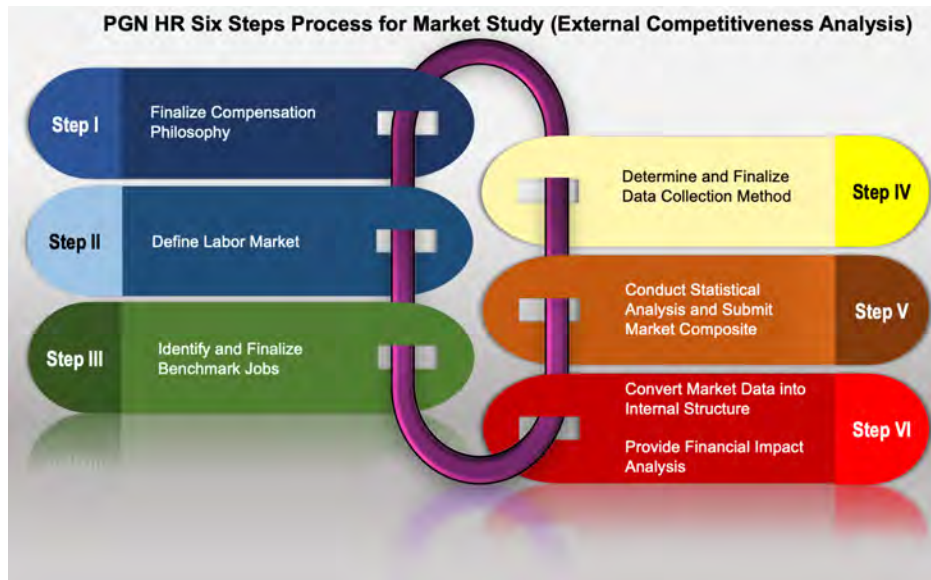


Figure 5: PGN HR Market Study Procedure

### STEP 1: Finalize Compensation Philosophy

The discussions carried out and finalized about the compensation philosophy in the earlier part of the project will be used as guiding principles for the market study.

This powerful statement will guide our actions for the next steps. For example, should DCTA decide to lead the market, then the peer organizations in the labor market will need to be carefully curated based on strongly relevant criteria that include organizations of smaller size but are located within the region — for example. Otherwise, the resulting data analysis might appear extremely skewed.

### STEP 2: Define Labor Market (Target Comparison Market)

The results of the collaborative approach in the compensation philosophy development season will be useful for defining the optimal labor market for DCTA. Curating peer organizations may include the following criteria and parameters:

Criteria	Parameters	
Revenue Fleet	Minimum: 100 Fleet	Maximum: 300 Fleet



Services	Local Route, Express, Paratransit	Serving at least 3 counties
Ridership	Minimum: 5 Million 3-year average	Maximum: 12 Million 3-year average
Number of Routes	Minimum: 10 routes	Maximum: 80 routes
Fleet Types	Minimum: 50% CNG	Maximum: 100% CNG
Operating Revenue	Minimum: 3 million 3-yr average	Maximum: 15 million 3-yr average
Headcount	Minimum: 50 FTE	Maximum: 1,000 FTE

PGN HR will use the following baseline information to build criteria and parameters within which we can state precisely the labor market where compensation and benefits survey data can be collected. Baseline data are also used to shape our recommendations further down the road.

Information	Sources	Our Understanding	Why We Need This?
DCTA Goals and Objectives	DCTA Planning and Operations Plan published 2020	<b>STRATEGIC PLAN GOAL / OBJECTIVE:</b>  Operational Excellence:  KPI: Average Fixed Ridership, Passenger per Hour, Passenger per Trip, and Cost per Passenger are provided to show ridership trends and variances.	We would use the information to assist DCTA in developing compensation philosophy, implementing changes in compensation program governance, providing final recommendations and financial or cost modeling.  The information will also be used in implementing our communication strategy with employees, leadership team, project team, Transit Advisory Board, and the Board of Directors.

### STEP 3: Identify and Finalize Benchmark Jobs

PGN HR will work with DCTA's human resources leadership in selecting the benchmark jobs that will be used for comparison. These jobs will stand as formal representatives for specific classification or job family.

Benchmark jobs must be generic enough that comparable jobs are available in the market. If a job is unique and the incumbents is an individual contributor, we may opt for internal comparison in a sense that the job will be slotted based on the level of work complexity alone, that is to say, without external analysis.

## Dealing with Dynamic Jobs

Notwithstanding the criteria and parameters above, we understand that due to the dynamic nature of some of the jobs, their market comparisons will probably need to include the private sector in addition to other transportation agencies. Their defined labor market will be markedly different than the rest of the jobs.

For dynamic jobs, the goal is to ensure external competitiveness regardless of the sector; we therefore recommend that in addition to the criteria above, the compelling business reasons discussed in the communication phase of this project be one of the driving forces in selecting the market for dynamic jobs. These include, IT jobs, engineering jobs, and science jobs.

## STEP 4: Determine and Finalize Data Collection Method

PGN HR recommends both primary research method and secondary research method for data collection. The primary research involves developing survey materials and collecting data directly from participants. Whereas the latter involves the use of reputable published data, such as the “Mercer Data” or the “Transit Cooperative Research Board” salary data.

We will collect the following data:

1. Base Salaries, Benefits Data, and Variable Pay (Short and Long-Term Incentive Plans)
2. Performance – Based Incentive Plans
3. Salary Schedules and Policies

## STEP 5: Conduct Statistical Analysis

The statistical tests that we will use include descriptive and inferential such as, measures of central tendencies, measures of variability and measures of association.

We will define external competitiveness as 95% confidence level, calculating the upper and lower boundaries for each job class. The result of this step is the **market composite**.

## STEP 6: Convert Market Data into Internal Structure

When converting the market data into internal structure, we will use the following statistical tests and methods.

**Exponential Regression Analysis** — this will be used for converting market data into internal structure. Specifically, the resulting equation along with coefficient of determination ( $R^2$ ) will be used to create algorithm through “matrix-vector multiplication” (**Linear Algebra**), which is the basis of our salary structure buildout;

**Desired Range Spread** — The range spread for each recommended structure will probably follow the existing average range spread across DCTA; **which can be 65% - 85% per pay band**;

**Range Overlap** — The range overlap can be 17% per rank or per step;

**Rank Progression and Degree Progression** — Our recommended structures may have 5% rank progression (from entry to master level) and 2.5% Academic Degree progression;

**Multivariate Regression Analysis** — to determine the relationship between salaries, years of service, education, years of experience, and performance.



## Data Aging

For reliability and validity, data should be contemporaneous. But because we only collect data once a year, it is imperative that data aging is performed on all data collected at one point in time.

This begins by determining DCTA's budget cycle. The schedule at which preparation of employee-related expenses must be submitted will be considered by PGN HR consultants when calculating the differences between the value of salaries at a point-in-time when it was collected vs. 9 months later – for example we collected data in January and today is already September, so we have a 9 month-lapse.

For data aging, we will use the following formula:

Monthly market rate increases in the defined labor market \* Number of months = **% of aging**

% of aging \* 9 months = **additive factor**

Survey market data \* 1 + additive factor = Aged data to September, 2020

# PHASE THREE

## IMPLEMENTATION

### 5. FINANCIALS

Under the Phase Three of our project approach, PGN HR proposes a two-segment approach, whereby the first segment focuses on the financial aspects of the implementation and the second segment focuses on reporting and roll-out communication.

In this stage we will provide DCTA with implementation strategy and cost estimate models. Our implementation strategy recommendation will include a minimum of three (3) financial impact scenarios, complete with time frame and detailed Cost of Salary Growth Rate (CSGR) over a period of 5 and 10 years.

### Objectives of Phase Three

- To provide recommendations on compensation levels, range spread, and range placement for positions based on market survey and internal analysis;
- To provide alternative methods to address internal inequities, pay compression and market adjustments;
- To present rationale for recommendations in written report and present new compensation plan and implementation plan with key personnel;

- To develop employee communications plan to explain the process and implementation of recommendations;
- Work with Human Resources Department and other key personnel in implementing the plan and strategies maintaining the program in the future;
- Serve as a resource for the Human Resource Department for compensation requests (such as position classification, equity adjustments, and hiring salaries) during the project;

In the financial stage of phase three (3) we will provide cost model alternatives and analysis of financial impact in the implementation roadmap. A full-scale predictive model for the next 5 years to assist in forecasting and strategic planning will be included.

## Key Deliverables

- Cost Impact Models
- Scenarios & Alternatives
- Time Sensitive & Phased Approach

## Key Steps

### Use of Linear Algebra and Geometric Progression for Pay Out Decisions

We will provide **algorithms** that will conduct a sequence of specified actions to automatically place employees to appropriate location in the grade structure and range within the grade.

The algorithms will show us compensation levels, range spread, and range placement for positions based on market survey and internal analysis.

For the purpose of modeling a new salary structure on which compensation levels will be based, we will use linear algebra with vectors based on the “**seed number or initial point or scalar**” (**results of multiple regression equation**) from the market data.

- **Seed Number or Scalar or Initial Point of our Vector** — This is the beginning number (typically, entry-level salary) we will use this number to build the staff salary structure(s). The seed number is the direct result of exponential regression equation that we would derive from raw market data.
- **Salary Matrix (Salary Structure)** — When we multiply our vector with the progressive geometric factors, the result is a salary matrix, otherwise known as a salary structure. Fine-tuning can be done to ensure that new structure is in compliant with the compensation philosophy established earlier.
- **Regression Analysis** — to identify the correlation between pay, pay plan, and career ladder

### Determining Salary Adjustments in Relative to New Salary Structure

- **Payout Matrix Based on Geometric Progression** — In keeping with the objective of providing placement recommendations that result in salary adjustments, PGN HR will create structures with uniformed midpoint to midpoint progression, uniformed ranges, uniformed rank progression, and uniformed rank or grade overlaps.

We construct our geometric progression using the following variables:

- Compounded salary growth rate
- Total number of incumbents and Longest years of service





- Highest salary and Lowest salary

- 📍 **Individual Pay Adjustments** — The algorithm that we would create to determine individual pay adjustments for DCTA employees will be based on the payout matrix. The algorithm will include the following variables in the equation:
  - a. Years of Services
  - b. Range Penetration
  - c. Performance Rating 3-Year Average

### Predictive Analytics for Defining Timeframes

To determine the optimal timeframe for implementation within which salary changes could be implemented, PGN HR will use multiple regression analysis. All variables (listed below) that we will eventually keep and use in our model will have predictive value (*p-value*) of less than alpha 0.05.

- **Our Null Hypothesis (H<sub>0</sub>)** — Full implementation in 1-year timeframe is more expensive than spreading the implementation timeframe to 2 years, 3 years, 4 years, and 5 years.
- **Dependent Variable** — Cost of salary adjustments per job family, per scenario (we will model 3 scenarios)
- **Independent Variable 1** — Compounded Salary Growth Rate (as a direct result of promotion, and across-the-board increases)
- **Independent Variable 2** — Cost of Living Index
- **Independent Variable 3** — Market Movement such as salary increases from other institutions in the defined labor market. This is in the form of “gaps” between the actual salaries and the competitive range as defined by 95% confidence level (per compensation philosophy.)

This process will lead us down to **two (2) Cost Models and three (3) Financial Scenarios** which we will eventually present to DCTA Human Resources, and other stakeholders. The scenarios will show implementation cost estimates for each department, discipline, or job family, or job classification.

### Predictive Analytics for Cost Modeling

PGN’s cost models will use the following statistical tests and financial measures.

#### Cost Model One

- 📍 Use of multivariate regression analysis for predictive analysis, where there are two dependent variables and three independent variables:
  - **Two** dependent variables will include (1) Salaries (2) Monthly Turnover Rates
  - **Three** independent variables will include (1) Incumbent’ location in Pay Grade’s Range, Years of Service (YOS), **Performance Ratings**



## Cost Model Two

- Use of multivariate regression analysis for predictive analysis, where there are two dependent variables and three independent variables:
  - **Two** dependent variables will include (1) Salaries (2) Compounded Salary Growth Rate per incumbent (CSGR)
  - **Three** independent variables will include (1) Levels of Work Complexity (2) Point-Factor Scores (3) **Performance Ratings**

## Financial Impact Scenarios

PGN HR will provide DCTA three (3) financial impact scenarios under each cost model described above.

### Scenario One

Develop one centralized schedule tied to market movement

- Compensation philosophy / strategy of 100% market parity will be used when developing the structures
- Assignments of jobs into the structure (grade, level, location in range)
- Salary adjustments based on assignments

### Scenario Two

Develop three separate salary schedules tied to market movement

- The three separate salary schedules will be created based on “*hard-to-fill*” job positions’ individual market, especially jobs that need to be compared with private and public sectors;
- Compensation philosophy / strategy of 100% market parity is used when developing the structures;
- Assignments of jobs into the structure (grade, level, location in range);
- Salary adjustments based on assignments

### Scenario Three

Develop one centralized schedule tied to market movement

- Compensation philosophy / strategy of 90% market parity will be used when developing the structures
- Assignments of jobs into the structure (grade, level, location in range)
- Salary adjustments based on assignments

## Predictive Analytics for Initial Placement and Internal Equity

PGN HR uses linear algebra, geometrically progressive matrix and the following statistical tests: t-tests, chi-square tests, and multi-variate regression for analytics. We use the results of these tests and analyses to recommend changes to policies and practices affecting initial placement in the structure, which in turn affect internal equity.

Our procedure for interrogating data thereby predicting initial placements and internal equity, include:

- 📍 Define and establish parameters based on compensation strategy for initial hire. **For example, “strategy of 60/100 ratio or 3:5 ratio”** — meaning 60% of experience outside of DCTA is equivalent to 100% year of service in DCTA. So, a new hire with 5 years outside experience, will be placed in a range for its grade along with employees with 3 years of service (60%). Thus, compression issues are avoided.
- 📍 Establish employee cohorts (categorical) and numerical variables. Categorical variable is “cohort by job titles” whereas numerical variable include cohort by years of service, cohort by Levels of Work Complexity®, cohort by JCLR, or cohort by Point Factor scores.

## 6. IMPLEMENTATION ROADMAP

### REPORTING, STAKEHOLDER IMPACT ANALYSIS, CHANGE MANAGEMENT

Under segment two (Reporting) of Phase 3, we will provide all written, verbal and oral reporting as part of stakeholder impact analysis and change management. In addition to reports, PGN HR intends to perform a stakeholder impact analysis and assist DCTA in the implementation by providing change management.

#### Stakeholder Impact Analysis and Change Management

PGN HR proposes a stakeholder impact analysis and change management process as part of the communication strategy. The purpose is to quantify and analyze the effect of our change recommendations on DCTA compensation strategies.

We will take the support of the DCTA project team formed for this purpose. The team, along with PGN HR consultants will serve as the Transformation Task Force (TTF), tasked to help with implementation. The commitment demanded of members would be at best 20% of their time in a given week. After the project comes to its completion, the taskforce will then disband.

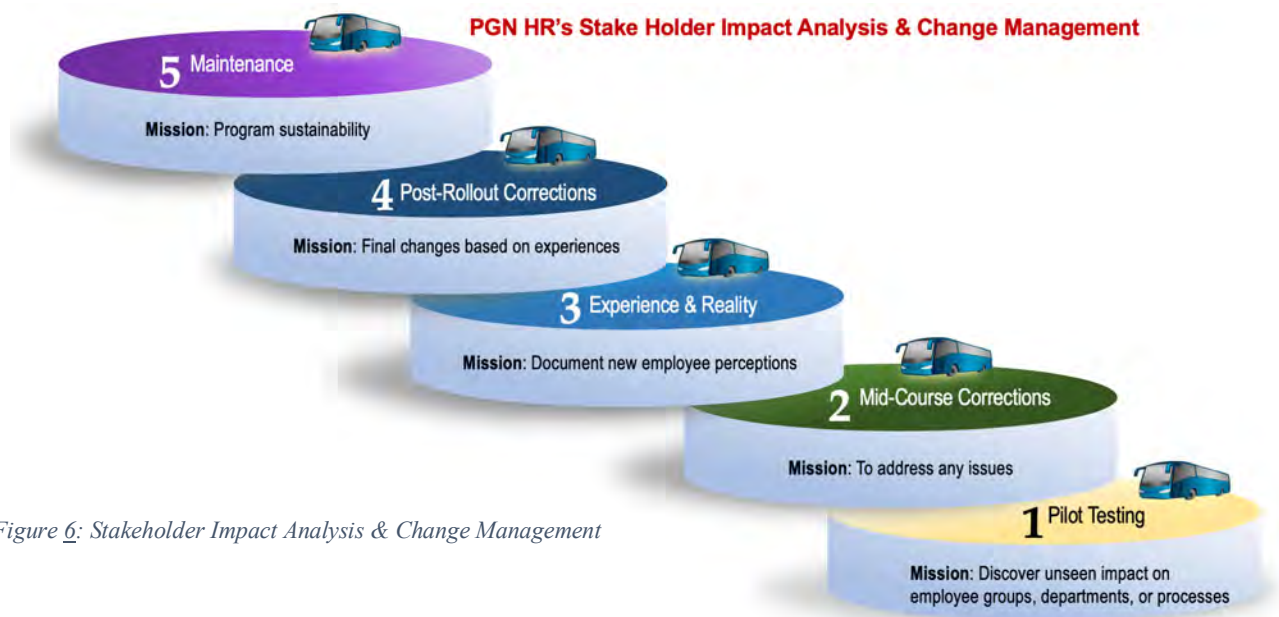


Figure 6: Stakeholder Impact Analysis & Change Management

#### Key Deliverables

- Provide Implementation Phase Communication with Employees;
- Provide Changes to Job Descriptions, Policies, Practices;
- Conduct midcourse corrections;

Document new employee perceptions and learn from experiences;

## Key Steps

### Present Rationale for Recommendations in Written Report

The issues identified concerning the main areas of total rewards policies, level of reward, job evaluation, classification structure, market rates, paying for individual contribution, and linking pay to organizational performance will be addressed in our written reports along with our recommendations both in qualitative and quantitative aspects.

### Present New Compensation & Implementation Plan with Key Personnel

Presentations to key personnel will be carried out towards the end of the project delivery, upon proper reviews and approvals of our reports by the HR Department project team.

### Develop Employee Communication

The purpose for employee communication plan is to explain the process and implementation recommendations associated with this initiative.

PGN HR's communication plan will include employee townhalls and pilot tests.

Implementation Season Employee Town halls:

- The implementation townhalls will describe the following:
- New and updated salary structures
- New processes for initial hiring and initial placements
- Updated job descriptions
- New Compensation Philosophy
- Method and procedure for moving through the new grades

### Mid-Course Corrections

Under the mid-course corrections stage DCTA stakeholders are given ample opportunities to review, discuss, edit, and provide feedback on our recommended changes to jobs' location in the new salary structures that are the direct results of our Levels of Work Complexity© analysis and internal equity analysis.

All our tests are done quantitatively, and all the necessary change will be predicated on the impact the structure has on these factors:

- Initial placement within the structure
- Promotion and lateral movement
- Performance-based movement within the range

### Post Roll-out Corrections

Our post roll-out corrections are part of our Quality Assurance program "Corrective Action Preventive Action". It is in this stage where we will put all our efforts to ensure that we catch every concern and every issue surrounding individual adjustments, performance rating and salary increases alignment, promotion and internal equity alignment, salary structure or pay band assignment issues, or issues on structures in general.



PGN HR will work with DCTA's Human Resources Department and other Key Personnel in Implementing the Plan and Strategies for Maintaining the Program in the Future

### **Maintenance, Ongoing Training and Support**

To fulfill this requirement, we will provide, as part of our change management process, procedures, training and documentation for the purpose of program sustainability. This will be in the form of master classes taught by our qualified HR professionals.

### **Resources for Compensation Requests During the Project**

Our consultants are ready and willing now. Access to our consultants assigned to this project is 24/7. We will respond to inquiries within 2 hours of receipt. Depending on the nature of the issues, resolutions may take additional hours.

### **Review of Key Benefit Components for a Total Compensation Comparison**

Key benefits data will be collected and reviewed by us. We will attach qualitative and quantitative values to key benefits and present the information as a holistic view of total compensation or total rewards.

### **Data Privacy and Ownership of Information Provided by DCTA**

PGN HR's security system for all data received, managed, and delivered include the following:

#### **Monitoring & Management**

N-central for tackling complex networks.

#### **Backup**

Data protection for machines, apps, documents, and Microsoft 365 – from one dashboard.

#### **Security**

EDR for defending against ransomware, zero-day attacks, and evolving threats with endpoint detection and response.

#### **Mail Assure**

Leverage mail protection and archiving to keep users safe from email threats and downtime.

#### **Passportal**

We adopt and enforce best practices for password and documentation management with ease.

\*\*\*



*Denton County Transportation Authority*

*Solicitation # 21 12*

*Compensation # Study*

## ***TAB 3 REFERENCES***

*Submitted By:*

*Prudential Global Network, LLC*

*3010 LBJ Freeway, Suite 1211A*

*Dallas, TX, 75234*

*Tel: 972 919 6183*

*Cell: 214 636 9025*

*Email: [emason@pgnhr.com](mailto:emason@pgnhr.com)*





## PGN HR'S REFERENCES

Provide name, title, address, email address and telephone number of three references for clients, whom similar services have been provided in the last 36 months, including information referencing the actual services performed and length of tenure.

At least one of the references provided must be in the public

Organization	Project Name	Project Briefs
The United Nations	Job Classification	<b>Mr. Lucas Allner</b> Human Resources Officer Compensation and Classification Section Office of Human Resources Department of Management Strategy, Policy and Compliance United Nations Secretariat, New York <a href="mailto:allner@un.org">allner@un.org</a>   +1 212 963 0504
El Paso Children's Hospital	Compensation Study for all Medical and Non-Medical Personnel	Nora Servin Benefits & Comp Administrator Phone: 915.242.8624 Fax: 915.242.8625 <a href="mailto:NServin@elpasochildrens.org">NServin@elpasochildrens.org</a>
College of Southern Nevada	Compensation Study for Faculty	Bill Dial, PhD, PHR, SHRM-CP Chief Human Resources Officer ADA/504 Coordinator College of Southern Nevada <a href="mailto:bill.dial@csn.edu">bill.dial@csn.edu</a> (702) 651.7489



*Denton County Transportation Authority*

*Solicitation # 21 12*

*Compensation # Study*

## ***TAB 4 PRICING***

*Submitted By:*

*Prudential Global Network, LLC*

*3010 LBJ Freeway, Suite 1211A*

*Dallas, TX, 75234*

*Tel: 972 919 6183*

*Cell: 214 636 9025*

*Email: [emason@pgnhr.com](mailto:emason@pgnhr.com)*

## PGN HR PRICING

As required by the RFP our proposed pricing includes all costs necessary to fully complete the project.

We also provide our pricing for services after hours and on weekends depending on system needs. As per the intention of the contract documents we include, the following pricing information for the following:

- 📍 Software
- 📍 Installation and data integration
- 📍 Maintenance and ongoing support
- 📍 Training

Particulars	Pricing First Year	Pricing Second Year	Pricing Third Year
Per the Scope of Work of the Request for Proposal 21-21	\$30,000	\$30,000	\$30,000
Software	N/A	N/A	N/A
Installation and data integration	\$5,000	\$0	\$0
Maintenance and ongoing support	\$5,000	\$3,000	\$3,000
Training	\$5,000	\$5,000	\$5,000
<b>Total</b>	<b>\$45,000</b>	<b>\$38,000</b>	<b>\$38,000</b>



*Denton County Transportation Authority*

*Solicitation # 21 12*

*Compensation # Study*

## **TAB 5 ATTACHMENTS**

*Submitted By:*

*Prudential Global Network, LLC*

*3010 LBJ Freeway, Suite 1211A*

*Dallas, TX, 75234*

*Tel: 972 919 6183*

*Cell: 214 636 9025*

*Email: [emason@pgnhr.com](mailto:emason@pgnhr.com)*

## PGN HR HUB CERTIFICATE

### Texas Historically Underutilized Business (HUB) Certificate



Certificate/VID Number:	<b>1831880855900</b>
File/Vendor Number:	<b>519330</b>
Approval Date:	<b>22-NOV-2019</b>
Scheduled Expiration Date:	<b>22-NOV-2023</b>

The Texas Comptroller of Public Accounts (CPA), hereby certifies that  
**PRUDENTIAL GLOBAL NETWORK, LLC**

has successfully met the established requirements of the State of Texas Historically Underutilized Business (HUB) Program to be recognized as a HUB. This certificate printed 22-NOV-2019, supersedes any registration and certificate previously issued by the HUB Program. If there are any changes regarding the information (i.e., business structure, ownership, day-to-day management, operational control, business location) provided in the submission of the business' application for registration/certification as a HUB, you must immediately (within 30 days of such changes) notify the HUB Program in writing. The CPA reserves the right to conduct a compliance review at any time to confirm HUB eligibility. HUB certification may be suspended or revoked upon findings of ineligibility.

*Statewide HUB Program  
 Statewide Procurement Division*

order for State agencies and institutions of higher education (universities) to be credited for utilizing this business as a HUB, they must award under the Certificate/VID Number identified above. Agencies, universities and prime contractors are encouraged to verify the company's HUB certification prior to issuing a notice of award by accessing the Internet (<https://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp>) or by contacting the HUB Program at **512-463-5872** or toll-free in Texas at **1-888-863-5881**.

Rev. 06/19

July 27, 2021

**ADDENDUM NO. 1**

Request for Proposals (RFP) 21-12

Compensation Study

**Changes:**

1. The due date/time to submit proposals has been changed to August 10, 2021 at 4:00 pm CST
2. The Solicitation overview and endorsement form on page 3 is deleted and replaced with Attachment 1.

**Addendum 1 Attachments:**

Attachment 1: Solicitation overview and endorsement revised

***Addendum must be acknowledged below and returned with the bid submittal. The underlined text is the addition or change. Some unchanged text from original solicitation is shown only for purposes of context. All other text not referenced below remains the same as stated in the original solicitation or as stated in previous addendums.***

Sign here

*Geraldine Osinaike*

Name Geri Osinaike

Title Senior Procurement Specialist

Acknowledged by:  Date: August 9, 2021


Firm/Representative

Elena C. Mason

CEO, Prudential Global Network

## Attachment 1 - Solicitation overview and endorsement revised

**SOLICITATION OVERVIEW AND ENDORSEMENT**

<b>SOLICITATION TYPE/No.</b>	Request for Proposals (RFP) 21-12		
<b>TITLE</b>	Compensation Study		
<b>PROCUREMENT SCHEDULE</b>	Dates and times are subject to change, any changes will be issued by addenda.		
<b>PRE BID/PROPOSAL MEETING DATE</b>	N/A	<b>PRE BID/PROPOSAL MEETING LOCATION</b>	
<b>QUESTIONS DUE</b>	July 9, 2021 by 2:00 pm CST	<b>RESPONSES TO QUESTIONS RELEASED</b>	July 19, 2021 by 5:00 pm CST
<b>DUE DATE/TIME</b>	<b>August 10, 2021 at 4:00 pm CST</b>		
<b>QUESTIONS/ CLARIFICATIONS</b>	All requests for clarifications and questions shall be submitted in writing. No verbal questions will be accepted and no verbal replies will be provided. Bidders/Proposers must submit requests for changes to or approval of equals, clarifications and modifications of the specifications in writing. The solicitation documents can only be modified in writing. Procurement must receive the requests no later than the date indicated above. Procurement will issue a response to those requests to all bidders/proposers by posting the replies to Periscope S2G no later than the date indicated above. DCTA assumes no responsibility for delayed or lost responses		
<b>ALL QUESTIONS AND REQUESTS FOR CLARIFICATIONS SHALL BE SENT TO</b>	Geri Osinaike <a href="mailto:procurement@dcta.net">procurement@dcta.net</a> or submitted via Periscope S2G at <a href="http://www.bidsync.com">www.bidsync.com</a>		
<b>RECEIPT OF BID/PROPOSAL</b>	Prior to the time and date indicated above, all proposals must be received electronically at <a href="http://www.bidsync.com">www.bidsync.com</a>		
	<p><b>Proposal received after the due time and date shall not be considered and will be returned unopened.</b> Bids/Proposals submitted to other DCTA locations may be returned unopened and will not be considered in the award of the contract.</p> <p>DCTA reserves the right to change the deadline for submitting bids/proposals. Further, DCTA reserves the right to unilaterally revise or amend the scope of services up to the time set for submitting bids/proposals. Such revisions and addenda, if any, shall be announced by addenda to this solicitation. Copies of such addenda shall be furnished to all prospective bidders/proposers.</p>		
<b>ACCEPTANCE PERIOD</b>	<b>PROPOSALS SHALL REMAIN VALID FOR 90 DAYS FROM THE DUE DATE</b>		
<b>DBE (DISADVANTAGED BUSINESS ENTERPRISE) PROGRAM</b>	It is the policy of DCTA to create a level playing field on which DBEs, as defined in 49 CFR Part 26, can compete fairly for DOT-assisted contracts. Additionally, DCTA is committed to removing barriers to the participation of DBEs on DOT-assisted contracts. The DBE requirements of 49 CFR Part 26 applies to this procurement. By submitting its bid/proposal, Bidder/Proposer certifies that it will take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that DBEs are given the maximum opportunity to compete for and participate in the performance of this contract. Bidder/Proposer further certifies and agrees that it has not and will not discriminate on the basis of race, color, national origin, or sex in the award of subcontracts under this contract or in performance of this contract. DCTA's DBE Program is available at <a href="http://www.dcta.net">www.dcta.net</a>		
<b>DBE GOAL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no	<b>DBE goal %</b>	
<b>DAVIS-BACON AND COPELAND ANTI-KICKBACK</b>	The Davis-Bacon and Copeland Acts are codified at 40 USC 3141, et seq. and 18 USC 874. The Acts apply to grantee construction contracts and subcontracts that "at least partly are financed by a loan or grant from the Federal Government." 40 USC 3145(a), 29 CFR 5.2(h), 49 CFR 18.36(i) (5). The Acts apply to any construction contract over \$2,000. 40 USC 3142(a), 29 CFR 5.5(a). 'Construction,' for purposes of the Acts, includes "actual construction, alteration and/or repair, including painting and decorating of public buildings and public works of the Government." 29 CFR 5.5(a).		
<b>CERTIFIED PAYROLL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no	<b>Wage Rate</b>	
<b>BID/PROPOSAL ENDORSEMENT</b>	<b>TO BE COMPLETED FOR HAND DELIVERED AND MAILED RESPONSES ONLY</b>		
<b>BUSINESS NAME</b>	Prudential Global Network, LLC		
<b>CONTACT NAME</b>	Elena Mason	<b>TITLE</b>	CEO
<b>TELEPHONE</b>	214 636 9025	<b>EMAIL</b>	emason@pgnhr.com
<b>ADDRESS</b>	3010 LBJ Freeway, Suite 1200, DALLAS, TX, 75234		
<b>SIGNATURE</b>			<b>DATE</b>





*Denton County Transportation Authority*

*Solicitation # 21 12*

*Compensation # Study*

## ***TAB 6 FORMS***

*Submitted By:*

*Prudential Global Network, LLC*

*3010 LBJ Freeway, Suite 1211A*

*Dallas, TX, 75234*

*Tel: 972 919 6183*

*Cell: 214 636 9025*

*Email: [emason@pgnhr.com](mailto:emason@pgnhr.com)*



## BIDDER'S QUESTIONNAIRE

1. Name of Contractor ("Business", herein) Prudential Global Network, LLC		19. Is any litigation pending against the Business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Doing Business As (other business name if applicable) PGN HR		20. Has the Business been debarred, suspended, proposed for debarment, and declared ineligible, voluntarily excluded or otherwise disqualified from bidding, proposing or contracting? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Federal Tax ID Number 83-188-0855		21. Has the Business ever been a defaulter, as principal, surety or otherwise? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4. Business Mailing Address (include City/State/Zip Code) 3010 LBJ Fwy, Ste 1211A, Dallas, TX, 75234		22. Has the government or other public entity requested or required enforcement of any of its rights under a surety agreement on the basis of a default or in lieu of declaring the Business in default? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Business Email Address emason@pgnhr.com		23. Is the Business in arrears upon a contract or debt? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. Business Telephone 972 919 6183	Business Fax Number 214-276-7852	24. Are there any proceedings pending relating to the Business' responsibility, debarment, suspension, voluntary exclusion or qualification to receive a public contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7. Business Type LLC, S-Scope		25. Have liquidated damages or penalty provisions been assessed against the Business for failure to complete the work on time or for any other reason? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8. Number of Years in Business 18		26. If a "yes" response is given to questions 17-25, please provide a detailed explanation including dates, references to contract information, contacts, etc. (attach additional pages as necessary). DCTA reserves the right to inquire further with respect thereto
9. Annual Gross Revenue for the past three years (M = Millions) <input checked="" type="checkbox"/> \$1M or Less <input type="checkbox"/> \$1M-\$5M <input type="checkbox"/> \$5M-\$10M <input type="checkbox"/> \$10M-\$16M <input type="checkbox"/> \$16M+		27. List the name and business address of each person or each entity which has a 10% or more ownership or control interest in the Business (attach additional pages as necessary).
10. Number of Employees <input checked="" type="checkbox"/> 100 or Less <input type="checkbox"/> 101-500 <input type="checkbox"/> 501-750 <input type="checkbox"/> 751-1,000 <input type="checkbox"/> 1,001+		
11. Is Business a DBE Firm? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
12. Is Business Owned by Minority Ethnicity? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
13. Ethnic Group Black American Hispanic American Native American Other	Subcontinent Asian American White/Caucasian Asian Pacific American <input checked="" type="checkbox"/>	
14. Woman Owned? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

I, individually and on behalf of the business named above, do by my signature below certify that the information provided in this questionnaire is true and correct. I understand that if the information provided herein contains any false statements or any misrepresentations: 1) DCTA will have the grounds to terminate any or all contracts which DCTA has or may have with the business; 2) DCTA may disqualify the business named above from consideration for contracts and/or 3) DCTA may have grounds for initiating legal action under federal, state or local law. **Note: This questionnaire is also a certification form; the information requested will be used to determine small business status as per 13 CFR Part 121. Additionally, this information will allow DCTA to report the amount of subcontracting activity for DCTA.**

15. Veteran Owned

☐ Yes ☒ No

16. Type of Work Performed

☐ Manufacturing ☒ Professional Service  
☐ Retail ☐ General/Technical Service

17. Has the Business, or any officer or partner thereof, failed to complete a contract?

☐ Yes ☒ No

18. Has the Business ever been declared "Not Responsible"

☐ Yes ☒ No

Printed Name

Elena C Mason

Title

CEO

Signature of owner



Date

August 9, 2021

Email Address

(Owner, CEO, President, Majority Stockholder or Designated Representative) Questions about this document should be directed to the Procurement Manager

**CONFLICT OF INTEREST QUESTIONNAIRE****FORM CIQ**

For vendor or other person doing business with local governmental entity

This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person doing business with the governmental entity .

**OFFICE USE ONLY**

By law this questionnaire must be filed with the records administrator of the local government not later than the 7<sup>th</sup> business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

Date Received

A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor .

1 Name of person doing business with local governmental entity .  
Elena C Mason

2 ☐ Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than September 1 of the year for which an activity described in Section 176.006(a), Local Government Code, is pending and not later than the 7<sup>th</sup> business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 Describe each affiliation or business relationship with an employee or contractor of the local governmental entity who makes recommendations to a local government officer of the local governmental entity with respect to expenditure of money.

n/a

4 Describe each affiliation or business relationship with a person who is a local government officer and who appoints or employs a local government officer of the local governmental entity that is the subject of this questionnaire.

n/a

**CONFLICT OF INTEREST QUESTIONNAIRE****FORM CIQ**

For vendor or other person doing business with local governmental entity

**Page 2**

5 Name of local government officer with whom filer has affiliation or business relationship. (Complete this section only if the

**answer to A, B, or C is YES.)**

This section, including subparts A, B, C & D, must be completed for each officer with whom the filer has affiliation or business relationship. Attach additional pages to this Form CIQ as necessary.

A. Is the Local government officer named in this section receiving or likely to receive taxable income from the filer of the questionnaire?

☐ YES☒ NO

B. Is the filer of the questionnaire receiving or likely to receive taxable income from or at the direction of the local government officer named in this section AND the taxable income is not from the local governmental entity?

☐ YES☒ NO

C. Is the filer of this questionnaire affiliated with a corporation or other business entity that the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ YES☒ NO

D. Describe each affiliation or business relationship.

n/a

6

**Describe any other affiliation or business relationship that might cause a conflict of interest.**

n/a

7



Signature of person doing business with the governmental entity

August 9, 2021

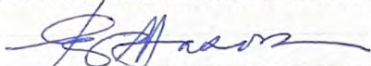
Date

Denton County  
Transportation Authority

Bid 21-12

**NON-COLLUSION AFFIDAVIT***This affidavit must be completed and submitted with the bid/proposal*

The authorized representative for bidder / proposer, **Prudential Global Network, LLC**, being first duly sworn, deposes and says that he or she is of the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.



Signature of Authorized Company Representative

**Elena C. Mason, Chief Executive Officer**

Name and Title of Authorized Company Representative

**July 30, 2021**

Date

Subscribed and sworn to before me on - July 30<sup>th</sup> 2021 (Date)
  
 Signature Notary Public

**EVALUATION SCORE SHEET - CONSENSUS AVERAGES**

DCTA REQUEST FOR PROPOSAL 21-12 Compensation Study

	MAX PTS	Octagon Consulting LLC	Prudential Global Network	Segal Waters Company
TOTAL SCORE	100	60	89.5	73





## Board of Directors Memo

September 23, 2021

SUBJECT: Consider Approval of an Amendment to the Dallas Area Rapid Transit (DART)/Denton County Transportation Authority (DCTA) Shared Services Agreement as it relates to Access at Various Stations

### Recommendation

Staff recommends the Board of Directors approve the amended shared services agreement and authorize the CEO to negotiate and finalize modifications to the agreement.

### Background

DCTA and DART entered into a shared services agreement in 2015 to allow access at the Trinity Mills station for rail service and special event bus services.

### Previous Board Activity & Action

- August 26, 2021 – Informational Report

### Identified Need

The current agreement allows DCTA to access Trinity Mills for special events and rail services; an amendment to the existing agreement is required to allow access for On-Demand services. The amendment will allow DCTA access into the DART stations at Trinity Mills, North Carrollton-Frankford Station, and downtown Carrollton Station. DCTA and DART staff developed the modifications to the agreement as shown in Exhibit 1. DART will be presenting the agreement to its Board for approval on September 28<sup>th</sup>.

### Financial Impact

There is no financial impact associated with the approval of the amended agreement.

### Exhibits

Exhibit 1: Red-lined DART Shared Services Agreement

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

Athena Forrester, AVP of Regulatory Compliance

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

Raymond Suarez, CEO

## **FIRST AMENDMENT OF SHARED SERVICES INTERLOCAL AGREEMENT**

THIS **FIRST AMENDMENT** OF THE SHARED SERVICES INTERLOCAL AGREEMENT (this “Agreement”) is made as of the September 28, 2021, by and between Dallas Area Rapid Transit, a regional transportation authority organized and existing pursuant to Chapter 452 of the Texas Transportation Code, with offices located at 1401 Pacific Avenue, Dallas, Texas 75202 (“DART”), and Denton County Transportation Authority, a coordinated county transportation authority established pursuant to Chapter 460 of the Texas Transportation Code, with offices at 1660 S. Stemmons, Suite 250, Lewisville, Texas, 75067 (“DCTA”) (individually referred to as a “Party” and collectively “Parties”).

WHEREAS, it is mutually beneficial to the residents of the respective service areas of the Parties for the Parties to cooperate in providing passenger rail service connecting the Cities of Dallas and Denton, Texas, in order to relieve traffic congestion, provide transportation opportunities and to aid in attaining federal air quality standards; and

WHEREAS, DCTA operates passenger rail service (“DCTA Rail Service”) on certain rail corridor owned by DART (“the DCTA Corridor”) pursuant to a Transportation Access Agreement and Easement executed between the Parties dated May 25, 2010, setting forth the terms and conditions of DCTA’s use of the DCTA Corridor; and

WHEREAS, “DCTA Corridor” means the rail passenger corridor owned by DART between MP 721.53 in downtown Denton, Texas, and MP 742.80 located south of the DART Trinity Mills Station (Ismaili Center Circle) as generally depicted in Exhibit “A” attached hereto and incorporated herein for all purposes; and

WHEREAS the Parties desire to enter into this agreement (“Agreement”) for the purposes of providing terms upon which DART will service ticket vending machines (“TVMs”) located at stations used by DCTA; establishing a fare structure among the parties hereto; memorializing conditions under which DCTA bus service will interface at DART’s Trinity Mills Station for special events; providing terms upon which DART will maintain the Trinity Mills Station; and such other areas of cooperation as may be mutually beneficial to the Parties.

NOW THEREFORE in consideration of the mutual agreements and covenants hereinafter contained and other and valuable consideration, the receipt and adequacy of which is hereby mutually acknowledged, the Parties agree as follows:

### **Section 1. INTENTIONALLY OMITTED**

“Contractor” means the contractor operating and maintaining the DCTA Corridor under contract to DCTA or DART;

## **Section 2. TERM OF AGREEMENT.**

**Initial Term.** The Initial Term of this Agreement shall begin May 1, 2020, and shall expire on April 30, 2021.

**Renewal Term.** Upon expiration of the Initial Term, this Agreement shall automatically renew for successive terms of one-year (each a “Renewal Term”) without further action of the Parties hereto, unless terminated as provided herein.

**Termination.** At any time following the expiration of the Initial Term, and any time during any Renewal Term, DART may terminate this Agreement by giving DCTA at least ninety (90) days’ prior written notice of the intent to terminate, other than with regard to Sections 11 and 13.1(a) hereof, which will be governed as set forth in those Sections. DCTA may terminate this Agreement by giving DART at least ninety (90) days’ prior written notice of the intent to terminate, other than with regard to Section 11, which shall be governed as set forth therein.

## **Section 3. INTENTIONALLY OMITTED**

## **Section 4. COSTS SHARING BETWEEN DCTA AND DART**

During the Term, operating cost efficiencies may accrue to the benefit of DART and DCTA by sharing costs with respect to certain operations and/or purchases (e.g., insurance and other sharable costs). The methodology and agreement with respect to the allocation of such shared costs is set forth herein and may be as further agreed to in a joint writing by the President/Executive Director of the impacted parties, without necessity of governing board approval of such written agreement(s).

## **Section 5. FISCAL MATTERS**

- 5.1 **Annual Budget Coordination.** Operating and capital budgets of the Parties are prepared on an annual basis with the fiscal year beginning on October 1<sup>st</sup> of each year. The Parties shall coordinate on those elements of their respective budgets that impact the other Party and agree on the appropriate operating and capital costs that shall be included in the Parties’ budgets in support of the DCTA Rail Service.
- 5.2 **Billing for Services.** DART shall prepare and deliver a monthly invoice to DCTA which addresses all amounts owed by DCTA to DART for the period(s) described in the invoice. Unless otherwise agreed in writing by the Parties, DART’s invoice will be submitted to DCTA within fifteen (15) days after the end of the calendar month. DCTA shall pay to DART the amounts set forth in the invoice within thirty (30) days after receipt of the invoice. The invoice shall adequately document all applicable credits to either Party. The Parties may from time to time agree that for purposes of administrative convenience the categories of services provided by DART pursuant to this Agreement may be split into two

or more invoices submitted by DART at different times of the month, provided that DCTA shall in no case be required to pay DART less than thirty (30) days after the receipt of any such invoice.

- 5.3 **Right to Audit.** Each Party, at its own expense, shall have the right to audit the books and records of the other Party regarding any costs incurred under this Agreement, after giving reasonable written advance notice of such intent.

## **Section 6. PAYMENT OBLIGATIONS.**

- 6.1 **TVM Servicing.** DCTA agrees to pay DART a TVM maintenance and servicing fee for TVMs at stations on the DCTA Corridor. This fee shall be determined in accordance with the provisions of Exhibit C attached hereto and incorporated herein for all purposes.
- 6.2 **Platform Maintenance.** DCTA agrees to pay DART a fee representing a share of the platform maintenance costs for the Trinity Mills Station in accordance with Section 9.1 below.
- 6.3 **Access Fees.** DART and DCTA recognize that the number of DCTA passengers has an effect on the DART system. DCTA agrees to compensate DART for this effect by paying an “Access Fee” as set forth in below in this section.

- (a) **Calculation of Net Peak Ridership Differential (NPRD).** DART shall include a fixed amount in its monthly bill to DCTA each month during the Term based on the prior year’s NPRD calculated as set forth below. At the beginning of each year, the Parties will review all DCTA boardings and alightings at Trinity Mills station including all trains between 5:50 a.m. and 9:10 a.m. on all weekdays.

The total annual boardings will be subtracted from the total annual alightings and then multiplied by two (to account for PM peak trips) to determine the provisional NPRD to be used for the current year’s billings. The provisional NPRD will then be multiplied by \$2 to determine the annual amount owed by DCTA to DART. This amount will be divided by 12 and billed to DCTA as part of the regular monthly invoice for TVM maintenance and other shared services.

- (b) **Calculation for 2020.** For Fiscal 2019, the NPRD is 51,816 passengers. Therefore, the amount to be paid to DART during 2020 is \$103,632. Dividing this total amount by 12 yields a monthly billing amount of \$8,636.00. Because the recent agreement between the parties for this fee covered the period from service start through December 31, 2019, the monthly amount of \$8,636.00 will be assessed beginning in January 2020 and will run through September 2020.
- (c) **Annual Reconciliation.** After the conclusion of each fiscal year, the actual NPRD for the prior year will be calculated as the NPRD for the new fiscal year. Additionally, a true-up is required by comparing the actual amount that would have been due for the preceding year, compared to the actual amount paid. If the actual NPRD differential is greater than the amount paid for the prior year, the difference between these two numbers will be multiplied by \$2 and added to the provisional

NPRD for the next year. If the actual NPRD differential is less than the amount paid for the prior year, the difference between these two numbers will be multiplied by \$2 and deducted from the provisional NPRD for the next year. For 2020, it is assumed that DCTA has paid the full \$103,632 based on FY 2019 ridership.

(d) Examples of Annual Reconciliation.

1. If, at the completion of 2020, actual ridership generates an NPRD of 50,000 passengers, then the amount DCTA should have paid to DART for 2020 was \$100,000. Since the provisional billing amount for 2020 was \$103,632, DCTA has overpaid by \$3,632. The amount of this overpayment would be subtracted from the 2021 provisional billing amount yielding a monthly bill of \$8,030.67 (\$100,000 - \$3,632 FY 2020 overpayment = \$96,368 / 12 months).

2. If, at the completion of 2020, actual ridership generates and NPRD of 55,000 passengers, then the amount DCTA should have paid to DART for 2020 was \$110,000. Since the provisional billing amount for 2020 was \$103,632, DCTA has underpaid by \$6,368. The amount of this underpayment would be added to the 2021 provisional billing amount yielding a monthly bill of \$8,864.00 (\$100,000 + \$6,368 FY 2020 underpayment = \$106,368 / 12 months).

(e) DCTA System Expansion. Should the DCTA system be expanded south to Belt Line/Downtown Carrollton station, the calculation of the NPRD will be recalculated and effective at the time the new service starts so as to include boardings and alightings at Belt Line/ Downtown Carrollton station.

6.4 **Impact Fees.** DART and DCTA recognize that the volume of DCTA ridership has an effect on the amount and type of equipment provided by DART for use in the DART system. DCTA agrees to compensate DART for this effect by paying an “Impact Fee” as set forth in below in this section.

(a) DCTA agrees to pay DART a fixed fee in the amount of: Two Hundred Thirty-Seven Dollars and no cents (\$237.00) multiplied by the number of weekdays in a month for the number of trips during the preceding month that the average maximum load exceeds 329 persons on a two-car consist. This fee shall be increased annually by 3 ½% on each anniversary renewal date of this Agreement.

(b) Example of Calculation of Impact Fee. DART generates a monthly report showing average maximum load per trip for the Green Line. The report for December, generated in January, reveals that during the month of December two Green Line trips exceeded an average of 329 passengers while DART was providing a two-car consist. The month of December had 20 weekdays. DCTA will be invoiced in January: 237 x 20 x 2, or \$9,480.00. Each month will be reviewed during the subsequent month when the report is generated. A copy of the relevant report will be provided to DCTA, together with the invoice. Payment is due to DART within thirty days of receipt of the invoice, which may be together with other monthly invoices.

- 6.5 **Crew Room Fees.** DCTA agrees to pay to DART the amount of \$5,400 per year to reimburse DART for a portion of the cost of maintenance and operations of the crew room located at Trinity Mills Station. This reimbursement will be adjusted annually as set forth in that certain Crew Room License Agreement executed by and between the parties on April 4, 2016.

Section 7. INTENTIONALLY OMITTED

## **Section 8. RECIPROCAL FARE POLICY**

The Parties hereto have previously agreed it is in their collective best interest to establish a reciprocal fare policy that would allow for the “seamless” free transfer between the service modes in their service areas. The Parties agree to continue the current reciprocal fare policy and any changes thereto shall be mutually approved by the respective governing boards.

## **Section 9. TRINITY MILLS STATION**

**9.1 Cost Allocation.** The Trinity Mills Station is a shared station of DART light rail and DCTA rail service with separate platforms for the two services. The Parties agree that DCTA shall pay DART \$1,380.00 per month representing DCTA’s cost allocation.

**9.2 Annual Review of Cost Allocation.** It is the goal of the Parties that operating cost reductions shall inure to the mutual benefit of the Parties. The allocation of cost set forth in Section 9.1 shall be reviewed on or before each anniversary of this Agreement and adjusted as agreed upon in writing by the President/Executive Directors of the Parties and/or their respective designees. In the event of no agreement of such Directors, the allocation shall continue as stated herein until an agreement in writing is reached.

## **Section 10. SPECIAL EVENT AND ON-DEMAND SERVICE/ACCESS**

The Parties recognize there may be service situations (such as weekends of the State Fair of Texas and other special **situations**) where ridership demands on both the DCTA Rail Service and DART’s light rail service necessitate additional vehicles to accommodate the increased ridership demand. **This may include supplemental bus service or on-demand services operating on weekdays, weekends, or holidays.** DCTA agrees to participate in planning for those events and **on-demand service** and share in the mutually agreed increased costs, if any, attributable to increased ridership impact on the transportation system in accordance with the terms of Exhibit D attached hereto.

**The Parties recognize that DCTA may operate special on-demand services to and from DART’s Carrollton-North Frankford Station, Trinity Mills Station, or Downtown Carrollton Station from municipalities within the DCTA service area. These on-demand services may operate on weekdays, weekends, or holidays. DCTA agrees that the ridership impact of these services will be reported as defined in the terms of Exhibit D attached hereto.**

## Section 11. INDEMNIFICATION.

- 11.1 **Generally.** To the extent allowed by law, with respect to any claim arising from the sole activities, responsibilities and obligations as defined in this Agreement of one of the Parties (but not the other), then such Party whose activities gave rise to such claim shall and hereby does hold harmless, assume the defense of, defend and indemnify the non-responsible Party, their directors, agents, and assigns, for any and all causes of action, claims, damages, demands, liabilities, losses, obligations, costs or expenses suffered or incurred at any time during the term of this Agreement arising out of or from any accident or other injury or damage to personal property or real property, or other injury or death of an individual or individuals as a result of the negligent actions or omissions or misconduct of the responsible Party, and/or the Party's officers, directors, employees, agents.

**Joint Responsibility.** With regard to any claim or lawsuit arising from the joint or concurrent activities responsibilities and obligations of the Parties within this Agreement, a proportionate or percentage allocation of the handling and cost of the defense, settlement, satisfaction, payment or other resolution of such claim or lawsuit shall be determined by mutual agreement of the Parties. Should the Parties fail to reach such agreement, then their respective responsibilities (if any) shall be determined by the Texas law of proportionate responsibility under Chapter 33 of the Texas Civil Practice and Remedies Code and its successor provisions, or other statute or common law apportioning liability between joint tortfeasors, pursuant to a final judgment rendered by a court of appropriate jurisdiction. With regard to any claim or lawsuit that alleges the damage or injury complained of is the result of the joint or concurrent activities of the Parties, the Parties agree to jointly defend such claim or lawsuit by means of a joint defense; provided, however, that nothing herein shall limit each respective Party from settling or disposing of its own potential liability prior to or subsequent to the final adjudication of such claim or lawsuit or to choose their own counsel rather than proceeding with joint counsel or a joint defense. A settlement of a claim or lawsuit by one Party shall not be binding upon the other Party, absent that Party's express prior written consent.

- 11.2 **No Waiver of Defenses; No Third Party Benefit.** Notwithstanding anything herein to the contrary, neither Party waives any defense available to it including, but not limited to, immunity from liability or immunity from suit. The indemnity provisions contained in this Section 11 are solely for the benefit of the Parties and are not intended to confer or convey any interest to any third party. The provisions of this Section 11 survive termination of this Agreement.

## Section 12. INSURANCE.

- 12.1 **Coverage Required.** DCTA and DART shall at all times during the Term of this Agreement provide and maintain the following types of insurance protecting the interests of DART and DCTA with limits of liability not less than those specified below.



- (a) Workers' Compensation insurance or self-insurance, providing benefits as required under the Workers' Compensation Act of the State of Texas. This insurance must be endorsed with a Waiver of Subrogation Endorsement, waiving the carrier's right of recovery under subrogation or otherwise from DART or DCTA.
- (b) Commercial Automobile Liability insurance or self-insurance, covering all owned, hired, and non-owned vehicles used in connection with the work performed under this Agreement.
- (c) DCTA will furnish at their sole cost and expense Rail Operations Liability Insurance with a minimum limit of \$125,000,000 per occurrence worth of primary and non-contributory insurance. In the event of an incident, accident, or other occurrence, liability of the parties shall be apportioned in accord with Chapter 33 of the Texas Civil Practice and Remedies Code. In the event DCTA's insurance coverage is not sufficient to cover all of DCTA's obligations or legal liability, any additional cost, damage, or expense (including defense costs) attributable to DCTA will be the sole responsibility of DCTA and DCTA shall not seek contribution from DART or DART's insurer. The DCTA Rail Operations Liability Policy will name DART and the Fort Worth Transportation Authority dba Trinity Metro as additional insureds, will contain a 30-day cancellation notice, and will contain a waiver of subrogation.

12.2 **Certificates of Insurance:** Before the Agreement Commencement Date, each Party shall provide the other evidence of insurance as required herein at the following addresses:

Dallas Area Rapid Transit	DCTA
Post Office Box 660163	P.O. Box 96
Dallas, Texas 75266-7244	Lewisville, TX 75067
Attention: Risk Management	Attention: CFO

Said Certificates of Insurance or insurance policies must provide evidence that insurance as required by Section 12.1, and all subparagraphs to Section 12.1 above, is in force, stating policy number, dates of inception and expiration and limits of liability. If during the Term of this Agreement any required coverage expires, the agencies shall furnish a renewal certificate no later than the expiration date of the coverage in question.

12.3 **Approval of Forms and Companies:** All coverage described in this Agreement shall be in a form and content reasonably satisfactory to DART and DCTA. No Party subject to the provisions of this Agreement shall violate or knowingly permit to be violated any of the provisions of the policies of insurance described herein. All insurance shall be provided by insurance companies with a Best's Rating of A or better, or the Texas Municipal League Intergovernmental Risk Pool.

12.4 **Additional Insured Endorsement:** The policy or policies providing Automobile Liability and Rail Operations Liability and as otherwise required above shall be endorsed to name DART, their officers, directors, employees and assigns, and any other entity as may be required during the Term of this Agreement, as additional insureds. An actual copy of

these endorsements shall be included with the Certificate of Insurance or as soon as reasonably possible after this Agreement is signed.

- 12.5 **Notice of Cancellation or Material Change:** Policies and certificates shall specifically provide a 60-day notice of cancellation, non-renewal, or material change.
- 12.6 **Subcontractors:** Prior to subletting any work associated with this Agreement, DCTA shall notify and obtain approval from DART, which approval may not be unreasonably withheld. DCTA shall require any and all subcontractors performing work associated with this Agreement to carry insurance of the same type and with the same limits of liability as required of DCTA. DCTA shall obtain and furnish DART with certificates of insurance evidencing subcontractors' insurance coverage.
- Prior to subletting any work associated with this Agreement, DART shall notify and obtain approval from DCTA, which approval may not be unreasonably withheld. DART shall require any and all subcontractors performing work associated with this Agreement to carry insurance of the same type and with the same limits of liability as required of DART. DART shall obtain and furnish DCTA with certificates of insurance evidencing subcontractors' insurance coverage. DCTA shall provide DART a listing of all permanent contractors and subcontractors performing work related to the operations or maintenance of the corridor. The list shall be updated as needed but at a minimum, annually.
- 12.7 **Multiple Policies:** The limits of liability as required above may be provided by a single policy of insurance or a combination of primary, excess or umbrella liability policies; but in no event shall the total limit of liability for any one occurrence or accident be less than the amount shown above.
- 12.8 **Deductibles:** Companies issuing the required insurance policies for or on behalf of DCTA shall have no recourse against DART for payment of any premiums or assessments for any deductibles, as all such premiums and deductibles are the sole responsibility and risk of DCTA. Companies issuing the required insurance policies for or on behalf of DART shall have no recourse against DCTA for payment of any premiums or assessments for any deductibles, as all such premiums and deductibles are the sole responsibility and risk of DART, as applicable.
- 12.9 **No Release:** The carrying of the above-described insurance shall in no way be interpreted as relieving DCTA of any other responsibility or liability described herein or any applicable law, statutes, regulation, or order.
- 12.10 **No Requirement to Purchase Multiple Policies:** The Agencies shall not be required to purchase multiple policies of insurance to comply with the various agreements between DCTA and DART provided that the policy or policies purchased by DCTA are sufficient to satisfy the requirements of all agreements between DCTA and DART.

## Section 13. MISCELLANEOUS PROVISIONS.

### 13.1 Early Termination of Agreement

- (a) *Termination for Default.* Subject to the provisions this Agreement, either Party shall have the option to either terminate this Agreement, enforce specific performance and/or obtain any other remedy available at law or equity in the event the other Party fails to perform a material obligation of this Agreement within sixty (60) days after receipt of written notice that such obligation has not been performed; provided, however if such failure is not reasonably capable of being cured within such sixty (60) day period, the period to cure shall be extended for such reasonable periods that may be required under the circumstances so long as the breaching Party is diligently prosecuting the cure of such failure to completion.
- (b) *Mutual Agreement.* Either Party may terminate this Agreement prior to the expiration of the Term by mutual written agreement at any time.

### 13.2 Resolution of Disputes

- (a) Submission to Board Chairs. Whenever an issue cannot be resolved by the Presidents/Executive Directors of the Parties, the issue shall be referred for consideration to the chairpersons of the Parties' respective governing boards for resolution.
- (b) Non-Binding Mediation. It is the desire and intent of the Parties to avoid, if possible, the expense and delay inherent in litigation. Therefore, whenever a disputed issue cannot be resolved through the process set forth in Section 13.2(a), the matter will be submitted to non-binding mediation. Accordingly, the Parties hereto agree that:
  - (1) Subject to the provisions of Section 13.2(a), above, either Party may determine, in its sole discretion, that a dispute shall be submitted to mediation, and shall initiate the mediation process by written notice to the other Party.
  - (2) A Party shall respond, in writing, to a written notice of intent to mediate from the other within fifteen (15) days of receipt. The response shall propose a mediator.
  - (3) A single mediator shall be used if the Parties can agree on one. Otherwise, each Party shall appoint one mediator within thirty (30) days after written notice of intent to mediate. The two mediators so appointed shall together appoint a third mediator within fifteen (15) days after their appointment.
  - (4) Unless otherwise agreed by the Parties in writing, the site for mediation proceedings will alternate between a site in Denton County and a site in Dallas County, commencing in Dallas County.

(5) All costs of mediation shall be borne equally by the Parties.

- 13.3 **Force Majeure.** It is expressly understood and agreed by the Parties hereto that if the performance of any provision of this Agreement is delayed by reason of war, civil commotion, act of God, governmental restrictions, regulations, fire or other casualty, court injunction, or any circumstances which are reasonably beyond the control of the Party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated herein, the Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the period of time applicable to such requirement shall be extended for a period of time equal to the period of time such Party was delayed.
- 13.4 **Contractual Relationship.** It is specifically understood and agreed that the relationship described in this Agreement among the Parties is contractual in nature and is not to be construed to create a partnership or joint venture or agency relationship among said Parties.
- 13.5 **Complete Agreement.** This Agreement embodies the entire agreement of the Parties relating to the subject matter expressly set forth herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified, or supplemented only by an instrument or instruments in writing executed by both of the Parties.
- 13.6 **Captions.** The captions, headings, and arrangements used in this Agreement are for convenience only and shall not in any way affect, limit, amplify, or modify its terms and provision.
- 13.7 **Governing Law and Venue.** This Agreement and all agreements entered into in connection with the transactions contemplated by this Agreement are, and will be, executed and delivered, and are intended to be performed in the County of Dallas and the County of Denton, State of Texas, and the laws of Texas shall govern the validity, construction, enforcement, and interpretation of this Agreement. In the event of litigation between the Parties hereto, their successors or assigns, with regard to this Agreement and any subsequent supplementary agreements or amendments, venue shall lie exclusively in either Denton County or Dallas County, Texas, as selected by the Party filing.
- 13.8 **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 provision(s) hereof, and this Agreement shall be revised so as to cure such invalid, illegal or unenforceable provision(s) to carry out as near as possible the original intent of the Parties.
- 13.9 **Changed Circumstances.** If future federal, state, or local statute, ordinance, regulation, rule or action render this Agreement in whole or in part, illegal, invalid, unenforceable or impractical, the Parties agree to delete and/or to modify such portions of the Agreement as are necessary to render it valid, enforceable and/or practical. Each Section, paragraph or provision of this Agreement shall be considered severable, and if for any reason any

section, paragraph, or provision herein is determined to be invalid under current or future law, regulation or rule, such invalidity shall not impair the operation of or otherwise affect the valid portions of this Agreement.

- 13.10 **Enforcement.** If any Party initiates an action to enforce any provision of this Agreement or for damages by reason of an alleged breach of any provision hereof, the prevailing Party shall be entitled to receive from the other Parties all reasonable and necessary costs and expenses, including reasonable attorneys' fees and costs incurred in connection with such action.
- 13.11 **Reference and Interpretation.** The use of the words “hereof,” “herein,” “hereunder,” and words of similar import shall refer to this entire Agreement, and not to any particular section, subsection, clause, or paragraph of this Agreement, unless the context clearly indicates otherwise. For purposes of interpretation of this Agreement, neither Party shall be considered the drafter and both Parties acknowledge the availability of counsel for review.
- 13.12 **Further Assurances.** Each Party agree to perform any further acts and to sign and deliver any further documents that may be reasonably necessary to carry out the provisions of this Agreement.
- 13.13 **Notice.** Whenever this Agreement requires or permits any consent, approval, notice, request, proposal, or demand from one party to another, the content, approval, notice, request, proposal, or demand must be in writing to be effective and shall be delivered to the party intended to receive it at the address(es) shown below:

**If to DART:** President & Chief Executive Officer  
Dallas Area Rapid  
Transit P. O. Box 660163  
1401 Pacific Ave.  
Dallas, Texas 75266-7210

With a copy to: General Counsel  
Dallas Area Rapid  
Transit P. O. Box 660163  
1401 Pacific Ave.  
Dallas, Texas 75266-7255

**If to DCTA:** President/Executive Director  
Denton County Transportation Authority  
1660 S. Stemmons, Suite 250  
Lewisville, Texas 75067

With a copy to:

General Counsel  
Denton County Transportation Authority  
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.  
1800 Lincoln Plaza  
500 North Akard  
Dallas, Texas 75201

- 13.14 **Execution**. Notwithstanding any provision of this Agreement, this Agreement shall not be binding on the Parties until signed by authorized representatives of each Party. Upon full execution hereof, any prior agreement regarding the subject matter hereof previously executed between the Parties shall be deemed void and of no further force and effect and superseded by this Agreement.
- 13.15 **Counterparts**. This Agreement may be signed in multiple counterparts, each of which shall be deemed an original instrument, and all of which shall be deemed to constitute one and the same instrument.
- 13.16 **Recitals**. The recitals to this Agreement constitute a part of this Agreement and are incorporated herein for all purposes.
- 13.17 Exhibits**. The exhibits referenced in and attached to this Agreement constitute additional terms and provisions of this Agreement, are an integral part hereof, and are incorporated herein by reference as if fully set forth herein.

**(Signatures on Following Page)**

Executed on the dates indicated below, pursuant to the authority of Resolution No. \_\_\_\_\_ of the Dallas Area Rapid Transit Board of Directors, adopted \_\_\_\_\_, 2020, Authorization of the Denton County Transportation Authority Board of Directors, approved \_\_\_\_\_, 2020.

IN WITNESS WHEREOF the Parties hereto have hereunder duly executed this Agreement by their proper officers duly authorized in that behalf.

**DCTA:****DART:**

DENTON COUNTY TRANSPORTATION  
AUTHORITY

DALLAS AREA RAPID TRANSIT

By: \_\_\_\_\_  
Raymond Suarez  
President

By: \_\_\_\_\_  
Nadine Lee  
President & Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM

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

By: \_\_\_\_\_  
Gene Gamez, General Counsel

Peter G. Smith, DCTA Legal Counsel



**EXHIBIT A****MAP OF DCTA A-TRAIN RAIL SERVICE**

## **EXHIBIT C**

### **PROVISION OF TICKET VENDING MACHINE (TVM) REVENUE COLLECTION AND SERVICING ON DCTA CORRIDOR**

#### **Section 1. TVM Revenue Collection and Servicing**

DART shall perform all TVM services including, but not limited to, revenue collection, maintenance, and servicing, on behalf of DCTA based on an agreed upon schedule and at the request of DCTA. DART will provide all TVM services as requested for all stations on the DCTA Corridor. DART shall remit DCTA's monthly revenue collections within 30 days of the end of the month in which it is collected.

#### **Section 2. Service Priority**

- a. DART shall use commercially reasonable efforts to dispatch the appropriate personnel to the stations within 20 minutes of receiving a request during regular weekday service hours (between 4:00 a.m. and 7:00 p.m.) and regular weekend service hours (between 7:00 a.m. and 7:00 p.m.). DART will use commercially reasonable efforts to ensure appropriate personnel are on site within one (1) hour after call is received.
- b. Calls for service that are received by DART outside the regular service hours will be addressed (in priority order) beginning at 4:00 a.m. the following morning.
- c. The Parties acknowledge several factors may affect the time it takes for a technician to arrive at the station, including weather, traffic, and workload volumes.
- d. DCTA's TVMs will be prioritized for service based on the number of operating TVMs in the location and then the sales volume. Example: Within DCTA's service area, a station with two (2) out of two (2) TVMs out of service is first priority for service over a station with one (1) out of two (2) TVMs out of service.

#### **Section 3. Reimbursement for Services**

- a. Reimbursement by DCTA to DART shall be accomplished in accordance with the fiscal terms set forth below in the Service and Fee (S&F) table.
- b. For requested services or equipment not included in the S&F table, DCTA and DART will negotiate and agree to the reimbursable amount before the service is provided.
- c. In the event DCTA provides space in the DCTA Operations and Maintenance Facility (OMF) for TVM parts and staff space to support DART light rail, reimbursement amounts for such space will be negotiated when space is provided.

#### **Section 4. Reporting**

DART will provide designated DCTA staff management reports on response time, and other activities and/or performance as mutually agreed-upon.

In the event of an unforeseen event which results in DART failing to respond as provided in this Agreement, DART shall provide to DCTA a written explanation as to the circumstances therefor and such failure shall not be considered a default in the Agreement.

Section 5.     **Ticket Stock**

- a. DART will provide DCTA a weekly report on fare stock levels.
- b. DCTA will order fare stock for delivery to designated DART location(s) in order to maintain an appropriate level of fare stock.

Section 6.     **Warranty / Repair Work**

- a. DART will be responsible for working with GFI for repair required during warranty period.
- b. DART will request written approval from DCTA in advance of repair work exceeding \$1,500 (parts & labor).

Section 7.     **Keys and Servicing Equipment**

The front door of DCTA's TVMs will have a different key than DART's TVMs. The internal component locks of DCTA's TVMs will be the same as DART's.

Section 8.     **Security**

- a. DART will provide the same level of security and safety for DCTA TVM support and maintenance as is followed for DART TVM support and maintenance. DART will provide a copy of these procedures and includes updates, as applicable.
- b. DCTA will provide security response to DCTA's TVM alarms.

## TVM SERVICE AND FEE TABLE

### SERVICE ON DEMAND\*

Item Description - Equipment and Supplies	Quantity	Unit	Unit Cost	Total Fixed Cost
Revenue Agent - Uniforms and Safety Equipment (\$525 ea shared with DART at 50%)	0.5	ea	\$ 525	\$ 263
Communications (\$360 yr. phone shared with DART at 50%)	0.5	ea	360	\$ 180
Total Estimated Fixed Cost Per Year				\$ 443
Total Estimated Fixed Cost Per Month				\$ 37

Item Description - Services	Quantity	Unit	Unit Cost	Total Fixed Cost
Revenue Analyst Salary	As requested	hr	\$ 39.25	TBD
Revenue Container Collection (tech/guard/drive)	As requested	hr	\$ 42.39	TBD
Mechanic Onsite Repairs (tech/guard/drive)	As requested	hr	\$ 58.21	TBD
Component Rebuild in Shop (mechanic rate)	As requested	hr	\$ 43.21	TBD
Preventive Maint. Onsite (mechanic/guard/drive)	As requested	hr	\$ 58.21	TBD
Component Preventive Maint. Shop (mechanic rate)	As requested	hr	\$ 43.21	TBD
Technician 1 or 2 onsite repairs (tech/guard/drive)	As requested	hr	\$ 42.39	TBD
Count Room (processing cash/hoppers/tech paks/deposit prep)	As requested	hr	\$ 28.57	TBD

Item Description - Equipment & Supplies	Quantity	Unit	Unit Cost	Total Fixed Cost
Vehicles fuel/capital - see Note A	As Needed	mile	\$ 0.55	TBD
Parts required for TVMs and component rebuilds	As Needed	ea	Cost	TBD

**NOTE A:** This rate includes the cap and fuel costs.

**NOTE B:** The Unit Cost includes benefit load, and an 8% admin. Fee

\* Service schedules will be established by DCTA. All other response will be "on demand" and as requested.

\*\* Parts for repairs/preventive maintenance are billed at cost to DART with no markup.

**EXHIBIT D****DCTA SPECIAL EVENT BUS AND ON-DEMAND SERVICE ACCESS****Section 1. Purpose.**

DART hereby grants a non-exclusive revocable license to DCTA for the purpose of allowing DCTA bus and on-demand passenger pick-up and drop-off access at the DART Trinity Mills Station, the North Carrollton-Frankford Station, and the Downtown Carrollton Station in the City of Carrollton, Texas, for the customers of DCTA special events and for DCTA on-demand services. DCTA shall provide DART 10 days' advance notice of the need for DCTA special event bus access. DCTA buses shall use routes approved by DART and shall park and pick up or drop off passengers solely at the locations approved by DART. No overnight parking of DCTA buses at the Trinity Mills Station shall be allowed. DART does not require advance notice to drop off or pick up passengers for on-demand services.

**Section 2. Vehicles and Operators.**

- 2.1 Every vehicle used in providing the DCTA bus service and on-demand services shall be licensed for passenger operations by the State of Texas and equipped with a two-way communications device.
- 2.2 DCTA shall be responsible for and shall maintain or cause to be maintained every vehicle used in providing the DCTA bus service in a safe operating condition and shall be responsible for all repairs and scheduled maintenance for the vehicles. DCTA shall be responsible to ensure that all contracted or directly operated services are operated in a safe operating condition and is maintained in a manner which meets State and DCTA requirements.
- 2.3 Every vehicle used in providing the DCTA bus service and on-demand services shall be operated by an operator duly licensed by the State of Texas to operate vehicles of the type and size described herein, and appropriately dressed in a business-like manner.
- 2.4 Each operator permitted to operate one of the vehicles used in operating the DCTA bus service must have had continuous possession of a valid driver's license for the prior five (5) years, must have current possession of a valid Texas Class B commercial driver's license with passenger endorsement, must have received not more than two (2) traffic citations for a moving violation within the prior two (2) year period, and must not have received a DWI/DUI conviction. DCTA shall ensure that all on-demand drivers meet the State of Texas requirements for taxi, transportation network company (TNC) or other paratransit services.
- 2.5 DART shall have the right to specify or limit the size and configuration of any vehicle that DCTA proposes to operate (or operate under contract) at the Trinity Mills Station, North Carrollton-Frankford Station, or Downtown Carrollton Station.

### **Section 3.      Governmental Approvals.**

DCTA, at its sole cost and expense, shall be responsible for and shall obtain any and all licenses, permits or other approvals from any and all governmental agencies, federal, state, or local, required to carry on the activity permitted herein. DCTA, its agents, employees, and contractors shall abide by and be governed by all laws, ordinances, and regulations of any and all governmental entities having jurisdiction over such operations.

### **Section 4.      Customer Information, Complaints and Complaint Resolution.**

DCTA shall be responsible for establishing a system for the intake, handling, and resolving of DCTA bus service or on-demand service customer complaints. DART shall not be responsible for handling or resolving DCTA bus or on-demand service customer complaints.

### **Section 5.      Operations.**

DCTA shall be responsible for all aspects of the operation of the DCTA bus or on-demand service. DCTA bus or on-demand operators shall comply with all traffic control devices located at the Trinity Mills Station, North Carrollton-Frankford, or Downtown Carrollton Station and shall operate the vehicles in a safe manner and at speeds established by DART for the Station properties.

### **Section 6.      Environmental Protection.**

- 6.01 DCTA shall not use or permit the use of the Trinity Mills Station, North Carrollton-Frankford Station, or Downtown Carrollton Station for any purpose that may be in violation of any laws pertaining to health or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), the Resource Conservation and Recovery Act (“RCRA”), the Clean Water Act, the Texas Water Code and the Texas Solid Waste Disposal Act.
- 6.02 DCTA agrees its use of the Trinity Mills Station, North Carrollton-Frankford Station, or Downtown Carrollton Station will not result in the intentional disposal or other release of any hazardous substance or solid waste by DCTA’s officers, employees, agents, or contractors on or to the Trinity Mills Station, North Carrollton-Frankford Station, or Downtown Carrollton Station other than that reasonably foreseeable during the normal and reasonable operation of similar shuttle services, and DCTA will take all reasonable steps necessary to ensure that no such hazardous substance or solid waste will ever be discharged at the Trinity Mills Station, North Carrollton-Frankford Station, or Downtown Carrollton Station by DCTA or its patrons, employees, or invitees.
- 6.03 **To the extent allowed by law, DCTA shall indemnify, defend, and hold DART harmless against all costs, claims, injuries, or damages related to the clean-up of hazardous materials at the Trinity Mills Station, North Carrollton-Frankford Station, or Downtown Carrollton Station resulting from an act of DCTA’s officers, employees, agents, contractors, or invitees during the use of the Trinity Mills Station, North Carrollton-Frankford Station, or Downtown Carrollton Station, provided, however, such**



**indemnification shall not extend to a clean-up made necessary because of an act of an officer, employee, agent, or contractor of DART, including HTSI, while providing services to DCTA pursuant to this Agreement.**

**Section 7.     Use by DART.**

The license granted herein is made expressly subject and subordinate to the right of DART to use the Trinity Mills Station, North Carrollton-Frankford Station, or Downtown Carrollton Station for any purpose whatsoever to the extent such use does not interfere with DCTA's use of the Trinity Mills Station, North Carrollton-Frankford Station, or Downtown Carrollton Station as set forth herein.

**Section 8.     Security.**

It is understood by the Parties that DART will not furnish DCTA with any additional security personnel at the Trinity Mills Station above that which is already provided. DCTA shall, at all times, be responsible for providing such security for DCTA's property and passengers, as DCTA determines in its own discretion to provide.

**Section 9.     ADA Monitoring and Compliance.**

The Parties acknowledge and understand that they are responsible for compliance with the requirements of the Americans with Disabilities Act ("ADA") in operating their respective public transportation systems. The Parties agree to monitor the transportation needs and special requirements of their customers who use the Trinity Mills Station and transfer from one mode of transportation to another, or from one Party's transportation system to the other Party's transportation system (e.g., DART train to DCTA bus or DCTA to DART bus) and shall reasonably cooperate with each other to provide the ADA accommodations necessary for transitioning from one Party's public transportation system to the other Party's transportation system.

**Section 10.    Use of Contractors.**

Nothing in this Agreement shall prevent either Party from using a contractor or agent to perform the service contemplated by this Exhibit D.

**Section 11.    Methods of Termination.**

The License granted in this Exhibit D may be terminated in any of the following ways:

- 11.01 By written agreement of both Parties;
- 11.02 By either Party giving the other Party thirty (30) days' prior written notice; or
- 11.03 Immediately by DART in the event that DCTA shall permanently discontinue the use of the Trinity Mills Station for DCTA Rail Service; or



- 11.04 By DART upon three (3) days' prior written notice to DCTA in the event that DCTA has materially breached any provision contained in this Exhibit and has failed to remedy such breach within said three (3) day period; provided, however if such failure is not reasonably capable of being cured within such three (3) day period, the period to cure shall be extended for such reasonable periods that may be required under the circumstances in DART's sole and reasonable discretion, provided DCTA is diligently prosecuting the cure of such failure to completion.



## Board of Directors Memo

September 23, 2021

SUBJECT: Consider Approval of Resolution R21-07 Adopting the FY2022 Operating & Capital Budget

### Recommendation

Staff recommends the approval of Resolution R21-07 adopting the FY2022 Operating & Capital Budget, Long Range Financial Plan, and Budget Contingency Plan.

### Background

Chapter 460 of the Texas Transportation Code requires the preparation of an annual budget for DCTA. Staff has prepared a balanced budget, where current year operating expenses and capital expenditures do not exceed current year revenues and undesignated fund balance/reserves.

The proposed FY2022 budget was presented and discussed with the Board at the Budget Workshop on June 17<sup>th</sup>. On August 26<sup>th</sup> the FY22 Proposed Budget was again presented to the Board of Directors at the Board meeting, in accordance with requirements under Chapter 460 of the Texas Transportation Code and DCTA Board policy and procedures, for Board review and comment as well as citizen input. Notice of the public hearing was published in the Denton Record Chronicle on August 13<sup>th</sup>, 2021.

### Financial Impact

The FY2022 operating budget includes total revenues of \$63 million, expenses of \$49.1 million, and capital outlay and major maintenance of \$15.1 million.

### Exhibits

The proposed budget contains revenue and expense assumptions for FY2022, which include capital expenditures. Included as agenda back-up are the following exhibits:

Exhibit 1: Resolution R21-07 with the following Exhibits:

“A”: Long Range Financial Plan

“B”: Change in Net Position

“C”: Capital Improvement & Major Maintenance Plan

“D”: Budget Contingency Plan

Submitted By:

Amanda Riddle, Senior Manager of Budget

Final Review:

Marisa Perry, CPA

Chief Financial Officer/VP of Finance

**DENTON COUNTY TRANSPORTATION AUTHORITY  
RESOLUTION NO. R21-07**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY PROVIDING FOR ADOPTION OF THE DENTON COUNTY TRANSPORTATION AUTHORITY OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2021-2022, BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH THE BUDGET AS ADOPTED; ADOPTING CHANGE IN NET POSITION, CAPITAL IMPROVEMENT & MAJOR MAINTENANCE PLAN, LONG RANGE FINANCIAL PLAN, AND FY22 BUDGET CONTINGENCY PLAN; PROVIDING A REPEALING CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, Section 460.403 of the Texas Transportation Code requires Denton County Transportation Authority (“DCTA”) to prepare an annual budget; and

**WHEREAS**, the prepared budget, Change in Net Position, Capital Improvement & Major Maintenance Plan, Long Range Financial Plan, and FY22 Budget Contingency Plan have been presented to the public for review and comment; and

**WHEREAS**, the budget, Change in Net Position, Capital Improvement & Major Maintenance Plan, Long Range Financial Plan, and FY22 Budget Contingency Plan have been presented to the DCTA Board of Directors for review and comment; and

**WHEREAS**, after consideration, it is the consensus of the DCTA Board of Directors that the proposed FY 2021–2022 budget as hereinafter set forth, meets the legal and practical requirements of DCTA for the proper and sustained operation of DCTA services and capital expenditures and should be approved as presented;

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

**SECTION 1.** The DCTA Operating and Capital Budget for FY 2021-2022, including Change in Net Position, Capital Improvement & Major Maintenance Plan, Long Range Financial Plan, and FY22 Budget Contingency Plan, attached as Exhibits “A” through “D”, be adopted and approved in all respects, and that the sums of money indicated in the proposed budget be approved as listed, and that the estimate of income and financial support as shown be accepted as proper and sufficient to pay such expenditures for both the operating and capital portions of the Budget.

**SECTION 2.** That all Budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2020-2021 are hereby ratified, and the budget for fiscal year 2021-2022, heretofore adopted by resolution of the DCTA Board of Directors, be and the same is hereby, amended to the extent of such transfers and amendments for all purposes.

**SECTION 3.** That all provisions of the resolutions of the DCTA Board of Directors 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 4.** That this Resolution shall take effect immediately from and after its passage, and it is, accordingly, so resolved.

**DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 23<sup>RD</sup> DAY OF SEPTEMBER, 2021.**

**APPROVED:**

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Chris Watts, Chair

**ATTEST:**

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Sam Burke, Secretary  
(09-15-2021:TM 124799)

**EXHIBIT “A”**  
**Long Range Financial Plan**  
**(to be attached)**

DENTON COUNTY TRANSPORTATION AUTHORITY  
FY22 Proposed Budget  
Long Range Financial Plan

	Audited 2020*	Adopted FY2021	Revised FY2021	Proposed FY2022	Proposed FY2023	Proposed FY2024	Proposed FY2025	Proposed FY2026	Proposed FY2027	Proposed FY2028	Proposed FY2029	Proposed FY2030	Proposed FY2031	Proposed FY2032	Proposed FY2033	Proposed FY2034	Proposed FY2035	Proposed FY2036	FY2020- FY2036
<i>Beginning Fund Balance:</i>	<i>\$ 34,427,459</i>	<i>\$ 39,393,984</i>	<i>\$ 51,434,459</i>	<i>\$ 59,286,617</i>	<i>\$ 66,434,443</i>	<i>\$ 59,787,848</i>	<i>\$ 53,963,835</i>	<i>\$ 48,641,850</i>	<i>\$ 48,953,487</i>	<i>\$ 50,119,536</i>	<i>\$ 50,705,080</i>	<i>\$ 50,881,734</i>	<i>\$ 50,533,368</i>	<i>\$ 49,133,825</i>	<i>\$ 47,472,900</i>	<i>\$ 47,818,640</i>	<i>\$ 46,749,177</i>	<i>\$ 45,260,137</i>	<i>\$ 34,427,459</i>
<b>OPERATING REVENUES</b>																			
Bus Operating Revenue	3,760,388	3,790,114	3,965,472	4,242,754	4,345,396	4,496,865	4,634,774	4,785,326	4,940,522	5,090,068	5,111,017	5,153,317	5,176,115	5,197,230	5,242,558	5,265,237	5,289,054	5,381,101	82,077,195
Rail Operating Revenue	452,075	248,579	248,579	262,917	265,546	281,612	284,428	287,272	304,652	307,699	310,776	329,578	332,873	336,202	356,542	360,108	363,709	385,713	5,470,279
Misc. Revenue	419,978	-	200,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	619,978
<b>NON-OPERATING REVENUES</b>																			
Sales Tax Revenue	29,817,365	26,624,124	31,154,178	32,088,804	32,730,580	33,385,192	34,386,747	35,418,350	36,480,900	37,575,327	38,702,587	39,863,665	41,059,575	42,291,362	43,560,103	44,866,906	46,212,913	47,599,300	647,193,855
Operating Grants	16,843,203	16,506,873	19,143,234	21,781,841	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	7,873,101	167,991,695
Investment Income	320,793	100,000	100,000	12,000	66,434	59,788	53,964	48,642	48,953	50,120	50,705	50,882	50,533	49,134	47,473	47,819	46,749	45,260	1,149,249
<b>TOTAL REVENUES</b>	<b>51,613,802</b>	<b>47,269,690</b>	<b>54,811,463</b>	<b>58,388,316</b>	<b>45,281,058</b>	<b>46,096,558</b>	<b>47,233,015</b>	<b>48,412,691</b>	<b>49,648,129</b>	<b>50,896,315</b>	<b>52,048,186</b>	<b>53,270,543</b>	<b>54,492,198</b>	<b>55,747,029</b>	<b>57,079,777</b>	<b>58,413,170</b>	<b>59,785,526</b>	<b>61,284,476</b>	<b>904,502,251</b>
<b>OPERATING EXPENSES</b>																			
Bus Operating Expense	11,925,879	12,807,603	13,237,395	16,136,775	16,968,627	17,455,426	17,805,800	18,385,551	19,208,730	19,969,468	20,593,721	21,484,602	22,061,663	22,858,715	23,718,389	24,437,261	25,608,914	26,496,613	338,353,529
Rail Operating Expense	13,847,789	13,586,327	13,891,495	15,149,321	15,236,232	15,675,160	16,112,864	16,587,455	17,057,216	17,558,776	18,067,616	18,601,655	19,145,106	19,698,601	20,283,463	20,874,086	21,485,703	22,119,108	301,391,644
G&A Operating Expense	5,462,513	6,201,129	7,123,636	6,760,429	7,037,838	6,958,636	7,190,667	7,434,759	7,691,818	7,962,827	8,248,860	8,551,086	8,870,780	9,209,335	9,568,271	9,949,245	10,354,069	10,784,724	139,159,494
<b>TOTAL OPERATING EXPENSES</b>	<b>31,236,181</b>	<b>32,595,059</b>	<b>34,252,526</b>	<b>38,046,525</b>	<b>39,242,697</b>	<b>40,089,223</b>	<b>41,109,330</b>	<b>42,407,765</b>	<b>43,957,764</b>	<b>45,491,071</b>	<b>46,910,197</b>	<b>48,637,343</b>	<b>50,077,549</b>	<b>51,766,651</b>	<b>53,570,123</b>	<b>55,260,592</b>	<b>57,448,686</b>	<b>59,400,445</b>	<b>778,904,668</b>
NET INCOME	20,377,621	14,674,631	20,558,937	20,341,791	6,038,361	6,007,335	6,123,684	6,004,926	5,690,365	5,405,244	5,137,989	4,633,200	4,414,649	3,980,378	3,509,654	3,152,578	2,336,841	1,884,031	125,597,584
<b>CAPITAL OUTLAY &amp; MAJOR MAINTENANCE</b>																			
Bus Capital	8,237	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,237
Bus Fleet Replacement	875	1,870,100	1,062,600	-	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	17,863,475
Professional Services / Technology Improvements	100,452	300,000	-	496,000	300,000	350,000	80,000	-	45,000	-	350,000	80,000	-	45,000	-	350,000	80,000	-	2,276,452
Transit Safety Improvements	125,607	-	10,650	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	136,257
Hike & Bike Trails	672,635	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	672,635
Major Maintenance Items - Rail	-	2,124,693	2,124,693	1,836,442	1,859,543	2,034,860	2,897,164	3,327,187	2,109,209	2,450,921	2,244,169	2,531,313	3,446,188	3,130,859	2,783,914	3,492,042	3,365,880	2,879,918	42,514,303
Major Maintenance Items - Bus	-	-	15,530	179,530	200,000	264,203	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	3,059,263
Positive Train Control	793,101	3,887,931	209,655	5,448,820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,451,576
Infrastructure Acquisition - Old Town	2,363,256	-	11,745	-	634,981	-	-	-	-	-	-	-	-	-	-	-	-	-	3,009,982
Brownfield Remediation	-	43,752	46,595	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	66,595
Transportation Reinvestment Program (TRiP)	-	5,914,152	7,742,134	7,119,429	8,051,094	7,009,987	6,101,694	-	-	-	-	-	-	-	-	-	-	-	36,024,338
<b>TOTAL CAPITAL OUTLAY &amp; MAJOR MAINTENANCE</b>	<b>4,064,163</b>	<b>14,140,628</b>	<b>11,223,602</b>	<b>15,100,221</b>	<b>12,245,618</b>	<b>10,859,050</b>	<b>10,478,858</b>	<b>4,727,187</b>	<b>3,554,209</b>	<b>3,850,921</b>	<b>3,994,169</b>	<b>4,011,313</b>	<b>4,846,188</b>	<b>4,575,859</b>	<b>4,183,914</b>	<b>5,242,042</b>	<b>4,845,880</b>	<b>4,279,918</b>	<b>112,083,113</b>
<b>TOTAL CAPITAL, MAINTENANCE AND OPERATING EXPENSES</b>	<b>35,300,344</b>	<b>46,735,687</b>	<b>45,476,128</b>	<b>53,146,746</b>	<b>51,488,315</b>	<b>50,948,273</b>	<b>51,588,189</b>	<b>47,134,952</b>	<b>47,511,973</b>	<b>49,341,992</b>	<b>50,904,367</b>	<b>52,648,656</b>	<b>54,923,736</b>	<b>56,342,510</b>	<b>57,754,037</b>	<b>60,502,634</b>	<b>62,294,566</b>	<b>63,680,363</b>	<b>890,987,781</b>
<b>CAPITAL SOURCES</b>																			
Capital Grants	1,158,851	6,094,359	1,556,153	4,609,056	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	21,604,060
Capital Grants - Old Town	2,313,825	-	-	-	528,100	-	-	-	-	-	-	-	-	-	-	-	-	-	2,841,925
<b>TOTAL CAPITAL SOURCES</b>	<b>3,472,676</b>	<b>6,094,359</b>	<b>1,556,153</b>	<b>4,609,056</b>	<b>1,548,100</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>1,020,000</b>	<b>24,445,985</b>
<b>DEBT SERVICE</b>																			
2009 Series Refunding Bonds	1,715,209	1,714,040	90,480	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,805,689
2011 Series Contractual Obligations	1,063,925	1,082,040	1,082,040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,145,965
2020 Series Refunding Bonds	-	-	1,794,810	1,712,800	986,278	967,467	948,755	930,142	916,628	898,163	874,798	861,581	833,413	2,085,444	-	-	-	-	13,810,275
2021 Series Refunding Bonds	-	-	72,000	990,000	1,001,160	1,024,832	1,038,056	1,055,960	1,073,480	1,090,616	1,112,368	1,128,672	1,154,592	-	-	-	-	-	10,741,736
<b>TOTAL DEBT SERVICE</b>	<b>2,779,134</b>	<b>2,796,080</b>	<b>3,039,330</b>	<b>2,702,800</b>	<b>1,987,438</b>	<b>1,992,299</b>	<b>1,986,811</b>	<b>1,986,102</b>	<b>1,990,108</b>	<b>1,988,779</b>	<b>1,987,166</b>	<b>1,990,253</b>	<b>1,988,005</b>	<b>2,085,444</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,503,665</b>
Internal Debt Service Coverage:	7.33	5.25	6.76	7.53	3.04	3.02	3.08	3.02	2.86	2.72	2.59	2.33	2.22	1.91	N/A	N/A	N/A	N/A	
<i>Outstanding Bond Principal as of September 30th</i>	<i>23,360,000</i>	<i>21,405,000</i>	<i>21,180,000</i>	<i>18,800,000</i>	<i>17,025,000</i>	<i>15,225,000</i>	<i>13,410,000</i>	<i>11,575,000</i>	<i>9,715,000</i>	<i>7,835,000</i>	<i>5,935,000</i>	<i>4,010,000</i>	<i>2,065,000</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	
<b>ENDING FUND BALANCE</b>	<b>51,434,459</b>	<b>43,226,266</b>	<b>59,286,617</b>	<b>66,434,443</b>	<b>59,787,848</b>	<b>53,963,835</b>	<b>48,641,850</b>	<b>48,953,487</b>	<b>50,119,536</b>	<b>50,705,080</b>	<b>50,881,734</b>	<b>50,533,368</b>	<b>49,133,825</b>	<b>47,472,900</b>	<b>47,818,640</b>	<b>46,749,177</b>	<b>45,260,137</b>	<b>43,884,250</b>	<b>43,884,250</b>
<i>Less Required Fund Balance (O&amp;M Reserve Policy)</i>	<i>7,809,045</i>	<i>8,148,765</i>	<i>8,563,132</i>	<i>9,511,631</i>	<i>9,810,674</i>	<i>10,022,306</i>	<i>10,277,333</i>	<i>10,601,941</i>	<i>10,989,441</i>	<i>11,372,768</i>	<i>11,727,549</i>	<i>12,159,336</i>	<i>12,519,387</i>	<i>12,941,663</i>	<i>13,392,531</i>	<i>13,815,148</i>	<i>14,362,171</i>	<i>14,850,111</i>	
<i>Less Sales Tax Stabilization Fund</i>	<i>894,521</i>	<i>798,724</i>	<i>934,625</i>	<i>962,664</i>	<i>981,917</i>	<i>1,001,556</i>	<i>1,031,602</i>	<i>1,062,550</i>	<i>1,094,427</i>	<i>1,127,260</i>	<i>1,161,078</i>	<i>1,195,910</i>	<i>1,231,787</i>	<i>1,268,741</i>	<i>1,306,803</i>	<i>1,346,007</i>	<i>1,386,387</i>	<i>1,427,979</i>	
<i>Less Fuel Stabilization Fund</i>	<i>450,000</i>	<i>326,000</i>	<i>326,000</i>	<i>286,189</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	<i>262,009</i>	
<i>Less Capital/Infrastructure Fund</i>	<i>4,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	
<b>NET AVAILABLE FUND BALANCE</b>	<b>\$38,280,893</b>	<b>\$ 31,952,778</b>	<b>\$ 47,462,860</b>	<b>\$ 53,673,959</b>	<b>\$ 46,733,248</b>	<b>\$ 40,677,965</b>	<b>\$ 35,070,906</b>	<b>\$ 35,026,987</b>	<b>\$ 35,773,660</b>	<b>\$ 35,943,045</b>	<b>\$ 35,731,099</b>	<b>\$ 34,916,114</b>	<b>\$ 33,120,642</b>	<b>\$ 31,000,488</b>	<b>\$ 30,857,298</b>	<b>\$ 29,326,013</b>	<b>\$ 27,249,570</b>	<b>\$ 25,344,151</b>	

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



DENTON COUNTY TRANSPORTATION AUTHORITY  
FY22 Proposed Budget  
Change in Net Position - Combined Statement (DCTA & NTMC)

Description	FY 2020 Adopted Budget	FY 2020 Revised Budget	FY 2020 Actuals	DCTA FY 2021 Adopted Budget	DCTA FY 2021 Revised Budget	NTMC FY 2021 Adopted Budget	NTMC FY 2021 Revised Budget	FY 2021 Adopted Budget	FY 2021 Revised Budget	DCTA FY 2022 Proposed Budget	NTMC FY 2022 Proposed Budget	FY 2022 Proposed Budget
OPERATING REVENUE												
Passenger Revenues (Bus Farebox)	\$ 624,049	\$ 370,591	\$ 381,562	\$ 331,712	\$ 331,712	\$ -	\$ -	\$ 331,712	\$ 331,712	\$ 326,995	\$ -	\$ 326,995
Passenger Revenues (Rail Farebox)	588,272	421,578	452,075	248,579	248,579	-	-	248,579	248,579	262,917	-	262,917
Contract Service Revenue	4,416,160	3,398,779	3,378,826	3,458,402	3,633,760	-	-	3,458,402	3,633,760	3,915,759	-	3,915,759
Total Operating Revenue	5,628,481	4,190,948	4,212,463	4,038,693	4,214,051	-	-	4,038,693	4,214,051	4,505,671	-	4,505,671
OPERATING EXPENSES												
Salary, Wages & Benefits	13,457,015	12,323,341	11,609,934	4,193,211	4,263,661	7,451,314	7,636,554	11,644,525	11,900,215	5,103,643	5,787,307	10,890,950
Outsourced Services & Charges	3,488,696	6,054,095	4,884,281	3,955,959	4,882,316	399,919	400,219	4,355,878	5,282,535	4,610,662	450,970	5,061,632
Materials & Supplies	3,307,659	2,452,919	1,922,266	2,917,735	2,883,995	3,293	3,293	2,921,028	2,887,288	2,650,094	1,936	2,652,030
Utilities	527,988	490,988	431,838	506,668	508,810	-	-	506,668	508,810	526,281	-	526,281
Insurance	1,884,965	1,882,858	1,783,994	1,681,336	1,715,712	118,878	119,802	1,800,214	1,835,514	1,635,812	65,842	1,701,654
Purchased Transportation Services	10,700,706	10,185,808	10,091,453	10,732,539	11,203,657	-	-	10,732,539	11,203,657	16,680,162	-	16,680,162
Employee Development	480,437	320,215	185,783	241,304	241,604	54,435	54,435	295,739	296,039	235,385	58,660	294,045
Leases & Rentals	229,633	229,633	226,632	238,468	238,468	-	-	238,468	238,468	139,772	-	139,772
Depreciation	10,612,052	10,612,052	9,558,814	10,489,375	10,489,375	-	-	10,489,375	10,489,375	10,899,464	-	10,899,464
Total Operating Expenses	44,689,151	44,551,909	40,694,995	34,956,595	36,427,598	8,027,839	8,214,303	42,984,434	44,641,901	42,481,275	6,364,715	48,845,990
Operating Income / (Loss)	(39,060,670)	(40,360,961)	(36,482,532)	(30,917,902)	(32,213,547)	(8,027,839)	(8,214,303)	(38,945,741)	(40,427,850)	(37,975,604)	(6,364,715)	(44,340,319)
NON-OPERATING REVENUE / (EXPENSE)												
Investment Income	400,000	325,000	320,793	100,000	100,000	-	-	100,000	100,000	12,000	-	12,000
Misc. Revenues	52,000	52,000	419,978	-	200,000	-	-	-	200,000	-	-	-
Sales Tax Revenue	29,019,184	26,805,374	29,817,365	26,624,124	31,154,178	-	-	26,624,124	31,154,178	32,088,804	-	32,088,804
Federal Grants & Reimbursements	10,226,774	15,750,649	19,877,331	22,601,232	20,699,387	-	-	22,601,232	20,699,387	26,390,897	-	26,390,897
State Grants & Reimbursements	780,389	438,548	438,548	-	-	-	-	-	-	-	-	-
Long Term Debt Interest/Expense	(909,480)	(909,480)	(909,134)	(841,080)	(684,330)	-	-	(841,080)	(684,330)	(237,800)	-	(237,800)
Total Non-Operating Revenue / (Expense)	39,568,867	42,462,091	49,964,881	48,484,276	51,469,235	-	-	48,484,276	51,469,235	58,253,901		58,253,901
Income (Loss) Before Transfers	508,197	2,101,130	13,482,349	17,566,374	19,255,688	(8,027,839)	(8,214,303)	9,538,535	11,041,385	20,278,297	(6,364,715)	13,913,582
Transfers Out	(8,781,700)	(8,119,303)	(7,555,427)	(8,027,839)	(8,214,303)	-	-	(8,027,839)	(8,214,303)	(6,364,715)	-	(6,364,715)
Transfers In	8,781,700	8,119,303	7,555,427	-	-	8,027,839	8,214,303	8,027,839	8,214,303	-	6,364,715	6,364,715
Total Transfers	-	-	-	(8,027,839)	(8,214,303)	8,027,839	8,214,303	-	-	(6,364,715)	6,364,715	-
CHANGE IN NET POSITION	\$ 508,197	\$ 2,101,130	\$ 13,482,349	\$ 9,538,535	\$ 11,041,385	\$ -	\$ -	\$ 9,538,535	\$ 11,041,385	\$ 13,913,582	\$ -	\$ 13,913,582
Net Position - Beginning of Year:	\$ 327,800,795	\$ 327,800,795	\$ 327,800,795					\$ 337,218,981	\$ 337,218,981			\$ 337,036,764
Net Position - End of Year:	\$ 328,308,992	\$ 329,901,925	\$ 341,283,144					\$ 346,757,516	\$ 348,260,366			\$ 350,950,346
Transfer to Capital Projects	\$ (10,282,173)	\$ (7,349,239)	\$ (4,064,163)					\$ (14,140,628)	\$ (11,223,602)			\$ (15,100,221)
Net Position After Capital Project Transfer	\$ 318,026,819	\$ 322,552,686	\$ 337,218,981					\$ 332,616,888	\$ 337,036,764			\$ 335,850,125

**EXHIBIT “C”**  
**Capital Improvement & Major Maintenance Plan**  
**(to be attached)**

DENTON COUNTY TRANSPORTATION AUTHORITY  
FY22 Proposed Budget  
Capital Improvement & Major Maintenance Plan

Project Name	Current Capital Projects	Proposed FY 2022 NEW Capital Projects	Project LTD thru FY 2020	FY 2021 Proposed Revised	Proposed FY 2022	Proposed FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Anticipated Project Total (Thru 2027)
<b>BUS FLEET REPLACEMENT</b>											
Fleet {2020}	\$ 1,062,600	\$ -	\$ -	\$ 1,062,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,062,600
FUTURE: Fleet Replacement	-	-	-	-	-	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
<b>PROFESSIONAL SERVICES/TECHNOLOGY IMPROVEMENTS</b>											
Integrated Fare Payment	600,000	-	-	-	300,000	300,000	-	-	-	-	600,000
Bus OMF Network Video Recorder	-	26,000	-	-	26,000	-	-	-	-	-	26,000
DDTC Rail Fiber Extension	-	125,000	-	-	125,000	-	-	-	-	-	125,000
Backup & DR Infrastructure Upgrades	-	45,000	-	-	45,000	-	-	-	-	-	45,000
FUTURE: Stadler Laptop Replacement	-	-	-	-	-	-	-	80,000	-	-	80,000
FUTURE: Server & Network Infrastructure	-	-	-	-	-	-	350,000	-	-	-	350,000
FUTURE: Backup & DR Infrastructure Upgrades	-	-	-	-	-	-	-	-	-	45,000	45,000
<b>TRANSIT SAFETY IMPROVEMENTS</b>											
Trail Safety Improvements	181,157	-	170,507	10,650	-	-	-	-	-	-	181,157
<b>MAJOR MAINTENANCE ITEMS</b>											
Major Maintenance - Rail (FY21)	2,124,693	-	-	2,124,693	-	-	-	-	-	-	2,124,693
Major Maintenance - Bus (FY20)	125,000	-	109,470	15,530	-	-	-	-	-	-	125,000
NEW: Major Maintenance - Rail (Proposed FY22)	-	1,836,442	-	-	1,836,442	-	-	-	-	-	1,836,442
NEW: Major Maintenance - Bus (Proposed FY22)	-	179,530	-	-	179,530	-	-	-	-	-	179,530
FUTURE: Major Maintenance - Rail	-	-	-	-	-	1,859,543	2,034,860	2,897,164	3,327,187	2,109,209	12,227,963
FUTURE: Major Maintenance - Bus	-	-	-	-	-	200,000	264,203	200,000	200,000	200,000	1,064,203
<b>POSITIVE TRAIN CONTROL</b>											
Positive Train Control Implementation	16,720,141	-	15,913,486	209,655	597,000	-	-	-	-	-	16,720,141
Positive Train Control Enhancements (Phase 2)	5,000,000	-	148,180	-	4,851,820	-	-	-	-	-	5,000,000
<b>INFRASTRUCTURE ACQUISITION</b>											
	3,251,990	-	2,605,264	11,745	-	634,981	-	-	-	-	3,251,990
<b>BROWNFIELD REMEDIATION</b>											
	405,000	-	338,405	46,595	20,000	-	-	-	-	-	405,000
<b>TRANSPORTATION REINVESTMENT PROGRAM (TRiP)</b>											
TRiP Program Funding - FY21	5,914,152	-	-	7,742,134	-	-	-	-	-	-	7,742,134
NEW: TRiP Program Funding - (Proposed FY22)	-	7,119,429	-	-	7,119,429	-	-	-	-	-	7,119,429
FUTURE: TRiP Program Funding	-	-	-	-	-	8,037,992	6,964,241	6,047,999	-	-	21,050,232
<b>TOTAL CAPITAL IMPROVEMENT &amp; MAJOR MAINTENANCE</b>	<b>\$ 35,384,733</b>	<b>\$ 9,331,401</b>	<b>\$ 19,285,312</b>	<b>\$ 11,223,602</b>	<b>\$ 15,100,221</b>	<b>\$ 12,232,515</b>	<b>\$ 10,813,304</b>	<b>\$ 10,425,163</b>	<b>\$ 4,727,187</b>	<b>\$ 3,554,209</b>	<b>\$ 87,361,514</b>

**EXHIBIT “D”**  
**FY22 Budget Contingency Plan**

## DCTA Budget Contingency Plan Fiscal Year 2022

The fiscal year budget includes revenue streams based on historical trends and projections of future activity. The largest revenue stream is sales tax. A contingency plan is recommended should the budgeted increase in sales tax not materialize or, if there is a need for service enhancements not planned in the fiscal year budget and it is determined that sales tax revenue has increased sufficiently to support sustainable service.

### Section I: Sales Tax Revenue Shortfall

The following precautionary actions will be initiated immediately if a sales tax revenue shortfall is anticipated:

#### Initial Precautionary Action

- Freeze all new hire positions and vacant positions except with necessity review by the Management Team.
- Identify any non-traditional revenue sources.
- Re-justify all planned capital outlay over \$10,000 to the Management Team prior to expenditures.
- Re-justify all vehicle replacement/purchase schedules to the Management Team.
- Re-justify all travel related expenditures to the Management Team.
- Re-justify expenditures related to the service and materials & supplies category including, but not limited to:
  - Technology
  - Professional Services
  - Consulting Fees

Initiate the following expenditure reductions and measures if a cumulative unanticipated shortfall in sales tax revenue is equal to:

#### 2% Reduction (\$641,776)

- Realized savings will not be transferred between categories.
- Prohibit unbudgeted expenditures including supplies and maintenance accounts.
- The Management Team will be required to review, monitor and control planned expenditures greater than \$5,000.
- Supplemental appropriations will not be made from budgeted savings or unappropriated fund balance.
- All carry forward requests will be carefully reviewed and approved by Finance.
- Any overtime must be pre-approved by department heads.
- Determination made and plan developed regarding utilization of sales tax stabilization fund. Utilization of sales tax stabilization funds will require Board Approval prior to implementation.

#### 3% Reduction (\$962,664)

- Freeze all travel and training requests except with necessity review by the Management Team.
- Reduce expenditures in operations and maintenance accounts in each functional area. Amount of reduction to be determined by Management Team.
- Freeze capital outlay except with necessity review by the Management Team.
- Indefinitely freeze all vacant positions except with necessity review by the Management Team.

**4% Reduction (\$1,283,552)**

- Will require Board policy decisions regarding service delivery and fund balance reserves.
- Re-evaluate any budgeted transfer to Capital Projects which is not a grant match requirement.
- The Management Team will review service level reductions, passenger fare increases, elimination of specific programs, and reduction in work force. This would require implementation of the Service Reduction Policy.
- Evaluate the 90-day Operating Fund Balance Reserve Policy and consider options for fund balance utilization or utilization of other reserve funds. Board action will be required for utilization of reserve funds.

**Section II: Sales Tax Revenue Sustainable Increase**

The following steps will be followed when it is determined that additional mid-year service level enhancements are necessary (above those already programmed in the annual budget) and sales tax revenue exceeds budget and prior year's actual for at least 4 consecutive months and a determination is made that sales tax revenue increase is sufficient to support sustainable service levels.

For planning purposes, recommended service level increases will be less than or equal to the available sales tax stabilization fund.

Increases in sales tax revenue may be utilized to fund:

- Direct service enhancements
- System support
- Capital Infrastructure and maintenance reserve

Recommended service levels enhancements will be evaluated and prioritized based on:

- System performance and
- Board adopted service standards and service plan

Service Level considerations are not limited to additional transit service hours but may include other agency or transit system support requirements.

Service Level enhancement decisions will follow annual Decision Cycle framework.

Prior to implementation and adoption by Board, additional service level enhancements will be incorporated into long-range financial plan to identify impact of current enhancement in future years.

Implementation of Service Level Enhancements will require Board action and revision of annual budget.

**Section III: Federal Grant Funding Reduction**

The following precautionary actions will be initiated immediately if a federal grant reduction is anticipated:

Capital Expenditures:

- Identify and evaluate other available funding sources
- Evaluate scaling back the scope of the project to the allocated funds, if feasible
- Freeze project pending review and discussion with Board of Directors

Operating Funds:

- Follow the Sales Tax Revenue Shortfall Procedure



## Board of Directors Memo

September 23, 2021

SUBJECT: Consider Approval of Excess Rail Liability Coverage with Dallas Area Rapid Transit (DART)

### Recommendation

Staff recommends the Board approve payment not to exceed \$686,000 to DART for DCTA's portion of excess rail liability insurance for November 1, 2021 through October 31, 2022.

### 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.

Over the past two years, insurance carriers have left the market thereby causing a decrease in coverage capacity and a significant increase in premiums nationwide. In August 2021, the American Public Transportation Association (APTA) released a report that recommends establishing a Commuter Rail Insurance Program at the U.S. Department of Transportation to provide insurance to agencies that operate commuter rail services in the U.S. in order to better manage costs and meet coverage requirements to continue operations. Currently, each agency is required to secure coverage on its own.

As of October 1, 2020, DCTA's insurance broker of record, McGriff, secured \$10 million in primary coverage of the required \$125 million in coverage for the period October 1, 2020 through September 30, 2021. Due to the increase in premiums and the difficulty in placing coverage due to capacity constraints, DCTA worked with DART to be added to DART's rail liability program as an Insured, along with TEXRail and Grapevine Vintage Railroad, which was more cost effective than each agency securing its own coverage. This current coverage with DART expires October 31, 2021. DCTA staff has been working with DART staff since June 2021 to be included in DART's rail liability program with coverage for November 1, 2021 through October 31, 2022.

### Previous Board Activity & Action

There has been no previous Board-level activity on this item.

### Identified Need

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

### Financial Impact

The cost for excess rail liability premiums is incorporated within the budget.

### Exhibits

Exhibit 1: Excess Rail Liability Premiums History

Submitted By:

Marisa Perry, CPA

Chief Financial Officer/VP of Finance



## Excess Rail Liability Premiums (Proposed, Compared to 5-Year History)

	Coverage Secured with DART and Trinity Metro for TRE		Coverage Secured Separately by DCTA				
	11/1/21 - 10/31/22	12/9/20- 10/31/21	10/1/20 - 9/30/21	10/1/19 - 9/30/20	10/1/18 - 9/30/19	10/1/17 - 9/30/18	10/1/17 - 9/30/18
Coverage Limit	\$140 million	\$140 million	\$10 million	\$125 million	\$125 million	\$125 million	\$125 million
Annual Cost	\$686,000 (A)	\$636,435	\$527,625 (B)	\$757,238	\$709,082	\$706,820	\$672,196

(A) This amount will be reduced to \$645,000 if TEXRail elects to be included in combined coverage as of January 2022.

(B) Policy was cancelled effective 12/9/20 upon DCTA being added to DART's policy for 12/9/20 - 10/31/21.

## Board of Directors Memo

September 23, 2021

SUBJECT: Update on Mobility Services, GoZone and Fixed Route

### Recommendation

This is a discussion item only. No Board action is requested at this time.

### Background

DCTA and River North Transit (Via) launched GoZone service on Tuesday, September 7, 2021. This report will serve as an update on the following topics:

- Pre-launch staff testing of GoZone
- Via's efforts to support the GoZone launch
- GoZone statistics from the first several weeks of operation
- Brand ambassador survey results
- Marketing and Community Engagement

### Previous Board Activity & Action

- **June 25, 2020** – Regular Agenda 3 – Mobility as a Service (MaaS) Task Order for Member City Services
- **July 31, 2020** – Transformation Initiative Workshop – Discussed as part of the future planning process
- **August 27, 2020** – Regular Agenda 8 – Discuss MaaS Task Order #2: On-Demand Service in Member Cities
- **September 24, 2020** – Regular Agenda 8 – Consider Approval of MaaS Task Order #2: On-Demand Services for Member Cities and Contracted Cities
- **November 12, 2020** – Regular Agenda 1 - Discuss Transformation Initiative Progress Report – Initial introduction of the Agency Priority Actions flowchart which included plans and estimated dates for the MaaS service plan
- **December 10, 2020** – Regular Agenda 6 - Discuss DCTA Priority Actions
- **January 28, 2021**
  - Regular Agenda 5 – Approval and Award of Mobility as a Service Contract
  - Joint Informational Report 1 – DCTA Agency Priorities Update (memo and flowchart)
- **March 10, 2021** – Regular Agenda 7 – Review and Discuss MaaS Service Plan Update and Considerations
- **April 7, 2021**
  - Regular Agenda 1 – Presentation, Discussion and Approval of Via's Proposal #4
  - Regular Agenda 2 – Presentation and Discussion of Task Order with Via
- **May 27, 2021** – Regular Agenda 7 – Public Involvement Progress Report
- **June 24, 2021** – Regular Agenda 7 – Discuss GoZone Public Involvement Feedback and Potential Service Modifications to Proposed Plan
- **July 22, 2021** – Regular Agenda 4 - Discuss and Consider Approval of GoZone Service Plan for Launch on September 7, 2021
- **August 26, 2021** – Regular Agenda 6 - Update and Discussion of the September 7, 2021 GoZone Launch and Fixed Route Services



### Financial Impact

The base service and Phase 1 add-ons as approved by the Board at the July 22, 2021 Board meeting are included in the FY21 budget, proposed FY22 budget, and outyears to support GoZone service.

### Exhibits

N/A

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

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

Javier Trilla, AVP of Innovation and Information Technology

## Board of Directors Memo

September 23, 2021

SUBJECT: Discuss and Consider City of Lewisville Request to Amend Timing of GoZone Expansion to Castle Hills

### Recommendation

DCTA staff is recommending approval on accelerating the timeline for implementation of GoZone service to include Castle Hills in the Lewisville / Highland Village zone from a March 2022 timeline to January 2022.

### Background

The City of Lewisville has requested acceleration of the GoZone expansion into Castle Hills based on a November 15, 2021 annexation date with a new service implementation request of January 2022. This service was included as a Phase 2A add-on of GoZone Implementation in the approved task order with River North (Via); therefore modifications to the contract will not be necessary. Included in the attached exhibits are the proposed service area, description, and costs associated with the service. Pending approval of this item, a budget amendment will be required to implement this service in FY22. Via has confirmed it will take several weeks to mobilize the service.

### Previous Board Activity & Action

- April 7, 2021
  - Regular Agenda 1 – Presentation, Discussion and Approval of Via's Proposal #4
  - Regular Agenda 2 – Presentation and Discussion of Task Order with Via

### Financial Impact

Pricing for the Castle Hills service add-on is located within Task Order #1, page 6 of Exhibit 2:

Year 1: \$200,126 (based on 4,874 vehicle hours at \$41.06 per hour)

Year 2: \$257,505 (based on 6,238 vehicle hours at \$41.28 per hour)

### Identified Need

The City of Lewisville has requested expansion of GoZone service into Castle Hills.

### Exhibits

Exhibit 1: Excerpt from Proposed GoZone Service Plan 6.11.2021 for Castle Hills

Exhibit 2: DCTA Mobility Service Agreements River North (Via) Task Order No. 1 (FINAL) - 6.2.2021

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



Javier Trilla, AVP of Innovation and Information Technology



DENTON COUNTY  
TRANSPORTATION  
AUTHORITY



# Via Service Plan

## Proposal # 4 with Board Modifications from DCTA Board Meeting on April 7, 2021

*This version of the report was modified by DCTA staff on 6/11/2021 to reflect the approved proposed GoZone plan only. This plan aligns with the board approved task order.*



## Castle Hills Zone Expansion

### Service Description

- Island service to Castle Hills
- Hours of operation in line with Denton/Lewisville
- Rides can be booked intra-zone or to/from Lewisville/HV zone

#### Year 1

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<b>Vehicles</b>	1 extra
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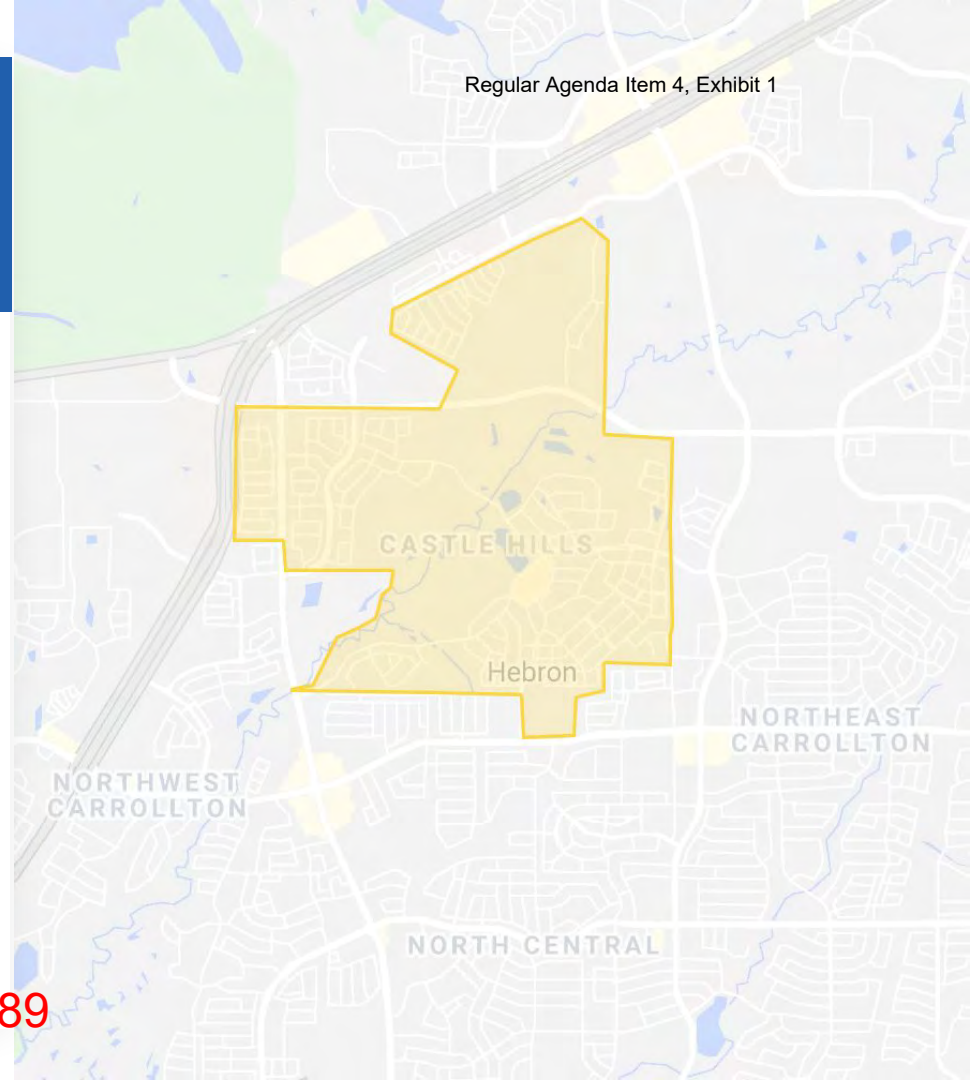
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<b>Vehicle Hours</b>	4,874
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<b>Cost (Singular Fleet)</b>	<b>\$200K</b>
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Regular Agenda Item 4, Exhibit 1



# Pricing Summary

## Base + Add-Ons

Singular Fleet (No DCTA-Provided Cutaways)



Option	Incremental Annual Cost (Recurring)
Phase One: Base	
Base Service (Full Avis Fleet)	\$4,068,910
Phase One: Add-Ons	
Incremental Up Front Hard Costs	\$238,000*
Sunday Service	\$381,858
Saturday Service Hours Extension	\$64,054
Denia Zone	\$256,625
Highland Village Hours Extension	-
Business 121 North Zone Expansion	\$200,126
Frankford Station (DART) to the Lewisville/HV Zone (Option 2)	\$174,505
Sunday A-Train Replacement	\$76,372
Trinity Mills	\$112,915
Phase Two: Add-Ons	
Castle Hills Zone Expansion	\$200,126
Late-Night Service Hours Extension	\$205,300
Access	\$1,000,000
Total Year 1	
<b>Not-To-Exceed Amount: Year 1</b>	<b>\$6,978,791</b>

191

\*One-time costs in Y1 to retrofit vehicles and bike racks on all vehicles



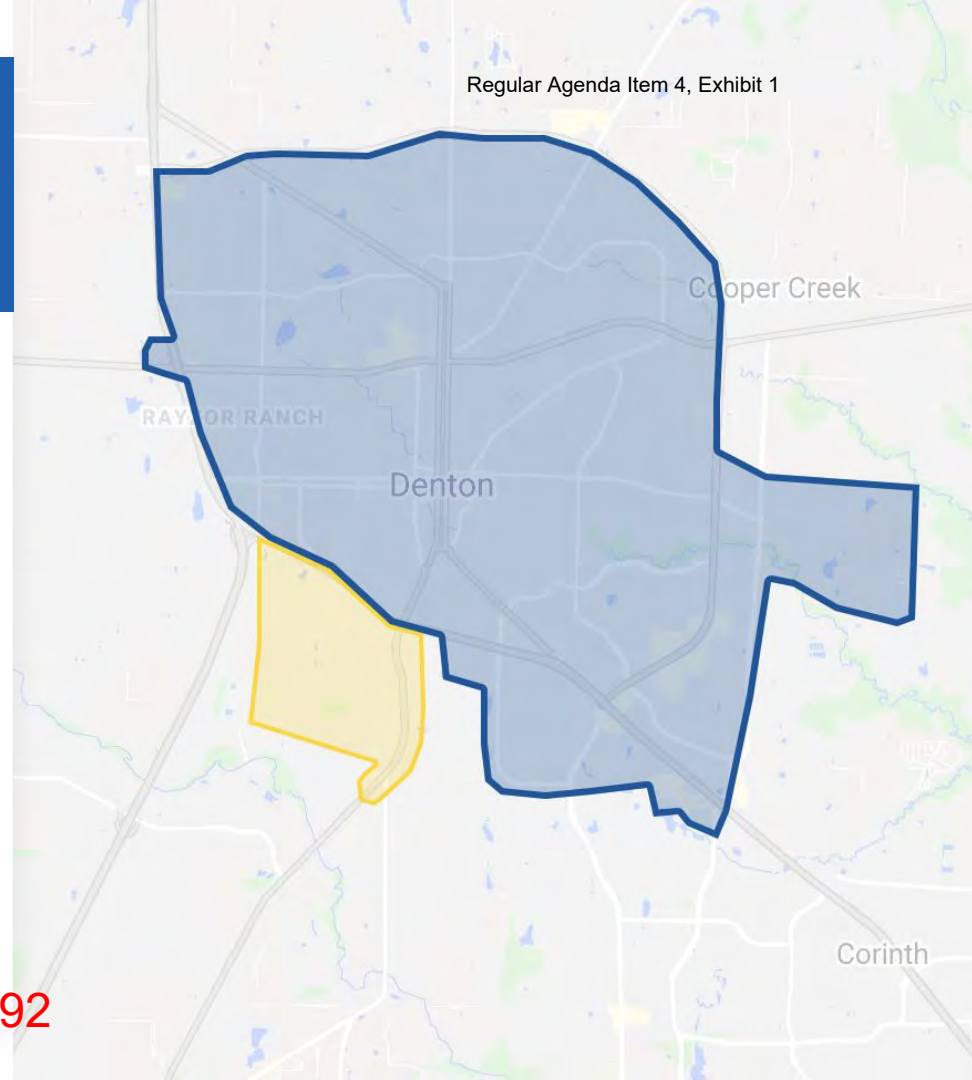
## Denia Neighborhood Expansion

### Service Description

- Extension of Denton service area to include the Denia neighborhood
- Hours of operation in line with Denton/Lewisville Phase I

	Year 1
Vehicles	2 extra
Vehicle Hours	6,250
Cost (Singular Fleet)	\$257K

Regular Agenda Item 4, Exhibit 1





## Frankford Station (DART) to the Lewisville/HV Zone

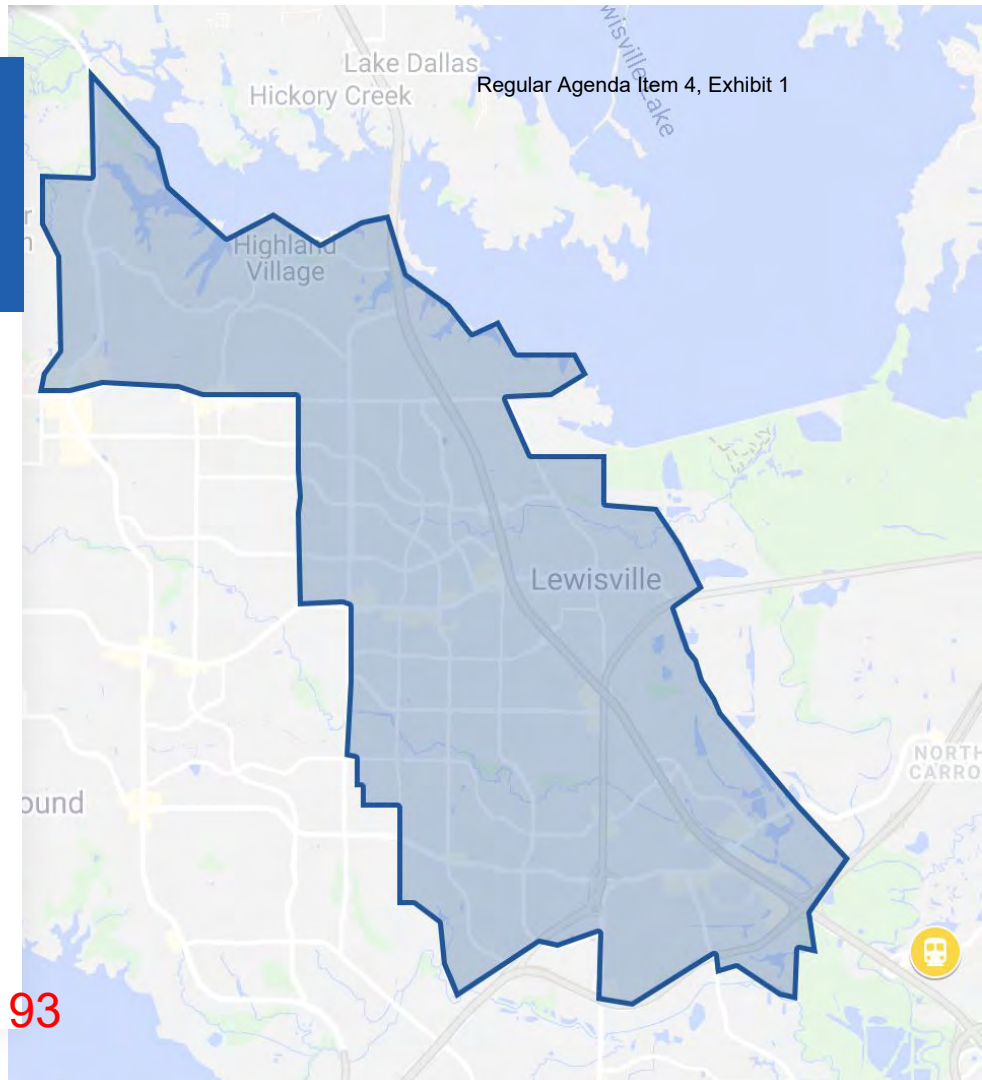
### Service Description

- Addition of Frankford Dart Station to Lewisville zone
- Rides can be booked between Frankford Station and Lewisville / Highland Village (Blue)
- **Mon-Thu: 5am-10pm,  
Fri 5am-11pm**

#### Year 1

<b>Vehicles</b>	1 extra
<b>Vehicle Hours</b>	4,250
<b>Cost (Singular Fleet)</b>	<b>\$174K</b>

193



Regular Agenda Item 4, Exhibit 1

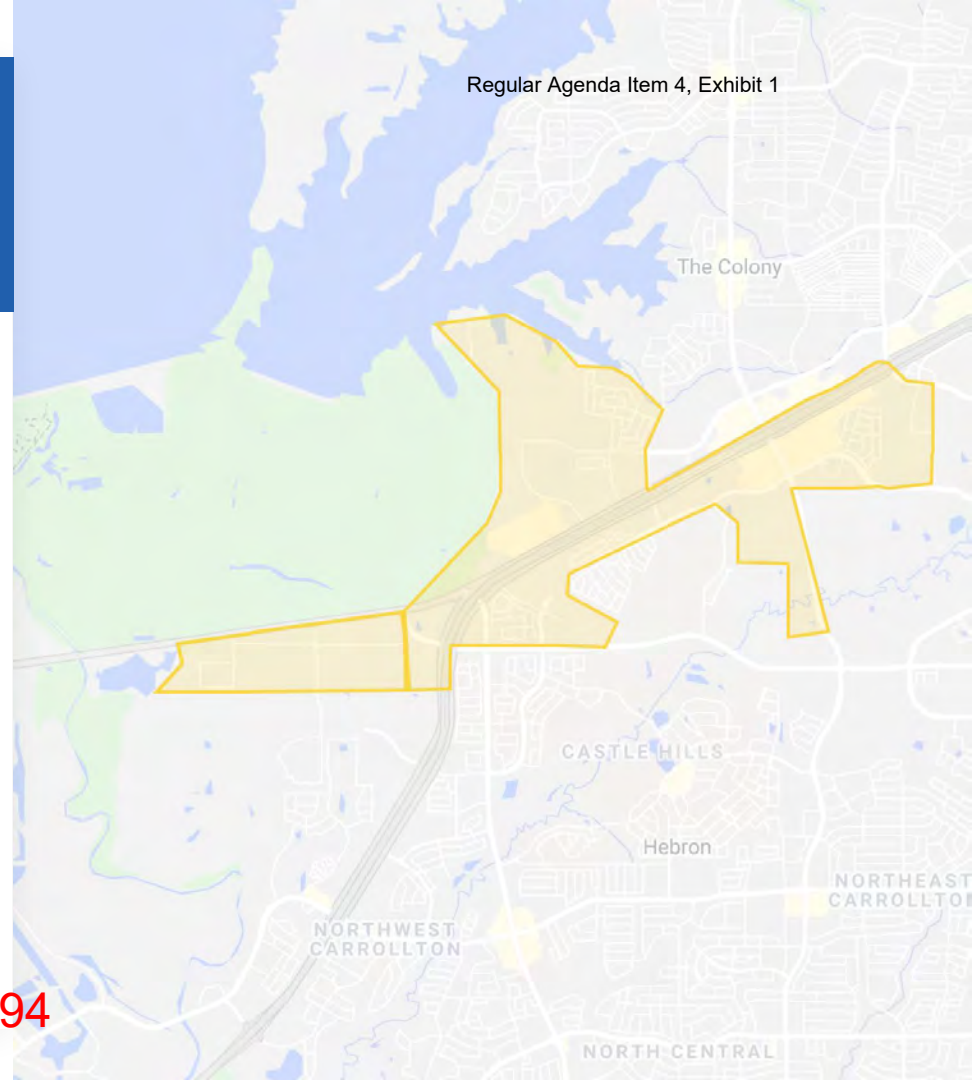


## Business 121 North Zone Expansion (w/ First Park 121)

### Service Description

- Island service to Business 121 North
- Hours of operation in line with Denton/Lewisville base scenario
- Rides can be booked intra-zone or to/from Lewisville/HV zone

	Year 1
<b>Vehicles</b>	1 extra
<b>Vehicle Hours</b>	4,874
<b>Cost (Singular Fleet)</b>	<b>\$200K</b>





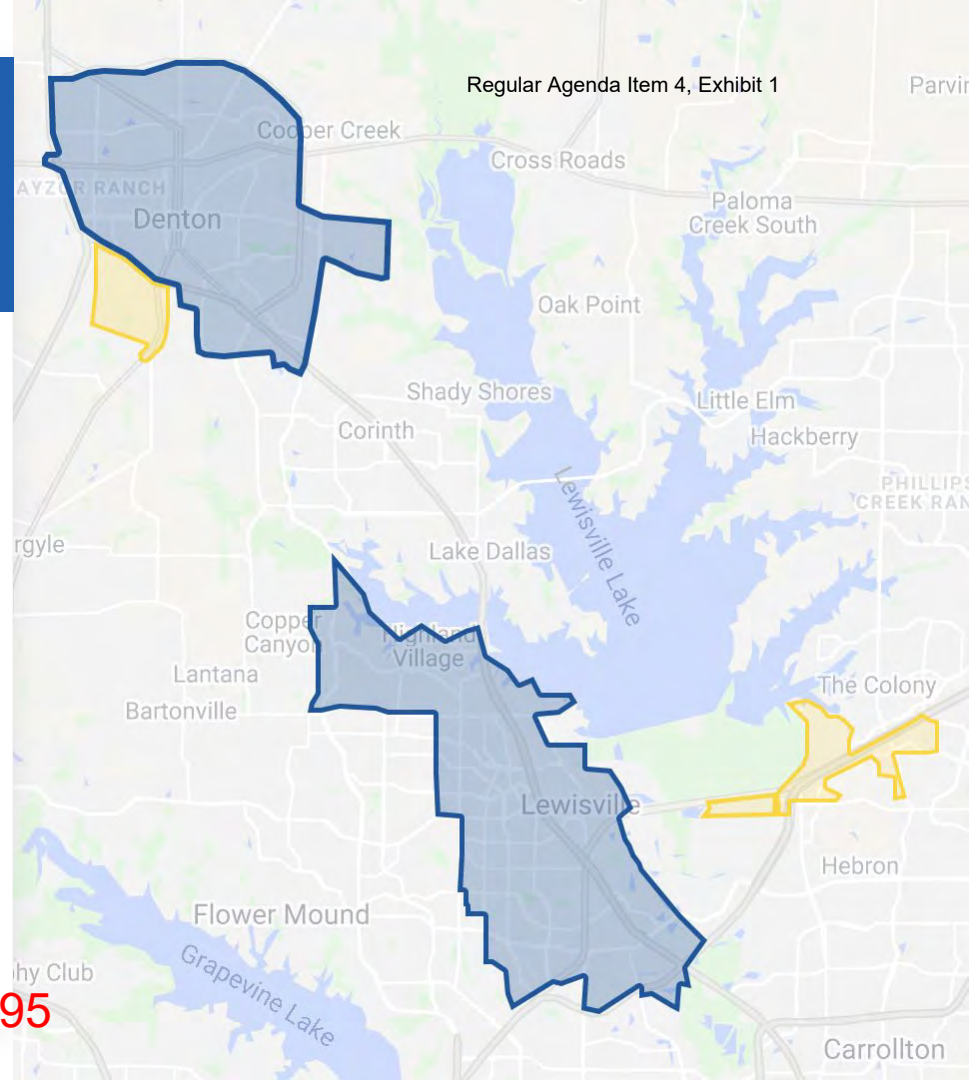
## Sunday & Holiday Service

### Service Description

- Sunday and holiday service, 8am-6pm
- Assumes 10 holidays per year

	Year 1
Vehicles	15
Vehicle Hours	9,300
Cost (Singular Fleet)	\$381K

195







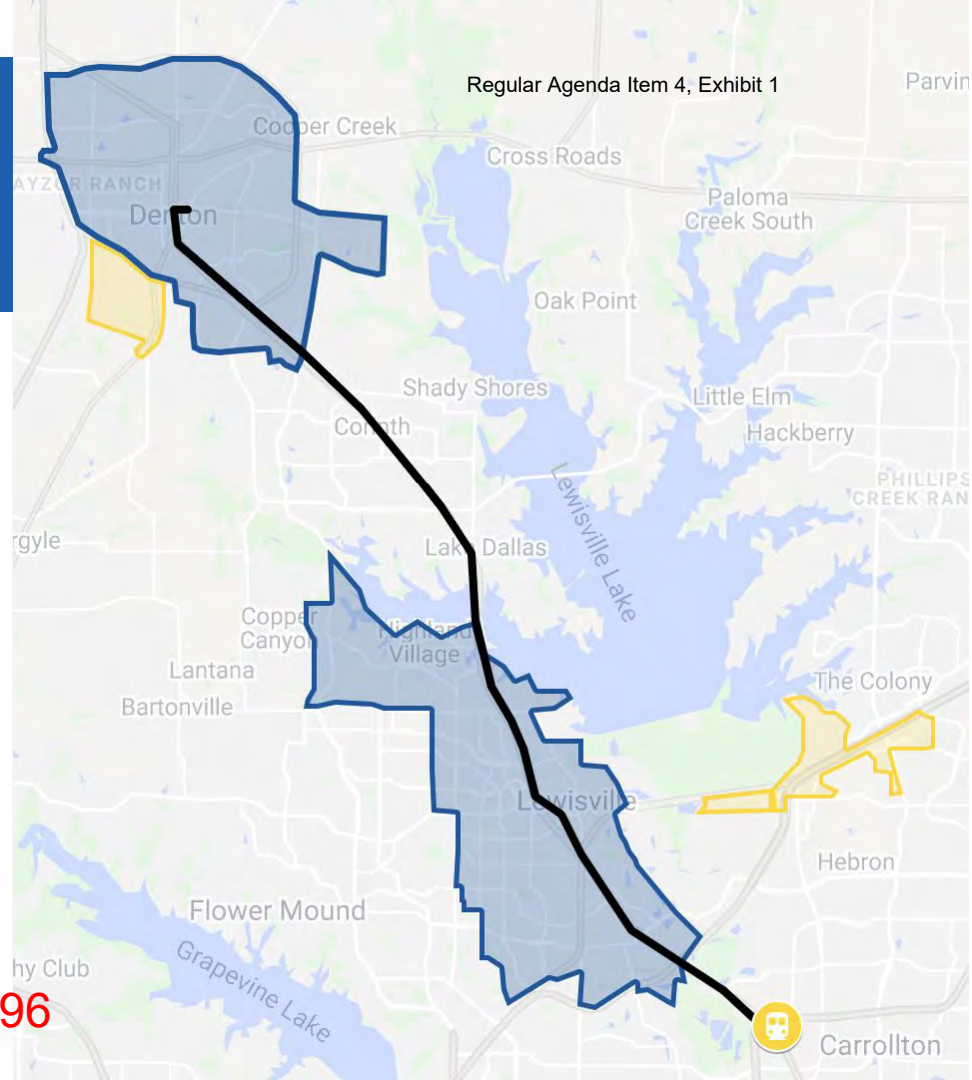
## Sunday A-Train Replacement

### Service Description

- Sundays, between 8am-6pm
- Rides cannot be booked to/from outside of the blue/yellow zones.
- Note: Add on price only applicable if included with regular Sunday service

	Year 1
Vehicles	3
Vehicle Hours	1,860
Cost (Singular Fleet)	\$76K

196



Regular Agenda Item 4, Exhibit 1



## Saturday Service Hours Extension

### Service Description

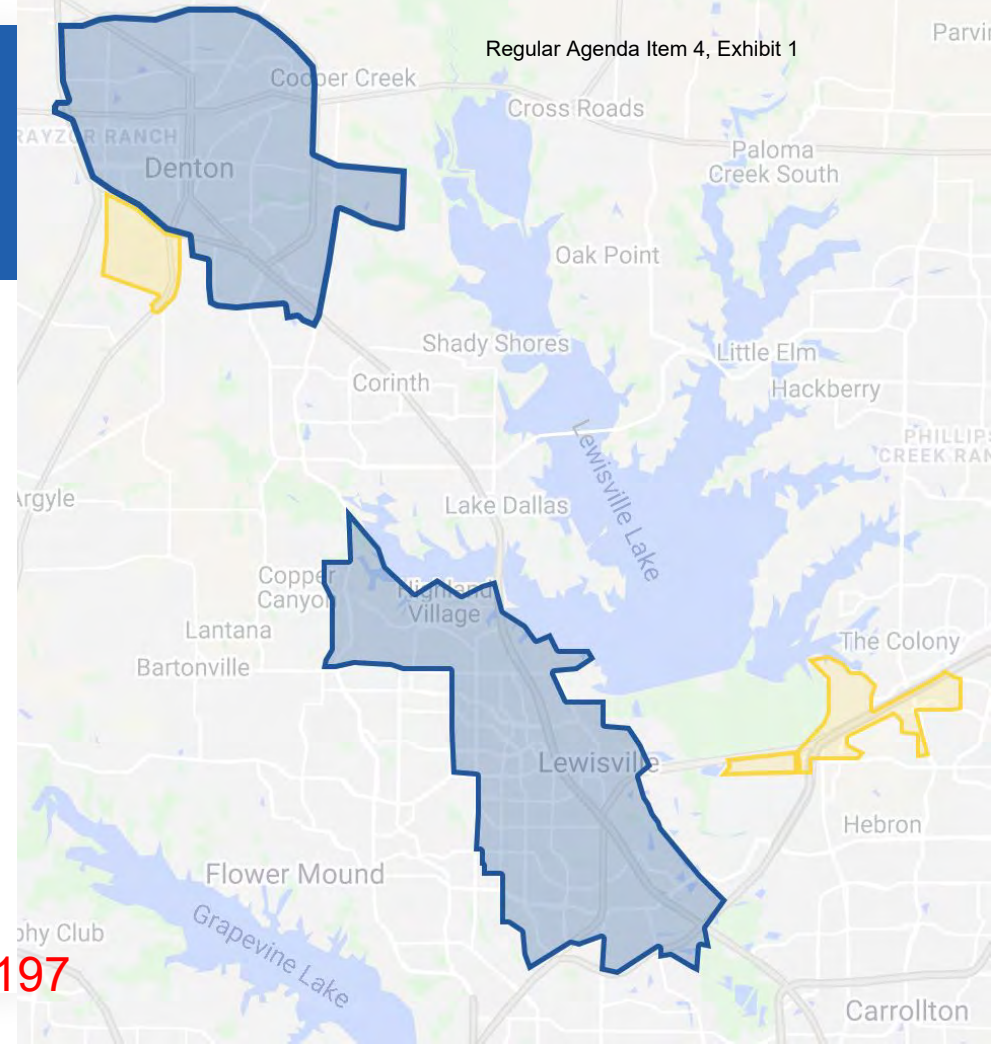
- Additional 3 hours, extending service hours to 11pm (instead of 8pm)
- Rides must begin and end in the same zone (i.e. Denton<>Denton or Lewisville/HV<>Lewisville/HV)

#### Year 1

<b>Vehicles</b>	10
<b>Vehicle Hours</b>	1,560
<b>Cost (Singular Fleet)</b>	<b>\$64K</b>

197

Regular Agenda Item 4, Exhibit 1







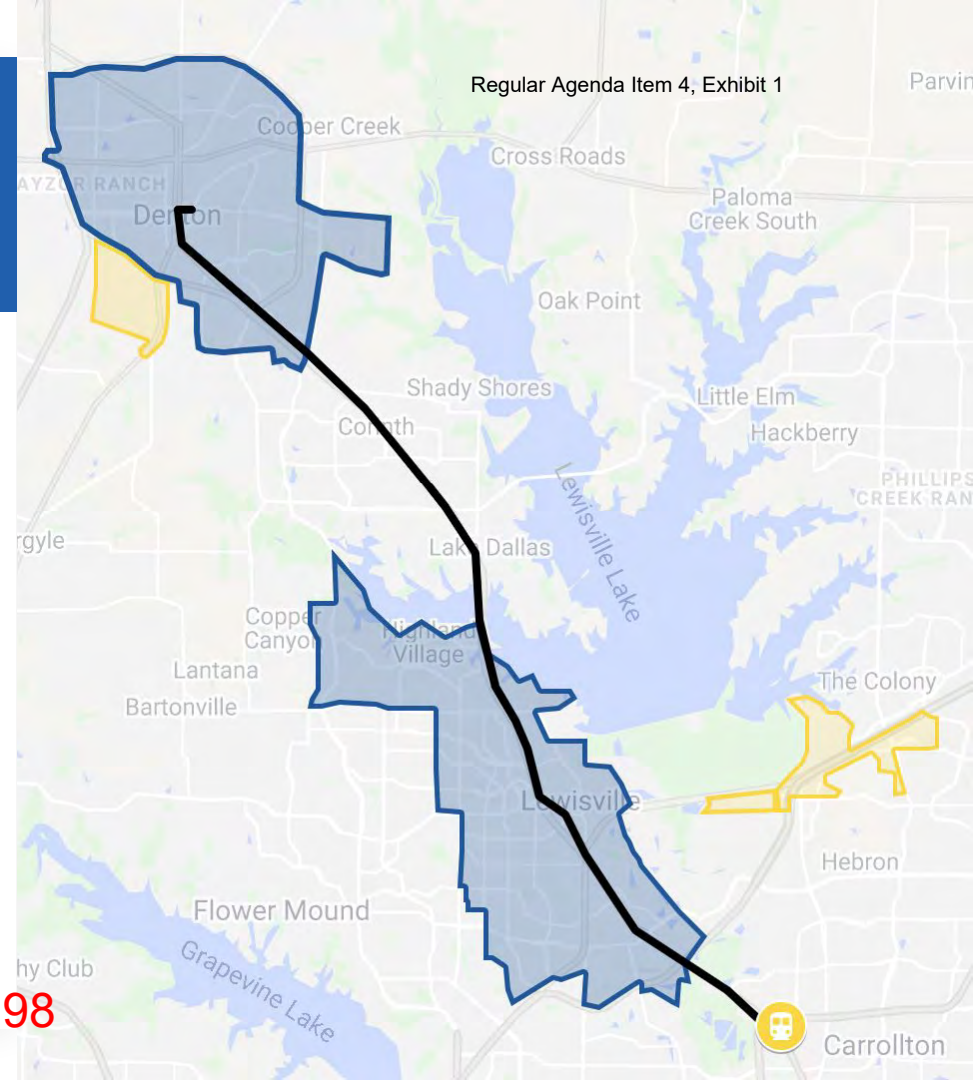
## Service To/From Trinity Mills Station

### Service Description

- Additional 3 hours of service each night (to begin at the end of regular operating hours), providing last-mile ride from Trinity mills station only.
- Monday - Saturday
- Rides must originate at Trinity mills station, and can be dropped off anywhere within the blue/yellow zones.

	Year 1
Vehicles	3
Vehicle Hours	2,750
Cost (Singular Fleet)	\$112K

198



Regular Agenda Item 4, Exhibit 1

# Phase II: Add Ons



## Castle Hills Zone Expansion

### Service Description

- Island service to Castle Hills
- Hours of operation in line with Denton/Lewisville
- Rides can be booked intra-zone or to/from Lewisville/HV zone

#### Year 1

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<b>Vehicles</b>	1 extra
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<b>Vehicle Hours</b>	4,874
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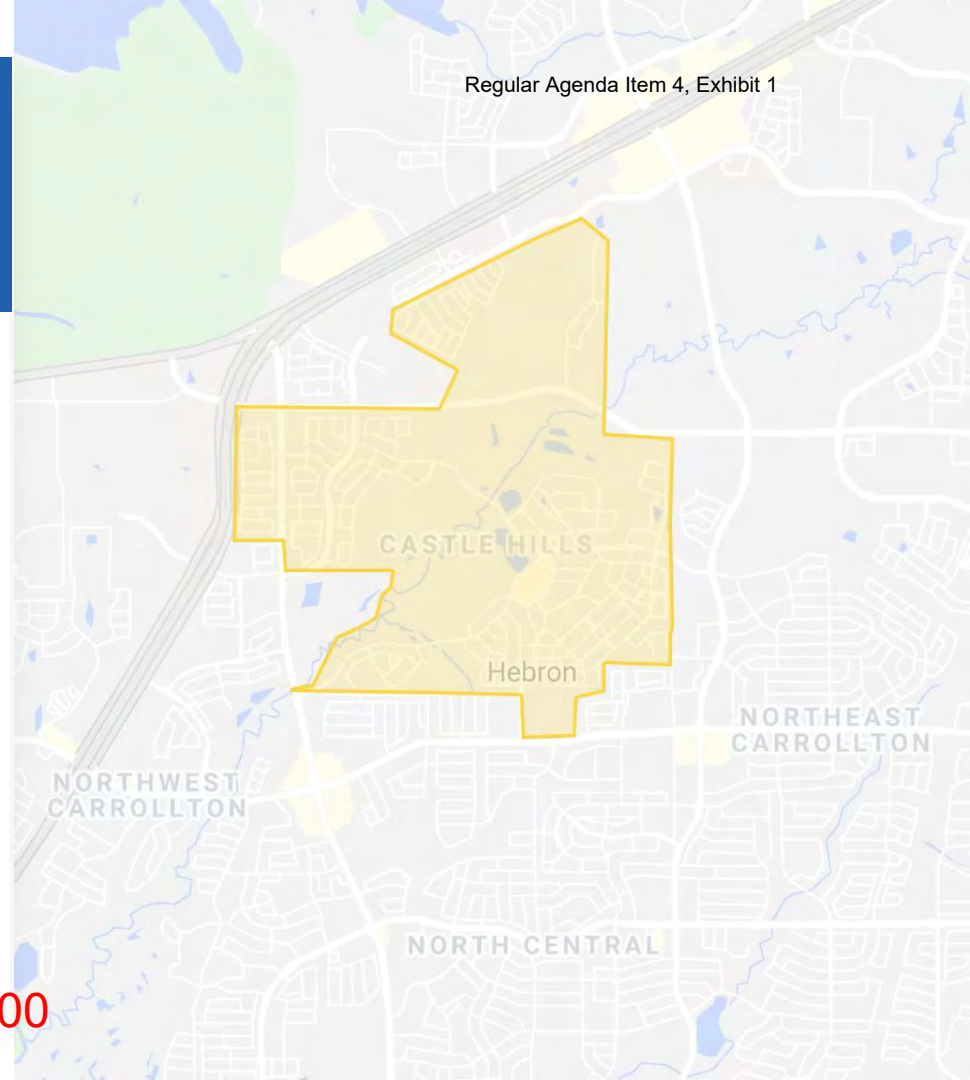
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<b>Cost (Singular Fleet)</b>	<b>\$200K</b>
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200

Regular Agenda Item 4, Exhibit 1





# Weekday Late-Night Service Hours Extension

## Service Description

- Additional 3 hours of service each night
- Monday - Thurs
- Rides must begin and end in the same zone (i.e. Denton<>Denton or Lewisville/HV<>Lewisville/HV)

	Year 1
Vehicles	8
Vehicle Hours	5,000
Cost (Singular Fleet)	\$205K



8-10

Access  
vehicles

**Service Description**

- Paratransit service, door-to-door rides
- Hours and ride restrictions in line with base scenario
- Note that the per vehicle hour fee for Access is higher than the other scenarios at \$40 due to more intensive support needs for Access customers. WAV retrofits would be an additional charge.

**Year 1**

<b>Vehicles</b>	8-10 extra
<b>Vehicle Hours</b>	15,500 - 25,000
<b>Cost</b>	<b>\$1M</b>

Including high estimate for purpose of task order. Additional analysis will be completed to further refine costs.

**Additional data on Access trip volumes will help determine exact cost of service.**

# Pricing Summary

## Base + Add-Ons

Singular Fleet (No DCTA-Provided Cutaways)

Option	Incremental Annual Cost (Recurring)
<i>Phase One: Base</i>	
Base Service (Full Avis Fleet)	\$4,068,910
<i>Phase One: Add-Ons</i>	
Incremental Up Front Hard Costs	\$238,000*
Sunday Service	\$381,858
Saturday Service Hours Extension	\$64,054
Denia Zone	\$256,625
Highland Village Hours Extension	-
Business 121 North Zone Expansion	\$200,126
Frankford Station (DART) to the Lewisville/HV Zone (Option 2)	\$174,505
Sunday A-Train Replacement	\$76,372
Trinity Mills	\$112,915
<i>Phase Two: Add-Ons</i>	
Castle Hills Zone Expansion	\$200,126
Late-Night Service Hours Extension	\$205,300
Access	\$1,000,000
<i>Total Year 1</i>	
<b>Not-To-Exceed Amount: Year 1</b>	<b>\$6,978,791</b>

204

\*One-time costs in Y1 to retrofit vehicles and bike racks on all vehicles



# Pricing Summary

## Base + Add-Ons

Four Year Projection

## Singular Fleet

Regular Agenda Item 4, Exhibit 1

	<b>Base Scenario</b>	<i>Maximum: All Add-Ons</i>	<i>Total Year 1</i>	<i>Total Year 2</i>	<i>Total Year 3</i>	<i>Total Year 4</i>	<i>Total All 4 Years</i>
Total Cost	\$4,068,910	\$2,909,881	\$6,978,791	\$8,679,300	\$8,843,100	\$9,019,500	\$33,520,691
o/w Upfront Cost	\$238,000		\$10,500	\$0	\$0	\$0	\$248,500
Total Annual Vehicle Hours	99,097	65,072	164,169	210,000	210,000	210,000	794,169
Price/Vehicle Hour (Excluding Upfront Cost)	\$41.06	\$41.06	\$41.06	\$41.28	\$42.11	\$42.95	\$41.90
Memo: Ridership Potential	280k-470k	190k-315k	470k-785k	750k-1,100k	770k-1,120k	790k-1,140k	2,780k-4,145k

**Thank you.**



**Denton County Transportation Authority**  
**Task Order No. 1**

Task Number:	1 (one)	Project ID:	Grant #:
Contractor:	River North Transit LLC (VIA)		
Description:	On-Demand Service in Member Cities and Contract Cities		
DCTA Account Code: (Contract to be Billed Under)		Approved Budget Yes <input type="checkbox"/> ~ No <input type="checkbox"/>	
Project Lead	Sarah Hultquist, Mobility Services Specialist Nicole Recker, VP of Mobility Services & Admin		
Cost Estimate	\$33,520,691		
Not to Exceed Budget	\$33,520,691		
<p>Plan, develop and implement services as outlined in Via's updated Proposal #4 and authorized by the DCTA Board of Directors on April 7, 2021.</p> <p>Per DCTA board direction (April 22, 2021), signatures on Task Order #1 will serve as an official notice to proceed for Phase I Base Service only (as defined by Updated Proposal #4). Board authorization and respective written notification will be required for any and all future add-ons and phases.</p>			
DCTA General Counsel: <i>Approved as to form only</i>	DocuSigned by: <i>Joe Gorfida</i>	Date	
Manager of River North:	DocuSigned by: <i>Alex Lavoie</i>	Date	
DCTA Vice President of Mobility Services & Admin:	DocuSigned by: <i>Nicole Recker Crim</i>	Date	6/2/2021
DCTA CEO:	DocuSigned by: <i>Raymond Suarez</i>	Date	6/2/2021

## Section 1: Purpose and Scope of Work

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By this Task Order (the “**Order**”), River North Transit LLC (“**River North**”), a wholly owned subsidiary of Via Transportation, Inc. (“**Via**”) and Denton County Transportation Authority (“**Customer**”) agree to collaborate towards the initiation of Customer’s demand response transit service in Denton, Lewisville, and Highland Village, TX (as agreed upon by the parties during the planning and design stages of the Service).

In accordance with the Agreement for Mobility Services between the parties, dated June 11, 2019 (the “**Agreement**”), River North will provide Customer with technology and technology- enabled integration services (the “**Services**”), acting as a broker coordinating the services of third party service providers to effectuate the on-demand transit service (the “**Service**”). River North will contract with third party service providers to effectuate such integration, including with fleet managers, vehicle suppliers, driver partners, background check providers, customer service support agencies, a payment processor and insurance brokers and underwriters. River North’s Services will include:

- Localization of a proprietary cloud-based dynamic vehicle routing and real-time passenger aggregation system;
- Support with service planning including scoping new zones, expansions, etc.
- Access to the Via mobile rider application (iOS and Android) for individuals using the Customer’s service (“**Riders**”) to book and pay for rides through a smartphone;
- Access to a backend dashboard for booking rides on behalf of riders who do not have access to a smartphone;
- Access to the Via mobile driver application for drivers to route and service rides through a smartphone or tablet;
- Establish relationship with vehicle rental company (“**Vehicle Partner**”) to provide access to vehicles on a rental basis to independent contractor driver partners (“**Driver Partners**”) who shall provide transportation services;
- Accompanying technical and operational support service;
- Marketing and outreach initiatives as described herein;
- Data sharing and reporting as described herein.

## Section 2: Hierarchy of Documents

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Conflicts between this Task Order and any other terms and conditions or written agreements between the parties shall be resolved in the order of the documents listed below:

- (1) Task Order No. 1 and all appendices thereto;
- (2) Via’s Updated Proposal No. 4;
- (3) Via’s Proposal No. 2;
- (4) Agreement for Mobility Service between Customer and River North dated June 13, 2019; and

- (5) River North's Original Response to DCTA Solicitation 19-05 "Mobility as a Service".

### Section 3: Duration & Launch Date

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The duration of the Service shall last for a period of two (2) years following the launch date (the "**Initial Term**"), subject to extension by mutual agreement of the parties on terms to be agreed (including any increase in monthly fees for additional months). Thereafter, DCTA shall have the option to extend the Term of this Agreement for two (2) additional one (1) year terms (each a "**Renewal Term**") by providing written notice to River North thirty (30) days prior to the expiration of the Initial or Renewal Term.

The Customer will provide written notice to proceed to River North at least 12 weeks prior to service launch. For the avoidance of doubt, notice to proceed can only be written by Customer once the contract and appendices are final and signed, and any necessary local and regulatory approvals have been received or registrations completed.

For Phase I (Base Service + Add-Ons), the signed Task Order will serve as appropriate written notification for Phase 1 Base Service only. Additional written notification will be required for any and all future Add-Ons and phases.

Upon receipt of such written notice to proceed, River North will commence local preparation for launch ("**Launch Preparation Period**"). Service operation for Phase I and Phase I Add-ons will begin on a mutually agreeable date, no earlier than September 7, 2021, unless River North and the Customer define an alternative mutually agreeable date in writing ("**Launch Date**").

#### Timing for Task Order 1 includes:

- Implementation Phase: April 23, 2021 – September 6, 2021; requires a minimum of 15 weeks for Phase I Base Service.
  - o Secure drivers and leases
  - o Wrap vehicles
  - o Outfit vehicles with wheelchair accessibility and bike racks
  - o Complete the app development and white labeling – including all payment functions on the backend (i.e. onboard cash collection, etc.)
  - o GoPass integration workshop and potential integration (may take longer than the minimum 15 weeks)
  - o Conduct beta testing of services prior to launch
- Service Deployment:
  - o First two years – September 7, 2021 – September 6, 2023
    - Phase I Launch – September 7, 2021
      - To include the base service as described in the updated Proposal #4 (dated April 22, 2022) and any Phase I Add-ons approved by the DCTA board of directors prior to the Phase I launch date
      - The approval of Phase I Add-ons must occur in parallel with the Base Service, or an additional four (4) weeks will be required to retrofit vehicles
    - Phase IIA Launch – Early 2022

- To include Access service and the Castle Hills zone
- Phase IIB Launch – Summer 2022
  - To include increased weekday hours (based on ridership justification)
- Two one-year options – September 7, 2023 – September 6, 2025

#### Section 4: Fee Structure

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All costs below are based on not-to-exceed costs only and a singular fleet model provided by River North.

- Implementation Phase: April 23, 2021 – September 6, 2021
- Service Deployment:
  - First two years – September 7, 2021 – September 6, 2023
  - Two one-year options – September 7, 2023 – September 6, 2025

All costs below are based on Via's updated Proposal #4 presented to the DCTA Board of Directors on April 22, 2021. All costs are based on a singular fleet model (provided by Via) and presented as not-to-exceed.

All costs outlined within the Task Order are subject to funding availability, compliance with federal requirements, board approval and a written notice to proceed. DCTA reserves the right to adjust service hours and delivery, as needed, subject to reasonable expenses.

DCTA will be billed for the fees as described below. Driver hours will be billed as incurred and for services used at the end of each month.

Customer shall pay the following fees to Via:

##### Fixed (Upfront) Costs

DCTA shall pay to River North a non-refundable installation fee of \$128,000 (for base service retrofits), payable to Via upon completion of the approved retrofits of Avis vehicles.

Phase I Retrofits and Vehicle Wraps <ul style="list-style-type: none"> <li>• Base Service – 25 Vehicles</li> <li>• Phase I Add-Ons – 5 Vehicles</li> </ul>	<ul style="list-style-type: none"> <li>• Base service - \$128,000</li> <li>• Phase I Add-Ons - \$25,600</li> </ul>
Phase I Bike Racks <ul style="list-style-type: none"> <li>• Base Service – 25 Vehicles</li> <li>• Phase I Add-Ons – 5 Vehicles</li> </ul>	<ul style="list-style-type: none"> <li>• Base Service - \$37,500</li> <li>• Phase I Add-Ons - \$7,500</li> </ul>

Should DCTA choose to add vehicles to the launch fleet, or the fleet overall post launch, Via charges a \$1,500 fee per bike rack. All costs would be invoiced by River North upon installation of the bike rack.

Should DCTA choose to add vehicles to the launch fleet, or the fleet overall post launch, Via charges an \$11,000 fee per retrofitted vehicle. All costs would be invoiced by River North upon retrofit of the vehicle.



Ongoing Invoice Fees

DCTA shall pay the following fees to be invoiced monthly by Via, starting upon launch of the Service:

- \$41.06 per vehicle hour during Year 1
- \$41.28 per vehicle hour during Year 2
- \$42.11 per vehicle hour during Year 3
- \$42.95 per vehicle hour during Year 4

Via will invoice DCTA on or before the 5th business day of each month for vehicle hours incurred in the prior month.

Should changes in applicable federal, state or local law result in a significant change in Via's costs, Via or Customer may opt to renegotiate the ongoing vehicle hour fees, pending Customer Board approval.

River North's total liability under this Task Order shall be limited to direct damages in the amount of ten million dollars (\$10,000,000). However, this limitation of total liability shall not preclude DCTA from claiming any insurance placed or provided pursuant to the Agreement for Mobility Services up to the full amount payable under such insurance.

4-Year Not-to-Exceed Cost Model

Service	Timeframe	Two-Year Base Contract Term (9/7/21 - 9/6/23)					
		Year 1			Year 2		
		Cost / Vehicle Hour	Max. No. of Vehicle Hours	Total Cost	Cost / Vehicle Hour	Max. No. of Vehicle Hours	Total Cost
Implementation Phase	April 23, 2021 – September 6, 2021	n/a	n/a	\$0	n/a	n/a	\$0
Up Front Hard Costs	Retrofits & vehicle wraps	n/a	n/a	\$128,000	n/a	n/a	\$0
	Bike Racks for Every Vehicle in Singular Fleet (\$1,500/vehicle) <i>Estimated at 29 vehicles</i>	n/a	n/a	\$43,500	n/a	n/a	\$10,500
	Option: Additional Retrofits from Expansions	n/a	n/a	\$11,000	n/a	n/a	\$0
	Option: Additional Bike Racks from	n/a	n/a	\$22,500	n/a	n/a	\$0

	Expansions & Access <i>Estimated at 14 vehicles (10 Access, 4 from other potential expansions)</i>						
	Access Retrofits	n/a	n/a	\$33,000	n/a	n/a	\$0
Base Service (Monday – Saturday)	Phase I Launch – September 7, 2021 25 vehicles <i>Hours estimate includes cost for starting service at 5 a.m. M-F in all years</i>	\$41.06	99,097	\$4,068,910	\$41.28	133,535	\$5,512,341
Sunday and Holiday Service	Phase I Launch – September 7, 2021	\$41.06	9,300	\$381,858	\$41.28	11,902	\$491,315
Saturday Service Hours Extension	Phase I Launch – September 7, 2021	\$41.06	1,560	\$64,054	\$41.28	1,996	\$82,395
Denia Neighborhood Expansion	Phase I Launch – September 7, 2021 1 extra vehicle	\$41.06	6,250	\$256,625	\$41.28	7,999	\$330,199
Business 121 North Zone Expansion	Phase I Launch – September 7, 2021 1 extra vehicle	\$41.06	4,874	\$200,126	\$41.28	6,238	\$257,505
Frankford Station (DART) to the Lewisville/HV Zone	Phase I Launch – September 7, 2021 1 extra vehicle	\$41.06	4,250	\$174,505	\$41.28	5,439	\$224,522
Sunday A-train Replacement	Phase I Launch – September 7, 2021	\$41.06	1,860	\$76,372	\$41.28	2,380	\$98,246
Service To/From Trinity Mills Station ("Guaranteed Ride Home")	Phase I Launch – September 7, 2021	\$41.06	2,750	\$112,915	\$41.28	3,519	\$145,264
Castle Hills Zone Expansion	Phase 2A Launch – Estimated for January / February 2022 1 extra vehicle <i>Via is currently modifying this</i>	\$41.06	4,874	\$200,126	\$41.28	6,238	\$257,505

	<i>zone but does not anticipate the modification requiring any additional vehicles</i>						
Access Service	Phase 2A Launch – Estimated for January / February 2022 8-10 extra vehicles <i>DCTA and Via still need to discuss and analyze date to provide an accurate not-to-exceed amount</i>	TBD	TBD	\$1,000,000	TBD	TBD	\$1,005,358
Weekday Late-Night Service Hours Extension	Phase 2B Launch – Estimated for Summer 2022	\$41.06	5,000	\$205,300	\$41.28	6,399	\$264,151
<b>Total Not-to-Exceed Amount</b>			<b>139,814</b> <i>Access Vehicle Hours TBD and not included in total</i>	<b>\$6,978,791</b>		<b>185,645</b> <i>Access Vehicle Hours TBD and not included in total</i>	<b>\$8,679,300</b>
<b>Total Not-to-Exceed Amount: Two-Year Base Term</b>	<b>\$15,658,091</b>						

Service	Timeframe	Two-Year Option Period (9/7/23 - 9/6/25)					
		Option Year 1			Option Year 2		
		Cost / Vehicle Hour	Max. No. of Vehicle Hours	Total Cost	Cost / Vehicle Hour	Max. No. of Vehicle Hours	Total Cost
Implementation Phase	April 23, 2021 – September 6, 2021	n/a	n/a	\$0	n/a	n/a	\$0
Up Front Hard Costs	Retrofits & vehicle wraps	n/a	n/a	\$0	n/a	n/a	\$0
	Bike Racks for Every Vehicle in Singular Fleet (\$1,500/vehicle)	n/a	n/a	\$0	n/a	n/a	\$0

	<i>Estimated at 29 vehicles</i>						
	Access Retrofits	n/a	n/a	\$0	n/a	n/a	\$0
Base Service (Monday – Saturday)	Phase I Launch – September 7, 2021 25 vehicles <i>Hours estimate includes cost for starting service at 5 a.m. M-F in all years</i>	\$42.11	133,535	\$5,623,176	\$42.95	133,535	\$5,735,345
Sunday and Holiday Service	Phase I Launch – September 7, 2021	\$42.11	11,902	\$501,193	\$42.95	11,902	\$511,191
Saturday Service Hours Extension	Phase I Launch – September 7, 2021	\$42.11	1,996	\$84,052	\$42.95	1,996	\$85,728
Denia Neighborhood Expansion	Phase I Launch – September 7, 2021 1 extra vehicle	\$42.11	7,999	\$336,838	\$42.95	7,999	\$343,557
Business 121 North Zone Expansion	Phase I Launch – September 7, 2021 1 extra vehicle	\$42.11	6,238	\$262,682	\$42.95	6,238	\$267,922
Frankford Station (DART) to the Lewisville/HV Zone	Phase I Launch – September 7, 2021 1 extra vehicle	\$42.11	5,439	\$229,036	\$42.95	5,439	\$233,605
Sunday A-train Replacement	Phase I Launch – September 7, 2021	\$42.11	2,380	\$100,222	\$42.95	2,380	\$102,221
Service To/From Trinity Mills Station ("Guaranteed Ride Home")	Phase I Launch – September 7, 2021	\$42.11	3,519	\$148,185	\$42.95	3,519	\$151,141
Castle Hills Zone Expansion	Phase 2A Launch – Estimated for January / February 2022 1 extra vehicle <i>Via is currently modifying this zone but does not anticipate the modification requiring any</i>	\$42.11	6,238	\$262,682	\$42.95	6,238	\$267,922

	<i>additional vehicles</i>						
Access Service	Phase 2A Launch – Estimated for January / February 2022 8-10 extra vehicles <i>DCTA and Via still need to discuss and analyze date to provide an accurate not-to-exceed amount</i>	\$42.11	TBD	\$1,025,572	\$42.95	TBD	\$1,046,030
Weekday Late-Night Service Hours Extension	Phase 2B Launch – Estimated for Summer 2022	\$42.11	6,399	\$269,462	\$42.95	6,399	\$274,837
<b>Total Not-to-Exceed Amount</b>			<b>185,645</b> <i>Access Vehicle Hours TBD and not included in total</i>	<b>\$8,843,100</b>		<b>185,645</b> <i>Access Vehicle Hours TBD and not included in total</i>	<b>\$9,019,500</b>
<b>Total Not-to-Exceed Amount: Two-Year Option Period</b>	<b>\$17,862,600</b>						

## Section 5: Service Parameters

River North will provide access to a platform service (the “**Platform**”) through which Riders will be able to book and pay for rides on a shared and on-demand basis; and dedicated vehicles will be offered by the Vehicle Provider to Driver Partners on a rental basis.

- **Geographic Coverage Zone:** 3 Core Zones
  - Denton: Approximately 25 square miles coverage zone
  - Lewisville/Highland Village: Approximately 27 square miles coverage zone
  - Business 121/Castle Hills: Approximately 7 square miles coverage zone (once Castle Hills is annexed, it will be one contiguous zone).
- **Phase I Service Days/Hours:**
  - Monday – Thursday
    - 5 a.m. – 10 p.m. (regular service)

- 10 p.m. – 1 a.m. (Trinity Mills)
  - Friday:
    - 5 a.m. – 11 p.m. (regular service)
    - 11 p.m. – 2 a.m. (Trinity Mills)
  - Saturday:
    - 8 a.m. – 11 p.m. (regular service)
    - 11 p.m. – 2 a.m. (Trinity Mills)
  - Sundays and Holidays (up to 10 days): 8 a.m. – 6 p.m.
- **Phase II Service Days/Hours:**
  - Monday - Thursday:
    - 5 a.m. – 1 a.m. (Regular Service including Trinity Mills from 10 p.m. – 1 a.m.)
  - Friday:
    - 5 a.m. – 11 p.m. (regular service)
    - 11 p.m. – 2 a.m. (Trinity Mills)
  - Saturday:
    - 8 a.m. – 11 p.m. (regular service)
    - 11 p.m. – 2 a.m. (Trinity Mills)
  - Sundays and Holidays (up to 10 days): 8 a.m. – 6 p.m.
- **Rider Fare:** Rider fare will be determined by mutual agreement between Customer and River North.
- **Payment:** River North will ensure acceptance of Rider payment through the app via credit cards and pre-paid debit cards, online, GoPass, ticket outlets, and will work to discuss additional options for the unbanked.
- **Vehicle Fleet:** The Vehicle Provider will offer a fleet of up to 30 branded, licensed and insured vehicles, including 9 Wheelchair Accessible Vehicles (WAV) to be made available to independent contractor Driver Partners, who will be able to gain access to these vehicles after being registered onto the Platform. River North has the flexibility to allow Driver Partners to drive their own personal vehicles. While River North does not intend to use this option, if the branded vehicle fleet is not sufficient to meet drastic spikes in demand (weather, special event, etc.), this is an option available to the Customer. The Vehicle Provider will ensure that the vehicles are properly maintained and further ensure both interior and exterior cleanliness.
- **Wait Times:** Phase I will be delivered with an average wait time of 10- 15 minutes.
- **Access:** ADA Paratransit service parameters will be mutually agreed upon by River North and Customer. River North and Customer will work collaboratively to refine the plan as needed.
- **Parking:** Customer shall identify and make available a depot or parking lot with ample overnight parking for the dedicated fleet. The depot/lot must be in a safe and lighted area inside the boundaries of the service zone

River North will ensure the execution of the necessary registrations and licensing to perform the Services, with the cooperation and assistance of the Customer. Such registrations and licenses are provided at no cost to the Customer.

## **Section 6: Project Team & Governance**

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River North will be responsible for the integration of all relevant elements of the Service on a continuous basis during the course of the service and will designate a project manager for this purpose (the “River North Project Manager”) who will lead River North’s Project Team. Customer will designate a project manager to be the primary point of contact with River North throughout the duration of the Service (the “Customer Project Manager”). The River North Project Manager will be in regular contact with the Customer Project Manager through informal and scheduled project meetings.

The River North Project Manager will be empowered to enact day-to-day decisions related to the Services and will serve as the primary point of contact with the Customer Project Manager on an ongoing basis. The River North Project Manager will appoint members to the Project Team to assist in the integration of the various elements of the Service, to include personnel with expertise in service scoping, independent contractor driver outreach and registration to the Platform, fleet maintenance procurement, marketing, and data analytics. For the avoidance of doubt, the River North Project Manager will have no power to serve notice or amend the Agreement, or this Order.

Leading up to the launch of, and during the course of the Service, River North’s Project Team, led by the River North Project Manager, will liaise with the Customer Project Manager over the key deliverables of this Order and to endeavor to maximize ongoing service optimization.

## **Section 7: Driver Partner Registration & Supply Management**

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River North will source Driver Partners to provide transportation services to Customer through the Platform. River North will engage in a good faith effort to register Denton County residents as Driver Partners.

River North will ensure that Driver Partners have appropriate insurance and qualifications required for the type of vehicles and services being operated. As part of Driver Partner registration for access to the Platform, all Driver Partners will be introduced to River North with the following areas covered: familiarization with the service areas; hours of service; Customer’s expectations; use of the Driver App; and reporting incidents and delays in service.

River North will be responsible for ensuring that there is adequate driver supply for each service zone within designated hours to meet demand with optimal quality of service, given constraints.

## **Section 8: Rider and Driver Partner Support**

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Customer will ensure the provision of customer service and support Riders on issues that arise in connection with use of the Platform. Customer will also support all phone bookings for the service when Riders want to book by calling in.



Following each ride, the Rider will be prompted to submit a ride rating with feedback in the app. If an issue arises for a Rider before, during, or after a ride, the Rider will be able to reach customer support staff by phone, or by submitting an email ticket, which will be replied to promptly by such customer support staff.

## **Section 9: Marketing, Promotions & Press**

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River North shall work closely with Customer to determine a unified marketing and promotional program that increases community awareness of the service and maximizes its success.

The Service, including the rider app will be co-branded as “powered by Via”. The “powered by Via” banner must be used only in the exact format provided by Via, and will be prominent on all assets promoting the Service, including (but not limited to) printed collateral, digital materials, websites, and any vehicle wraps. The “powered by Via” banner will have equal prominence on all marketing materials to any additional partner logos or trademarks. Via may provide pre-approved brand assets and guidelines that must be complied with in all marketing communications distributed by the Customer.

All Customer-developed content that pertains to Via’s brand, technology, and operations must be reviewed and approved in writing (i.e. email) by River North before distribution. Via will coordinate with the Customer to determine the appropriate process and approvals required.

River North will work collaboratively to support Customer’s marketing strategy for the Service, potentially including the following activities and tactics:

- Development of marketing and communications plans to guide the overall strategy and tactics to drive Rider awareness, acquisition, and growth
- Design key marketing collateral (print and digital)
- Design vehicle branding/graphics in coordination with the Customer
- Create virality by providing an intuitive and frictionless referral program with customizable incentive structures that creates opportunities for Riders to become the service’s biggest ambassadors
- Develop street marketing programs to effectively drive hyper-local awareness of the service
- Manage digital marketing campaigns to build awareness and drive service adoption
- Propose and implement in-app promotional programs to drive Rider activation, retention and growth
- Implement community outreach plan by meeting with key organizations and community members to educate, build awareness, and garner support for the service

The Customer shall coordinate with River North at least four (4) weeks before the launch of the service. For the avoidance of doubt, River North will have the flexibility to execute similar marketing initiatives

as the Customer at its own expense. In such cases, River North will coordinate with the Customer in advance.

### **Section 10: Data Sharing & Reporting**

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River North will share data from the Service as set forth in Appendix 2.

The Service Data shall be made available in formatted numerical and graphical reports.

For the avoidance of doubt, the information above constitutes proprietary trade secrets of River North and Via, and shall be treated as confidential information and accessed only by those individuals that have a need to know for the purposes of receiving the services under this Task Order.

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**Appendix 1****Authorized Users - Contract**

The below appendix sets forth the members of the Customer's "Core Team" who are designated authorized users of the Via Solution and Service Data. Any usage beyond the members of the Core Team would be in violation of the confidentiality provisions in the Terms. Members of the Core Team can be altered through a formal request to Via.

<b>Core Team</b>	
<b><i>Title</i></b>	<b><i>Name</i></b>
Vice President, Mobility Services and Administration	Nicole Recker
Deputy Chief Executive Officer	Kristina Holcomb
Chief Financial Officer	Marisa Perry
Mobility Service Specialist	Sarah Hultquist (Ault)
Senior Director of Mobility Services	Troy Raley
Manager of Bus Administration	Rusty Comer
Senior Manager of Marketing and Communications	Adrienne Hamilton
Controller	Amber Karkauskas
Data Analyst	Ashley Jensen

## Appendix 2

### Data Sharing Plan

As part of the Service, Via will make below data available to members of the Customer's Core Team, for the purpose of research and program evaluation. The data to be shared will be uploaded to a Tableau server and protected by Via's VPN. Each of the individuals listed as members of the Core Team will be provided their own Tableau and VPN credentials. Access to the Tableau server will be available through the VPN only and might require appropriate software to connect. Underlying data may not be shared through any other method. The data is considered trade secret by Via and is subject to the confidentiality and other protective provisions set forth in the Terms.

River North will work with Customer to scope all necessary operational and regulatory reports not listed below, all of which will be included in the Agreement.

To protect Via's intellectual property and the privacy of Riders, Via will provide the following data tables and dashboards in the form of aggregated Tableau reports that will be provided for Customer's access. These reports will be refreshed daily. The reports are aggregated, de-identified and do not include any personal information of Riders.

Section A: STANDARD REPORTING SET		
Dashboard	Data Point	Level of Detail
Rides Data <i>Key data for each completed ride</i>	rider ID	completed ride; hashed rider ID
	request origin lat/long	completed ride; truncated to 3rd decimal place
	pickup date + time	completed ride; truncated to minute
	request destination lat/long	completed ride; truncated to 3rd decimal place
	dropoff date + time	completed ride; truncated to minute
	number of Riders	completed ride
	ride distance (miles)	completed ride

	ride duration (minutes)	completed ride
	fare paid	completed ride
	WAV	completed ride
Quality of Service Trends <i>Summary of rides and quality of service</i>	completed rides	week
	avg. ride distance (miles)	week
	avg. ride duration (minutes)	week
	utilization	week
	active drivers	week
	driver hours	week
	ETA	week
	on-time pickup %	week
	completed ride %	week
	pickup request locations (by polygon)	week
	dropoff request locations (by polygon)	week
	top 5 pickup request intersections	week
	top 5 dropoff request intersections	week
Access <i>ADA Paratransit Service</i>	River North and Customer will agree to mutually acceptable additional reporting details for Access service at a later date.	

## Board of Directors Memo

September 23, 2021

SUBJECT: Review and Consider Approval of the City of Denton's Requested Reallocation of Project Transportation Reinvestment Program (TRiP) Amounts

### Recommendation

DCTA staff determines that all changes requested by the City of Denton continue to meet the minimum project eligibility requirements specified in Resolution R20-22 and support DCTA's Long-Range Service Plan goals. Therefore, staff recommends the Board of Directors approve the amendments as outlined and authorize the CEO to update and execute revised Reimbursement Agreements with the City of Denton.

### Background

TRiP provides financial assistance to DCTA member cities for transit-supportive projects consistent with and beneficial to DCTA's Long-Range Service Plan goals. The program aligns the DCTA mission of "improving mobility, air quality, economic development and livability" within the DCTA service area and Denton County at large.

On September 8, 2021, DCTA staff received a request from the City of Denton for several changes to the reimbursement agreements between the City and DCTA. The requested changes are inconsistent with the Board's June 27, 2021 approval and are summarized in the table below.

Item	June 24, 2021 Approval	Modified Grant Amount	Notes and Other Changes
City of Denton FY 2021 TRiP program allocation*	\$ 3,424,946	n.a.	Change language in Reimbursement Agreement to include "soft" project costs such as design, survey, project management, etc.
A-train to UNT Bike Path	\$ 1,626,865	n.a.	Change language in Reimbursement Agreement to include "soft" project costs such as design, survey, project management, etc.
Ginings & Alexander Elementary Sidewalks	\$ 505,861	n.a.	Change language in Reimbursement Agreement to include "soft" project costs such as design, survey, project management, etc.
Wilson & Pelican Creek Elementary Sidewalks	\$ 80,475	\$ 137,292	Reallocation of MedPark cost reduction
All-Walk Crosswalk Designs (4)	\$ 68,210	n.a.	
Bell Sidewalk Construction	\$ 88,946	\$ 98,357	Reallocation of MedPark cost reduction
Medpark Sidewalk Construction	\$ 147,640	\$ 81,412	Cost reduction due to design phase being complete
City of Denton FY 2021 TRiP program remaining balance	\$ 906,949	\$ 906,949	

\* Per Approved June 2021 Budget revision

S:\TRiP\FY21\Denton\[Denton Requested Changes for 092321 Board Meeting.xlsx]Sheet1

### Identified Need

Because the reallocation of funds for the projects listed differs from what was "approved as presented" in June, it is necessary to seek Board approval for such proposed changes.

### Financial Impact

The reallocation of TRiP grant awards between projects does not change the total amount awarded during the FY 2021 *Call for Projects* or change the City of Denton's remaining FY 2021 available TRiP program funds.



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

Submitted By: \_\_\_\_\_  
Tim Palermo, Planning & Data Analytics Manager

A handwritten signature in blue ink, appearing to read "Marisa Perry", is written over a horizontal line.

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



## Board of Directors Memo

September 23, 2021

SUBJECT: Review and Discuss Project Manager Office (PMO) Activities Related to Task Order #2 with Accenture, LLP

### Recommendation

This is a discussion item only. There is no recommendation at this time.

### Background

Effective February 1, 2021, Accenture began a 12-month engagement to deliver Agency Transformation Initiative Implementation Program Management Office (PMO) services. The Regular Agenda will feature a standing item to discuss progress of Transformation Roadmap Initiative implementation. Accenture's scope of work under Task Order #2 includes:

- Transformation Roadmap Initiatives Implementation
- Mobility Orchestration – Fare Management and Regional Touchless Fare Integration
- ERP Sourcing Strategy

### Prior Board Discussion

- January 28, 2021 – Board approved Task Order #2 with Accenture, LLP and associated budget amendment for Transformation Initiative PMO services. Accenture has provided an update on PMO activities at monthly Board meetings since March.

### Progress Report - Activities since July board update:

PMO activities continued in September to include additional PMO support for a successful GoZone service launch. Activities included support across DCTA departments. The Accenture team also maintained focus on progression of governance, service delivery and regional collaboration Transformation initiatives including: 1) Incorporated GoZone operational data into initial DCTA Performance Dashboard, and are meeting with DCTA management team to map out data ingestion and automation approaches; 2) Resumed ERP sourcing strategy workstream based on recent challenges with Central Square version upgrade; and, 3) Supporting opportunity to design Tech Operations capability given recent role openings in Operations and IT.

### Exhibits

Exhibit 1: Accenture PMO Status Report

Submitted By: Chris Newport  
Chris Newport, Accenture

# DCTA ACCENTURE PMO: STATUS REPORT

*Week Ending: 09/17/21*

# Program Status Dashboard

Week Ending: 08/20/21

DRAFT: For Internal Discussion Purposes Only

Regular Agenda 6, Exhibit 1



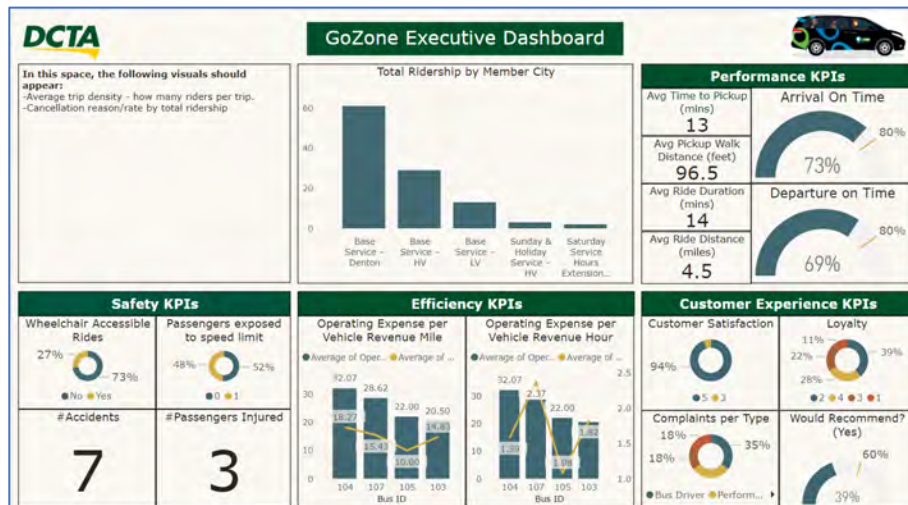
Legend : **N** Not Started **C** Complete **G** On Track **Y** At Risk **R** Behind/Overdue

Overall	Detailed – Task Order 2							Current Focus / Accomplishments	Risks/Issues/ Mitigations
	Revised Roadmap	GoZone Launch PMO	Board-Staff Operating Model	Trinity Metro Coordination	Fare Management Process	IT Manager Staffing	On Demand Partnership		
G	C	G	G	G	G	G	G	<ul style="list-style-type: none"> <li>Focused PMO support activities for GoZone service launch across agency departments</li> <li>Designed, finalized and deployed brand ambassador rider survey</li> <li>Assisting Community Engagement with analysis of brand ambassador and Social Service representative training survey results to design go-forward engagement planning</li> <li>Incorporated GoZone operating data into initial dashboard prototypes</li> <li>Resumed ERP Sourcing Strategy workstream beginning 9/16</li> <li>Supporting strategy to design “Tech Operations” capability given recently posted positions in Operations and IT</li> <li>Initiated planning for touchless fare/fare management and GoZone-GoPass app integration workstreams</li> </ul>	<ul style="list-style-type: none"> <li>None at this time</li> </ul>

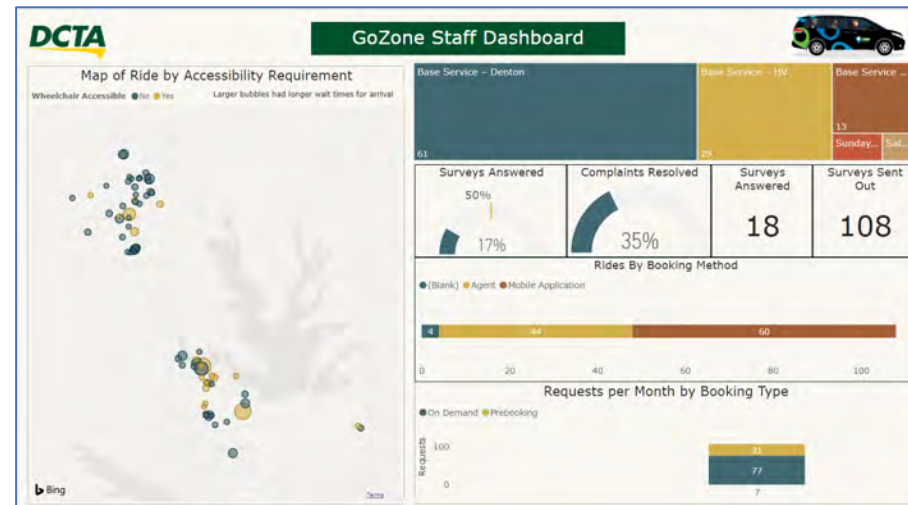
# GOZONE DASHBOARD PROTOTYPE

- Designed initial wireframe of Executive and Staff performance dashboards for GoZone, incorporating data fields exported from Via Operations Center
- Initial version built with placeholder data to enable initial feedback from management team, updated to incorporate actual operating data
- Design intent is to integrate GoZone dashboard with versions for other service areas, Board-approved Agency Performance Measures to yield comprehensive Agency Performance Dashboard

Draft Executive Dashboard



Draft Staff Dashboard



## Board of Directors Memo

September 23, 2021

SUBJECT: Provide a Report on the Interlocal Agreement (ILA) and Facilities Lease Agreement between the Denton County Transportation Authority (DCTA) and Dallas Area Rapid Transit (DART)

### Recommendation

This is a discussion item only. No Board action is requested at this time.

### Background

DCTA staff is working on the details of a lease agreement to facilitate DART's short-term needs in support of the Silver Line project and an ILA to facilitate the design, construction and use of a Joint Rail Facility.

Staff has engaged Stateside Right of Way Services to work with DCTA staff and legal counsel to draft the lease agreement. Staff will present both the lease agreement and the proposed ILA to the DCTA Board of Directors at the October Board meeting for consideration.

### Previous Board Activity & Action

On June 24, 2021, the Board authorized the CEO to give DART approval to move forward with the scope and approach as outlined in the letter dated May 28, 2021 from Interim President & CEO David Leininger. This approval to move forward allows DART to proceed with the cost estimating and engineering efforts required of the development of supporting documentation necessary for the future development of proposed ILAs. The DCTA Board also agreed to proceed with negotiating a lease agreement to facilitate DART's need for a temporary facility to receive, test and commission the Silver Line rail vehicles until such time that a long-term agreement can be reached between DART and DCTA for a joint rail operations facility.

### Previous Board Activity & Action

- August 26, 2021 Staff provided a project status update.
- July 22, 2021 Staff provided a project status update.
- June 24, 2021 Staff provided a project status update.
- May 27, 2021 Staff provided a project status update.
- April 22, 2021 Staff provided a project status update.
- March 10, 2021 Staff provided a project status update.
- January 28, 2021 Staff provided a project status update.
- December 10, 2020 Staff provided a project status update.
- November 12, 2020 Staff provided an overview of the potential collaboration for regional joint rail operations facility between DCTA and DART.

### Identified Need

DART and DCTA desire to explore options for a Joint Rail Operations & Maintenance facility to be located and constructed at DCTA's existing Lewisville rail facility. The facility would be expanded to serve both the DCTA A-train and the DART Silver Line operations. The intent of the ILA is to address the major requirements needed to achieve the needs of both agencies including the requirements to enable DCTA to extend existing A-train service to the Downtown Carrollton Station.

**Financial Impact**

There is currently no financial impact associated with the ongoing conversations with DART. Details of projected expenses and associated responsibilities of each party will be outlined and presented to the DCTA Board for consideration as the joint program and draft ILA are further defined.

**Exhibits**

N/A

Submitted By:   
Raymond Suarez, CEO



## Board of Directors Memo

September 23, 2021

SUBJECT: Monthly Sales Tax Receipts

### Recommendation

This item is presented for informational purposes only. No action is required.

### Background

Sales tax represents the single largest source of revenue for DCTA at 55.27% for the Fiscal Year 2021 budget. The revised sales tax budget for FY21 is \$31,154,178. 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 budget.

- Sales tax for sales generated in the month of July and received in September was \$2,903,336.
- This represents an increase of 32.98% or \$719,985 compared to budget for the month.
- Compared to the same month last year, sales tax receipts are \$490,564 or 20.33% higher.
- Member city collections for the month compared to prior year are as follows:
  - City of Lewisville up 32.26%
  - City of Denton up 28.21%
  - City of Highland Village up 30.18%

### Previous Board Activity & Action

There has been no previous Board-level activity on this item.

### Identified Need

Provides the Board of Directors a monthly status on sales tax collections.

### Financial Impact

This item is included for informational purposes only; there is no financial impact associated with this informational item.

### Exhibits

Exhibit 1: FY21 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:	2020-2021 Adopted Budget	2020-2021 Revised Budget	2020-2021 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>	2019-2020 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 1,723,286	\$ 2,944,573	\$ 2,944,573	\$ 1,221,287	70.87%	\$ -	0.00%	\$ 2,329,419	\$ 615,154	26.41%
November	January	\$ 1,712,280	\$ 2,617,881	\$ 2,617,881	\$ 905,601	52.89%	\$ -	0.00%	\$ 2,188,220	\$ 429,661	19.64%
December	February	\$ 2,124,605	\$ 3,356,939	\$ 3,356,939	\$ 1,232,334	58.00%	\$ -	0.00%	\$ 3,191,714	\$ 165,225	5.18%
January	March	\$ 2,069,351	\$ 2,296,659	\$ 2,296,659	\$ 227,308	10.98%	\$ -	0.00%	\$ 2,268,362	\$ 28,297	1.25%
February	April	\$ 2,022,897	\$ 2,080,957	\$ 2,080,957	\$ 58,060	2.87%	\$ -	0.00%	\$ 2,114,448	\$ (33,491)	-1.58%
March	May	\$ 2,483,676	\$ 3,369,140	\$ 3,369,140	\$ 885,464	35.65%	\$ -	0.00%	\$ 2,503,274	\$ 865,866	34.59%
April	June	\$ 2,492,462	\$ 2,492,462	\$ 2,839,395	\$ 346,933	13.92%	\$ 346,933	13.92%	\$ 2,185,555	\$ 653,840	29.92%
May	July	\$ 2,193,143	\$ 2,193,143	\$ 3,171,719	\$ 978,576	44.62%	\$ 978,576	44.62%	\$ 2,400,743	\$ 770,976	32.11%
June	August	\$ 2,586,198	\$ 2,586,198	\$ 3,583,080	\$ 996,882	38.55%	\$ 996,882	38.55%	\$ 2,819,430	\$ 763,650	27.09%
July	September	\$ 2,183,351	\$ 2,183,351	\$ 2,903,336	\$ 719,985	32.98%	\$ 719,985	32.98%	\$ 2,412,772	\$ 490,564	20.33%
August	October	\$ 2,399,699	\$ 2,399,699						\$ 2,511,707		
September	November	\$ 2,633,176	\$ 2,633,176						\$ 2,910,752		
YTD TOTAL		\$ 21,591,249	\$ 26,121,303	\$ 29,163,680	\$ 7,572,431	35.07%	\$ 3,042,377	11.65%	\$ 24,413,937	\$ 4,749,743	19.46%
FISCAL YEAR TOTAL		\$ 26,624,124	\$ 31,154,178						\$ 29,836,396		

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

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
 Prepared By: Denton County Transportation Authority Finance Department  
 September 13, 2021

## 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:	2019-2020 Year Actual	2020-2021 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance	Sales Generated in Month of:	Received in Month of:	2019-2020 Year Actual	2020-2021 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 3,282,870	\$ 3,348,633	\$ 65,763	2.00%	October	December	\$ 357,488	\$ 341,390	\$ (16,099)	-4.50%
November	January	\$ 2,904,782	\$ 3,755,579	\$ 850,797	29.29%	November	January	\$ 356,224	\$ 354,573	\$ (1,651)	-0.46%
December	February	\$ 4,407,090	\$ 4,903,701	\$ 496,610	11.27%	December	February	\$ 521,121	\$ 503,020	\$ (18,101)	-3.47%
January	March	\$ 3,148,942	\$ 3,072,003	\$ (76,939)	-2.44%	January	March	\$ 338,734	\$ 320,412	\$ (18,322)	-5.41%
February	April	\$ 2,987,194	\$ 2,971,403	\$ (15,791)	-0.53%	February	April	\$ 262,811	\$ 288,219	\$ 25,408	9.67%
March	May	\$ 3,733,423	\$ 4,956,466	\$ 1,223,043	32.76%	March	May	\$ 322,245	\$ 436,049	\$ 113,804	35.32%
April	June	\$ 3,294,690	\$ 3,990,693	\$ 696,004	21.13%	April	June	\$ 267,280	\$ 353,678	\$ 86,398	32.32%
May	July	\$ 3,399,328	\$ 6,076,775	\$ 2,677,447	78.76%	May	July	\$ 311,278	\$ 371,973	\$ 60,695	19.50%
June	August	\$ 4,039,429	\$ 5,447,446	\$ 1,408,016	34.86%	June	August	\$ 394,759	\$ 449,307	\$ 54,548	13.82%
July	September	\$ 3,032,247	\$ 4,010,507	\$ 978,260	32.26%	July	September	\$ 303,996	\$ 395,735	\$ 91,739	30.18%
August	October	\$ 3,509,227				August	October	\$ 304,285			
September	November	\$ 4,164,883				September	November	\$ 404,670			
YTD TOTAL		\$ 34,229,995	\$ 42,533,204	\$ 8,303,210	24.26%	YTD TOTAL		\$ 3,435,935	\$ 3,814,355	\$ 378,420	11.01%
FISCAL YEAR TOTAL		\$ 41,904,104				FISCAL YEAR TOTAL		\$ 4,144,890			

CITY OF DENTON					
Sales Generated in Month of:	Received in Month of:	2019-2020 Year Actual	2020-2021 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 2,887,178	\$ 3,174,573	\$ 287,396	9.95%
November	January	\$ 2,911,334	\$ 3,050,388	\$ 139,054	4.78%
December	February	\$ 4,230,616	\$ 4,149,443	\$ (81,173)	-1.92%
January	March	\$ 2,902,937	\$ 3,086,526	\$ 183,589	6.32%
February	April	\$ 2,571,667	\$ 2,606,494	\$ 34,827	1.35%
March	May	\$ 3,061,108	\$ 4,277,512	\$ 1,216,404	39.74%
April	June	\$ 2,521,781	\$ 3,557,513	\$ 1,035,731	41.07%
May	July	\$ 2,878,630	\$ 3,442,340	\$ 563,710	19.58%
June	August	\$ 3,555,689	\$ 4,173,943	\$ 618,254	17.39%
July	September	\$ 2,999,523	\$ 3,845,740	\$ 846,217	28.21%
August	October	\$ 3,167,204			
September	November	\$ 3,710,560			
YTD TOTAL		\$ 30,520,463	\$ 35,364,473	\$ 4,844,009	15.87%
FISCAL YEAR TOTAL		\$ 37,398,228			

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
Prepared By: Denton County Transportation Authority Finance Department  
September 13, 2021

**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%	\$26,914,788	\$21,054,968	27.83%	\$221,997,562	\$195,968,196	13.28%
Corpus Christi MTA	0.50%	\$2,985,600	\$2,744,819	8.77%	\$26,866,794	\$25,513,600	5.30%
Dallas MTA	1.00%	\$59,613,560	\$48,295,326	23.43%	\$509,616,233	\$459,571,269	10.88%
Denton CTA	0.50%	\$2,903,336	\$2,412,772	20.33%	\$26,219,107	\$22,084,519	18.72%
El Paso CTD	0.50%	\$4,722,694	\$3,933,207	20.07%	\$42,052,124	\$36,001,457	16.80%
Fort Worth MTA	0.50%	\$7,932,146	\$6,468,869	22.62%	\$67,868,796	\$60,707,814	11.79%
Houston MTA	1.00%	\$71,216,143	\$59,899,307	18.89%	\$631,557,185	\$572,893,311	10.23%
Laredo CTD	0.25%	\$772,249	\$635,165	21.58%	\$7,098,012	\$6,127,966	15.82%
San Antonio ATD	0.25%	\$6,855,893	\$5,655,396	21.22%	\$60,820,213	\$53,206,479	14.30%
San Antonio MTA	0.50%	\$15,144,162	\$12,803,656	18.27%	\$133,940,518	\$118,476,612	13.05%
TOTALS		\$ 199,060,571	\$ 163,903,486	21.45%	\$ 1,728,036,542	\$ 1,550,551,223	11.45%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
 Prepared By: Denton County Transportation Authority Finance Department  
 September 13, 2021

## Board of Directors Memo

September 23, 2021

SUBJECT: Monthly Mobility-as-a-Service Update

### Recommendation

For information only. No action required.

### 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, contracted 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.

### Previous Board Activity & Action

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 2020 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). \$36,616 has been paid for this task order through August 2021. This service was replaced by the GoZone services on September 7, 2021.

Task Order #2 On-Demand Services in Member Cities and Contracted Cities was discussed at the June 2020 Board meeting and was presented at the September 2020 Board meeting to authorize negotiations with two firms. In January 2021, the Board approved and authorized staff to enter into a Task Order with River North (Via) to move forward with the recommendations and implementation of an On-Demand Service plan. Staff and Via have executed the task order. No expenses for this task order have been incurred for this task order as of August 2021.

Task Order #3 On-Demand Services for the McKinney Urban Transit District (MUTD) was requested by the City of McKinney. The City of McKinney has asked DCTA and DART, as a joint partnership, to provide on-demand services for the MUTD member cities.

DCTA received responses from three (3) qualified vendors to provide services effective January 1, 2022. This on-demand program will replace the taxi program currently operating in the MUTD service area. DART will be entering into an agreement with the selected firm to provide services to MUTD. Services currently provided by DCTA to MUTD will end on December 31, 2021.

#### Identified Need

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


#### Financial Impact

This item is included for informational purposes only; there is no financial impact associated with this item.

#### Exhibits

N/A

Submitted By:   
Athena Forrester, AVP of Regulatory Compliance

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

Approval:   
Raymond Suarez, CEO

## Board of Directors Memo

September 23, 2021

SUBJECT: Budget Information

### Recommendation

This item is presented for informational purposes only. No action is required. The Financial Management Policies authorize the CEO to approve budget transfers between expense categories and departments, not to exceed 5% of the total annual operating budget.

### Background

The DCTA budget is prepared months in advance of the start of the fiscal year and not all expenses can be anticipated at the time of the budget preparation. Therefore, during the fiscal year, it may become necessary to reforecast the annual expenses and complete transfers between budget categories and/or departments based on changing needs of the agency. Revising the budget for material changes will provide a better forecasting and management tool for the Board and DCTA staff for future periods.

BUDGET TRANSFER / REVISION REQUEST							
TRANSACTION TYPE:		Transfer <input checked="" type="checkbox"/>	Number: 2021-07				
		Revision <input type="checkbox"/>					
			Current Budget Amount		Budget Revision Amount		Adjusted Budget Amount
TRANSFERS WITHIN EXISTING BUDGET							
<i>General &amp; Administrative:</i>	130.50309	Professional Services	\$ 348,702	\$	(92,000)	\$	256,702
	900.40250	2021 Series CO Cost of Issuance	-		72,000		72,000
<i>Bus Operations:</i>	511.50410	Fuel	238,023		(19,524)		218,499
	570.50309	Professional Services	63,000		19,524		82,524
<i>Rail Operations:</i>	620.50410	Fuel	1,021,800		(30,000)		991,800
	620.50605	General Liability	795,096		30,000		825,096
<i>Capital Projects:</i>	61605	Brownfield Remediation	385,000		20,000		405,000
			Net Budget Impact		\$	-	

### Previous Board Activity & Action

The FY21 budget was originally adopted on September 24, 2020. This is the seventh budget transfer/revision related to the FY21 budget.

### Identified Need

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

### Financial Impact

Budget Transfer 2021-07 has a net budget impact of zero. Identified necessary expense increases have been offset by realized savings in other areas as noted below.



G&A:

Transfer of \$92k in savings from professional services for the 2021 Series Cost of Debt Issuance of \$72k and additional \$20k for the Brownfield Remediation capital project in order to complete an additional methane assessment required to satisfy Texas Commission on Environmental Quality and completion of the Municipal Setting Designation.

Bus Operations:


Transfer of \$20k in fuel savings to allow for customer service temporary staffing and off-site after hours and weekend call center support for the month of September. With the addition of the GoZone service and the extended hours and days of service, additional customer support is needed.


Rail Operations:

Transfer of \$30k in fuel savings for higher insurance premiums related to excess rail liability insurance.

**Exhibits**

Exhibit 3: Year-to-Date FY21 Budget Revisions

Submitted By:   
Amanda Riddle  
Senior Manager of Budget

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



## YEAR-TO-DATE FY21 BUDGET REVISIONS

DCTA 2021-01 (Presented to DCTA Board January 28, 2021)

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

			Adopted Budget	Revision	Revised Budget
G&A:	100.50309	Professional Services	\$ 298,000	\$ (24,860)	\$ 273,140
	120.50309	Professional Services	206,560	24,860	231,420
	100.50309	Professional Services	273,140	(38,000)	235,140
	180.50440	Computer Materials & Supplies	29,300	38,000	67,300
Bus:	500.50318	Facilities Maintenance	328,891	(36,617)	292,274
	531.50313	Computer & Software Maintenance	41,915	7,236	49,151
	533.50313	Computer & Software Maintenance	28,376	29,381	57,757
<i>Net Budget Impact</i>			\$	-	

DCTA 2021-02 (Presented to DCTA Board January 28, 2021)

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

		Working Budget	Revision	Revised Budget
<u>OPERATING REVENUE:</u>				
	Contract Service Revenue	3,458,402	175,358	3,633,760
<u>OPERATING EXPENSES:</u>				
	Salary, Wages & Benefits	4,193,211	70,450	4,263,661
	Outsourced Services & Charges	3,917,959	1,016,833	4,934,792
	Materials & Supplies	2,955,735	(2,216)	2,953,519
	Utilities	506,668	2,142	508,810
	Insurance, Casualties & Losses	1,681,336	4,376	1,685,712
	Purchased Transportation Services	10,732,539	471,118	11,203,657
	Employee Development	241,304	300	241,604
<u>NON-OPERATING REVENUES:</u>				
	Misc. Revenues	-	200,000	200,000
	Long Term Debt Interest/Expense	(841,080)	228,750	(612,330)
<u>CAPITAL PROJECTS:</u>				
	TRiP Program (10702)	5,914,152	(5,814,152)	100,000
	TRiP Program Denton (10702.1)	-	2,605,707	2,605,707
	TRiP Program Highland Village (10702.2)	-	288,794	288,794
	TRiP Program Lewisville (10702.3)	-	2,919,651	2,919,651
	Transfers Out	8,027,839	186,464	8,214,303
<i>Net Budget Impact</i>			\$	1,145,359

NTMC 2021-001 (Presented to NTMC Board March 24, 2021)

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

		Working Budget	Revision	Revised Budget
<u>OPERATING EXPENSES:</u>				
	Salary, Wages & Benefits	7,451,314	185,240	7,636,554
	Outsourced Services & Charges	399,919	300	400,219
	Insurance, Casualties & Losses	118,878	924	119,802
	Transfers In	8,027,839	186,464	8,214,303
<i>Net Budget Impact</i>			\$	-

## DCTA 2021-03 (Presented to DCTA Board April 22, 2021)

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

			Adopted Budget	Revision	Revised Budget
G&A:	140.50309	Professional Services	\$ 101,800	\$ 95,000	\$ 196,800
Bus:	200.50410	Fuel - UNT	342,308	(75,000)	267,308
	511.50410	Fuel - Fixed Route Denton	303,023	(20,000)	283,023
<i>Net Budget Impact</i>			\$ -		

## DCTA 2021-04 (Presented to DCTA Board June 24, 2021)

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

		Working Budget	Revision	Revised Budget
<u>NON-OPERATING REVENUES:</u>				
	Sales Tax Revenue	26,624,124	4,530,054	31,154,178
	Federal Grants & Reimbursements	22,601,232	(1,901,845)	20,699,387
<u>CAPITAL PROJECTS:</u>				
	PTC Implementation	887,931	(678,276)	209,655
	PTC Enhancements	3,000,000	(3,000,000)	-
	Fleet 2020	-	1,062,600	1,062,600
	Fleet 2021	1,870,100	(1,869,225)	875
	Integrated Fare Payment	300,000	(300,000)	-
	Major Maintenance - Bus	-	15,530	15,530
	Trail Safety Improvements	-	10,650	10,650
	Brownfield Remediation	43,752	(17,157)	26,595
	Infrastructure Acquisition	-	11,745	11,745
	TRiP Program	100,000	-	100,000
	TRiP Program Denton	2,605,707	819,239	3,424,946
	TRiP Program Highland Village	288,794	90,797	379,591
	TRiP Program Lewisville	2,919,651	917,946	3,837,597
<i>Net Budget Impact</i>			\$ 5,564,360	

## DCTA 2021-05 (Presented to DCTA Board July 22, 2021)

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

			Adopted Budget	Revision	Revised Budget
G&A:	180.50313	Computer & Software Maintenance	\$ 179,808	\$ (20,000)	\$ 159,808
	100.50309	Professional Services	235,140	(20,000)	215,140
	180.50440	Computer & Software Supplies	67,300	40,000	107,300
<i>Net Budget Impact</i>			\$ -		

## DCTA 2021-06 (Presented to DCTA Board August 26, 2021)

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

			Adopted Budget	Revision	Revised Budget
G&A:	140.50302	Advertising	\$ 65,850	\$ 45,000	\$ 110,850
	140.50309	Professional Services	196,800	52,698	249,498
	130.50309	Professional Services	600,000	(251,298)	348,702
Bus:	511.50410	Fuel	283,023	(45,000)	238,023
	590.50317	Passenger Amenities Maintenance	50,000	(45,000)	5,000
	590.50316	Third Party Maintenance	107,310	(25,000)	82,310
	590.50455	Parts	490,800	55,000	545,800
	590.50456	Fluids	32,800	15,000	47,800
	570.50309	Professional Services	33,000	30,000	63,000
	570.50318	Facilities Maintenance	60,420	(40,000)	20,420
	570.50440	Computer & Software Supplies	700	10,000	10,700
	500.50309	Professional Services	289,440	75,000	364,440
	500.50318	Facilities Maintenance	292,274	(75,000)	217,274
	531.50310	General Services	-	123,132	123,132
	532.50310	General Services	-	7,944	7,944
	533.50310	General Services	-	67,524	67,524
<i>Net Budget Impact</i>			\$	-	

## DCTA 2021-07 (Presented to DCTA Board September 23, 2021)

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

			Working Budget	Revision	Revised Budget
G&A:	130.50309	Professional Services	\$ 348,702	\$ (92,000)	\$ 256,702
	900.40250	2021 Series CO Cost of Issuance	-	72,000	72,000
Bus:	511.50410	Fuel	238,023	(19,524)	218,499
	570.50309	Professional Services	63,000	19,524	82,524
Rail:	620.50410	Fuel	1,021,800	(30,000)	991,800
	620.50605	General Liability	795,096	30,000	825,096
Capital:	61605	Brownfield Remediation	385,000	20,000	405,000
<i>Net Budget Impact</i>			\$	-	

## Board of Directors Memo

September 23, 2021

SUBJECT: Ridership Trend and Rail Trail Utilization Report

### Ridership Trends

Exhibits 1-4 provide an overview of total monthly ridership trends across all DCTA services--comparing FY19 against FY20 and FY21.

The summary table below reveals that August 2021 month-over-month bus trips increase by over 70 percent from July levels. August A-train boardings increased by over 13 percent over the same period. Noteworthy is that is that August A-train service had the highest number of boardings since the first full month of pandemic operations in April 2020.

Unlinked Passenger Trips								
2020					2021			
Mode	September	October	November	December	June	July	August	July-August % Change
Bus	54,773	54,725	42,194	18,149	28,303	28,888	99,064	70.8%
A-train	8,206	9,018	7,819	7,564	9,568	10,374	12,006	13.6%
Access	1,229	1,214	1,041	1,166	1,435	1,403	1,626	13.7%
On-Demand	663	707	640	584	749	741	818	9.4%

S:\STRATEGIC PLANNING\ServicePlaningSupport\Trend Analysis\Item2Materials4Sep23\Worksheets\[FY19\_FY20\_FY21\_Compare\_092321.xlsx]Lines

Ridership recovery from the COVID-19 pandemic is continuing with August 2021 bus ridership being more than two times (229%) above reported August 2020 levels and A-train boardings at about 62 percent above August 2020 levels.

Unlinked Passenger Trips			
	August 2020	August 2021	% Change
Bus	30,109	99,064	229%
Rail	7,431	12,006	62%
Access	1,245	1,626	31%
On-Demand	731	818	12%
ALL MODES	39,516	113,514	187%

Average monthly A-train passenger trips during the March 2020 - April 2021 COVID-impacted months remain about 74 percent less than prior pre-COVID monthly averages. Exhibit 5 shows A-train ridership trends before and during the COVID-19 pandemic.

	Average Monthly Boardings	% Change
<b>Average Monthly A-train Ridership Pre-COVID (March '19-December '19)</b>	32,340	
<b>Average Monthly A-train Ridership (March '20-August '21)</b>	8,764	-72.9%

S:\STRATEGIC PLANNING\ServicePlaningSupport\Trend Analysis\Item2Materials4Sep23\Worksheets\[A-trainCOVIDTrend\_092321.xlsx]Sheet1

Exhibits 1-4 graphically depict monthly ridership levels across all DCTA modes since FY 2019. Exhibit 5 shows a rolling comparison of A-train ridership levels before and during the COVID-19 era.

### Rail Trail Utilization Report

Attached as Exhibit 6 is the August Rail Trail Utilization Report. This report is generated by the agency's recently deployed network of four permanent bicycle-pedestrian counters spaced along the A-train Rail Trail.

### Exhibits

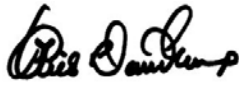
- Exhibit 1: FY19, FY20, & FY21 Total Monthly Ridership – Rail
- Exhibit 2: FY19, FY20, & FY21 Total Monthly Ridership – Bus
- Exhibit 3: FY19, FY20, & FY21 Total Monthly Ridership – Access
- Exhibit 4: FY19, FY20, & FY21 Total Monthly Ridership – On-Demand
- Exhibit 5: A-train Ridership Before and During COVID-19 Comparison
- Exhibit 6: July 2021 Rail Trail Utilization Report

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

Submitted By: \_\_\_\_\_  
Tim Palermo, Planning & Data Analytics Manager

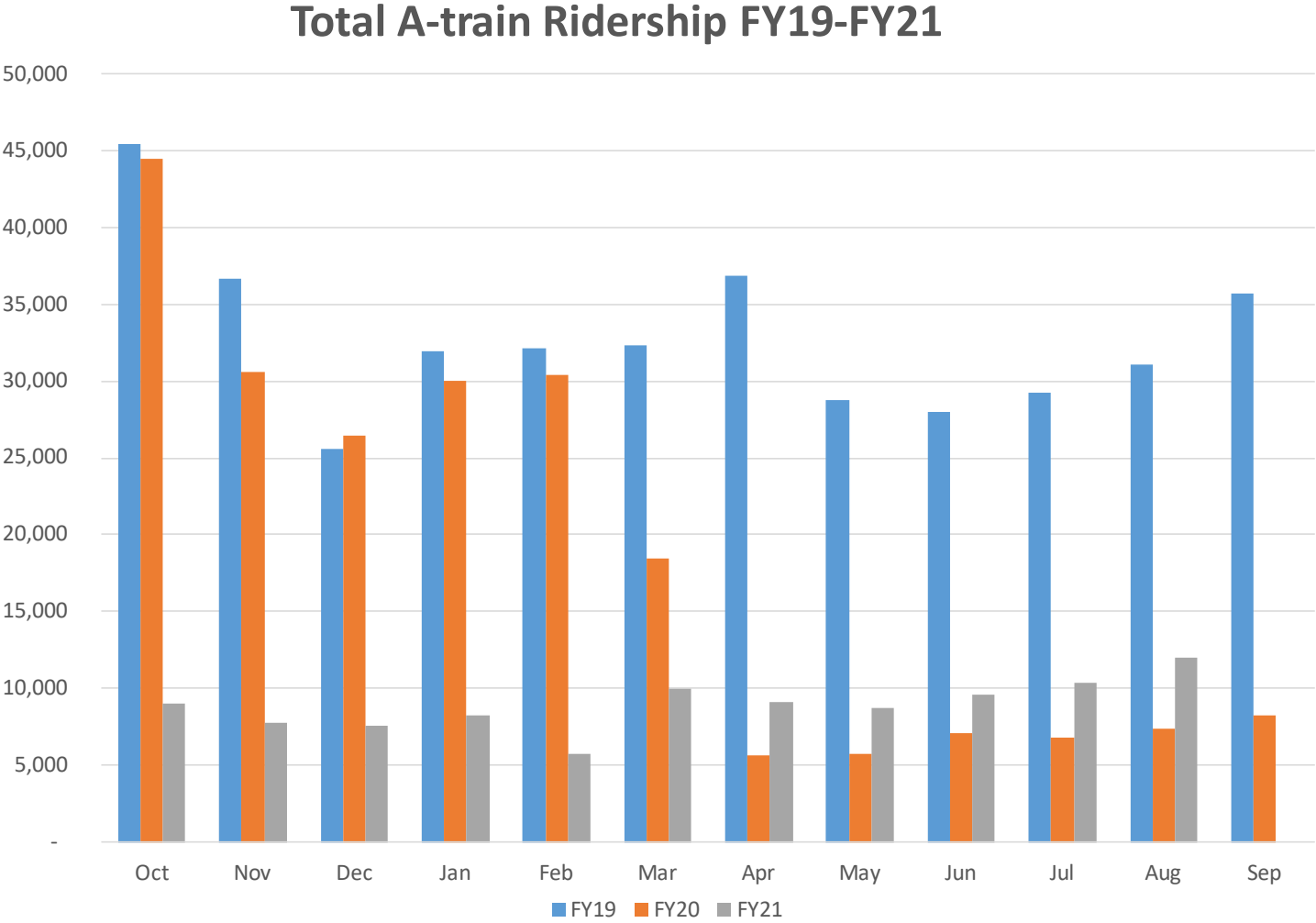
A handwritten signature in blue ink, appearing to read "Troy", written over a horizontal line.

Final Review: \_\_\_\_\_  
Troy Raley, Senior Director - Mobility Services

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

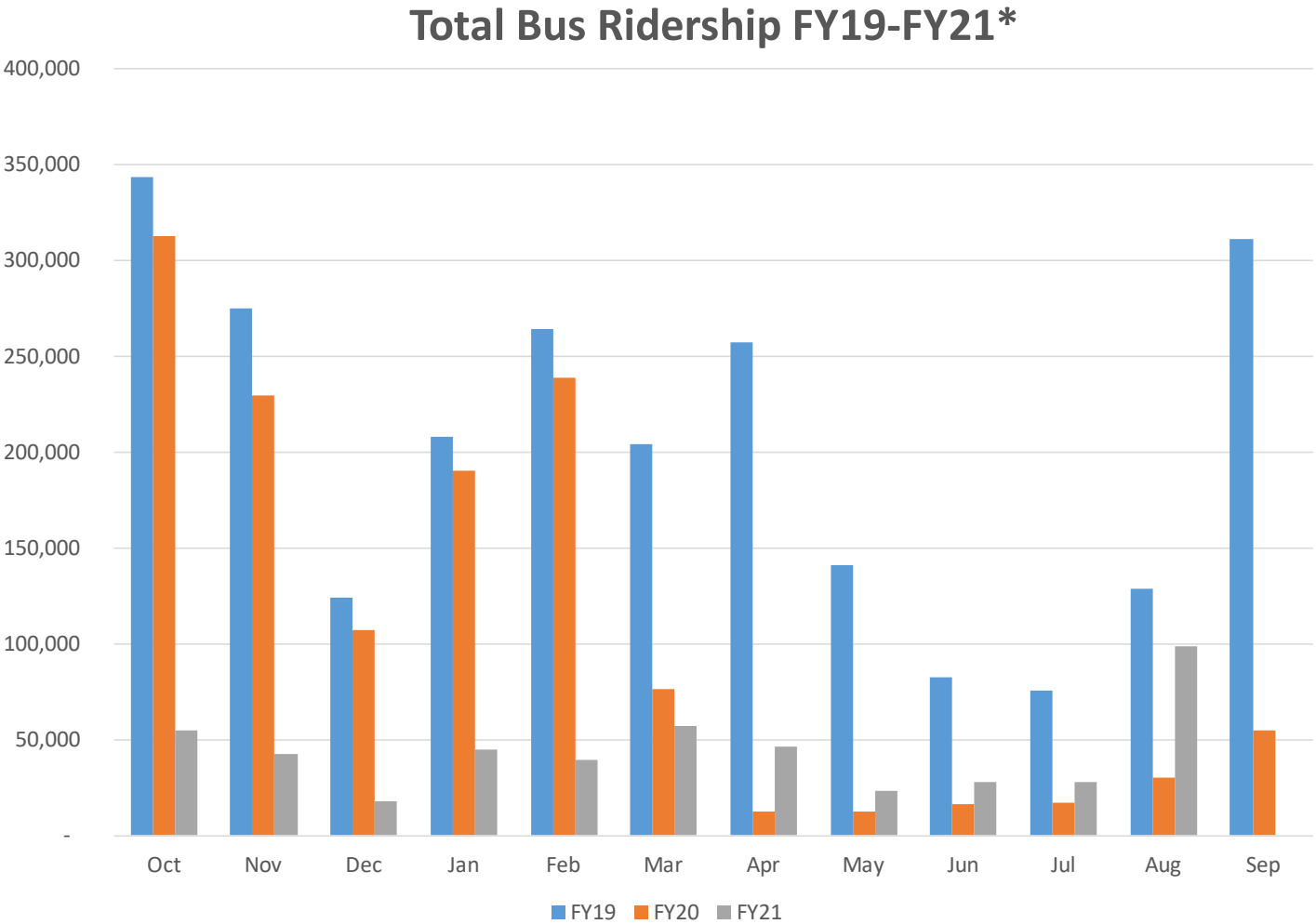
Final Review: \_\_\_\_\_  
Rony Philip Sr. Director – Rail Operations

# FY19-FY21 Total Monthly Ridership – A-train

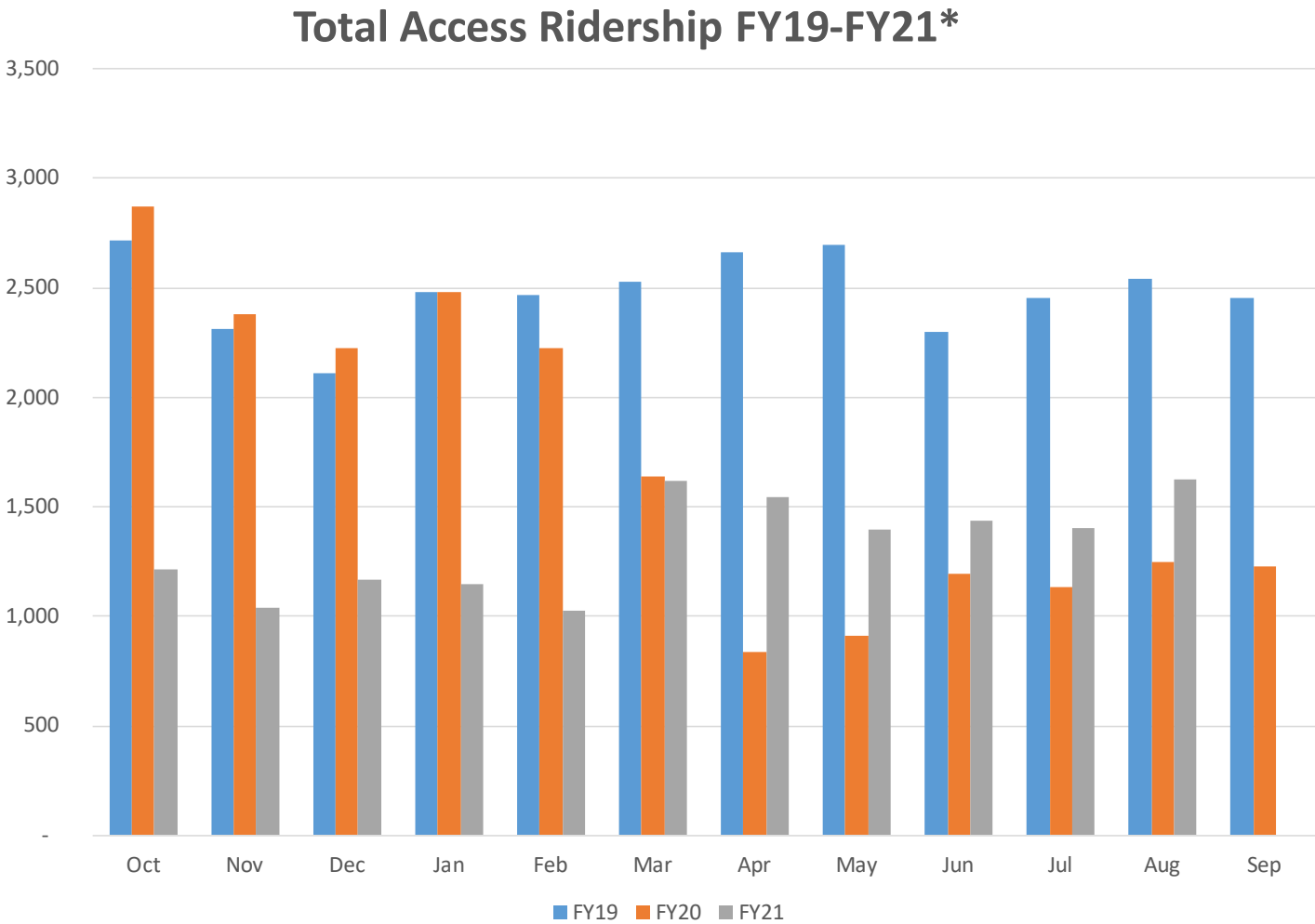




# FY19-FY21 Total Monthly Ridership – Bus

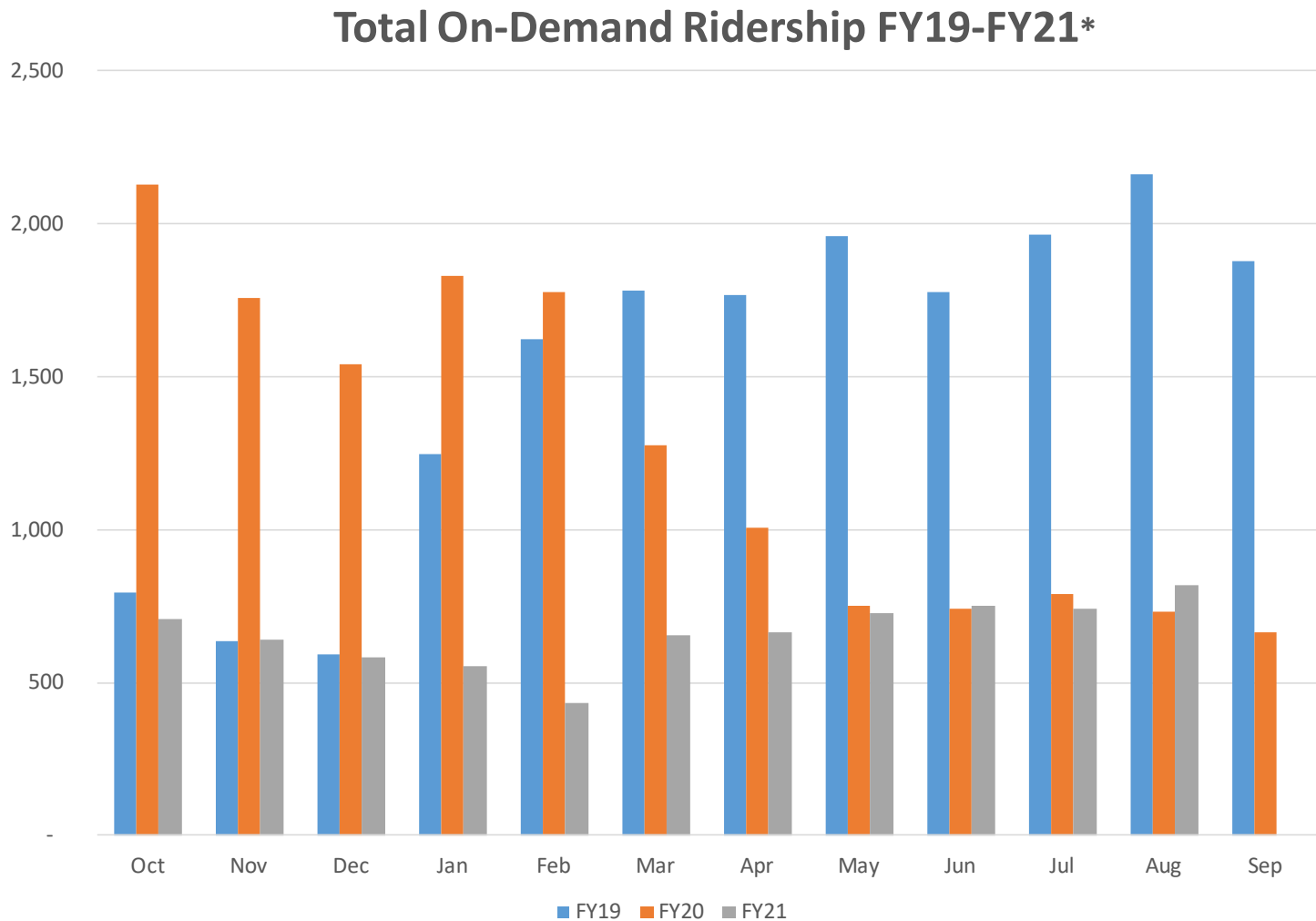


\*UNT, NCTC, Denton, Lewisville, and Highland Village Connect Service



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

# FY19-FY21 Total Monthly Ridership – On-Demand

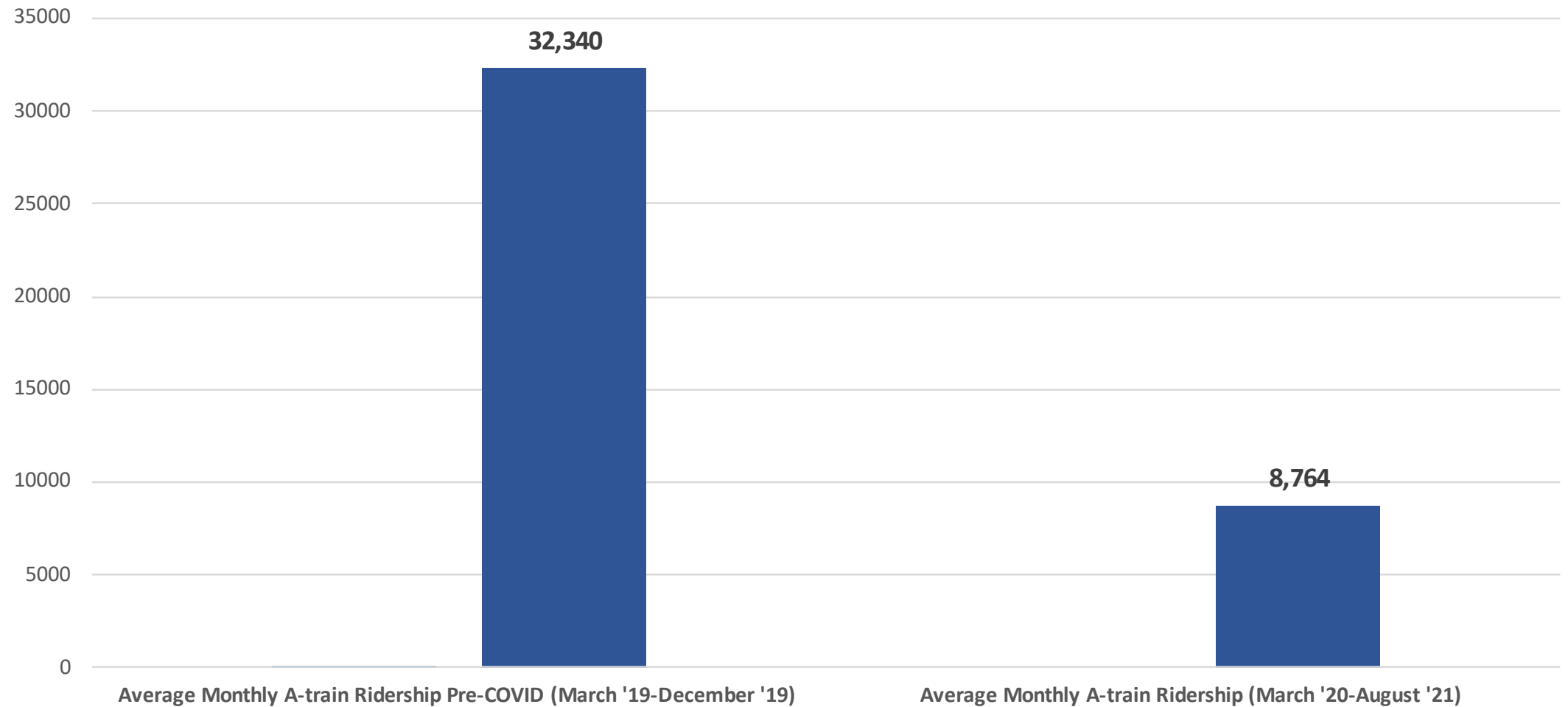


\*Frisco, Collin County Transit and Zoned Service In Denton & Highland Village



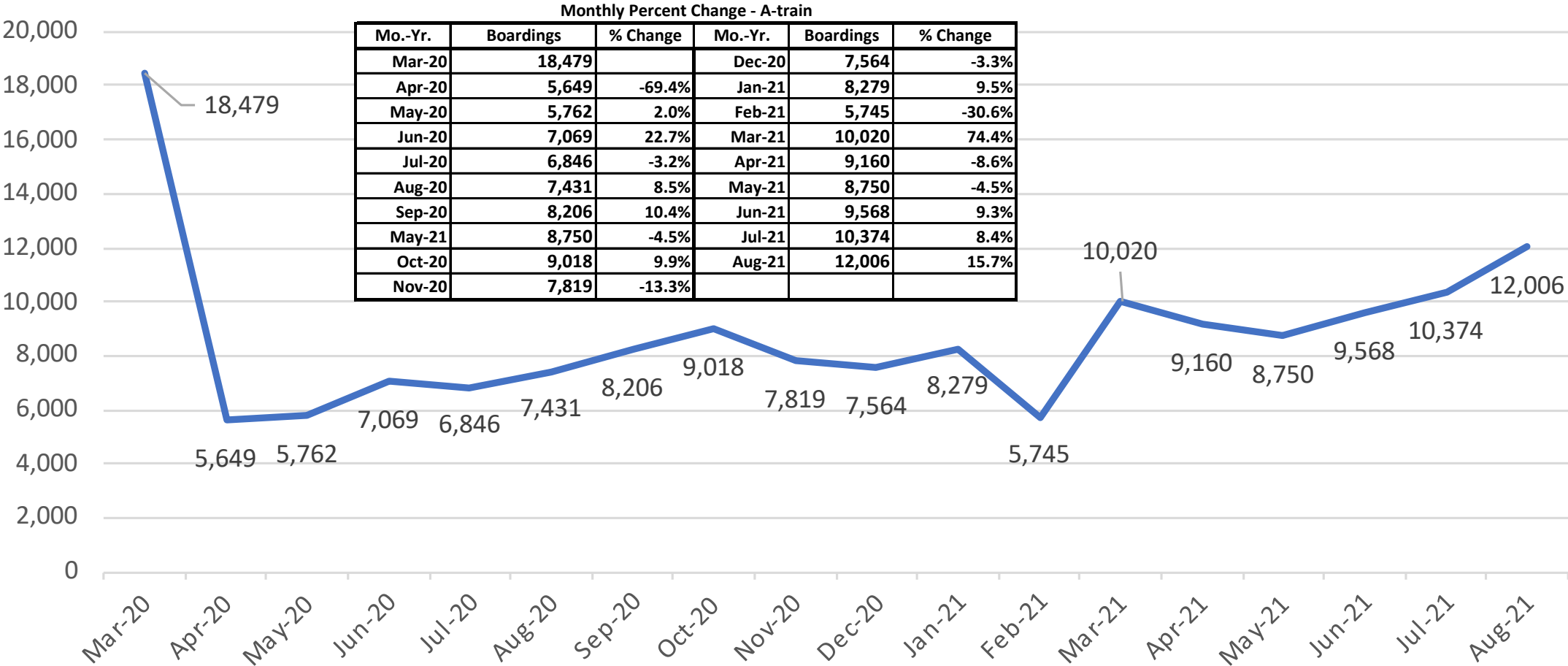
# Pre-COVID Average Monthly A-train Ridership and Current Average

Exhibit 5





# Monthly A-train Ridership Trend: March 2020 - July 2021



# August 2021 Rail Trail Utilization Report



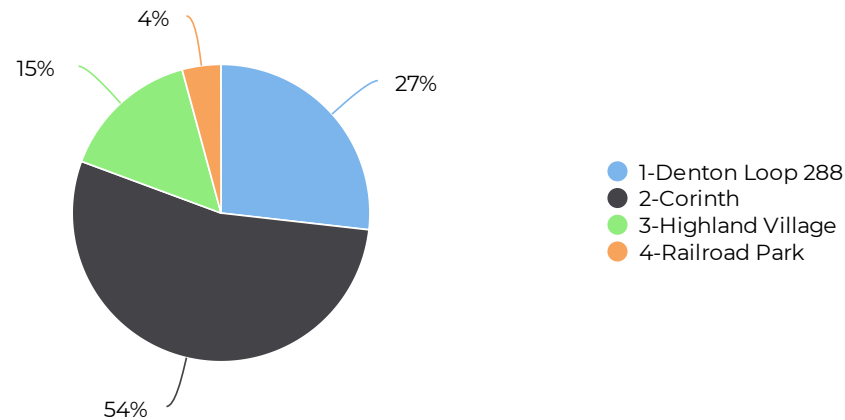
DCTA  
09/13/2021

August 1, 2021 → August 31, 2021

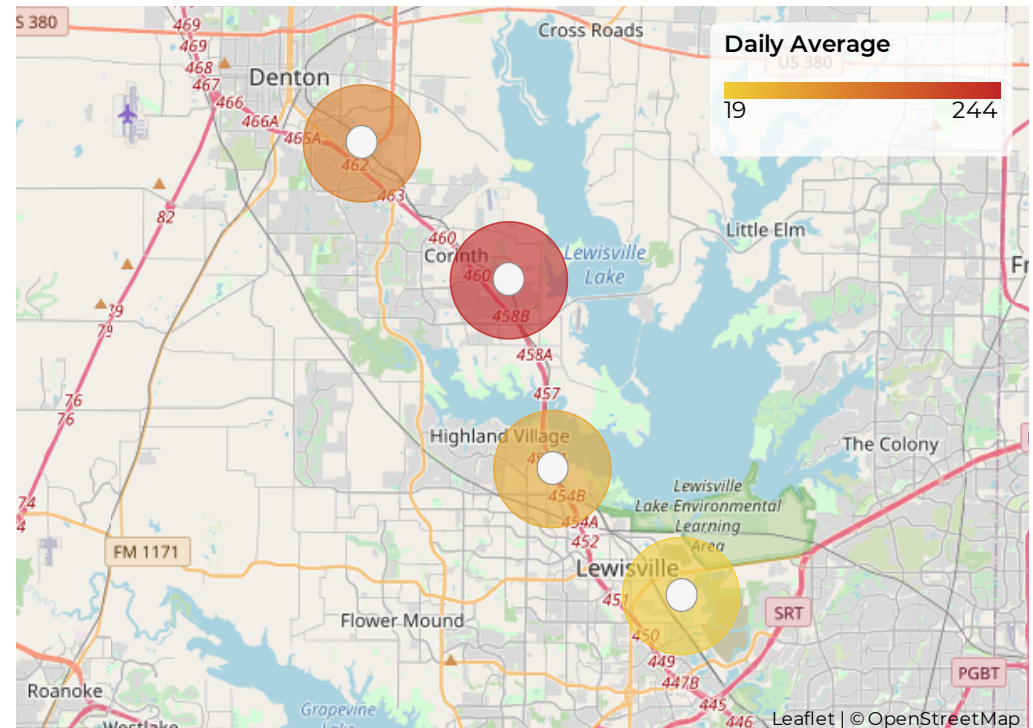
Total  
**14,065**

Peak Day  
Saturday  
Aug 14, 2021  
**2,795**

### Distribution



### Key Figures Map




Compared to 08/02/2020 → 09/01/2020



August 1, 2021 → August 31, 2021

## Key Figures Summary

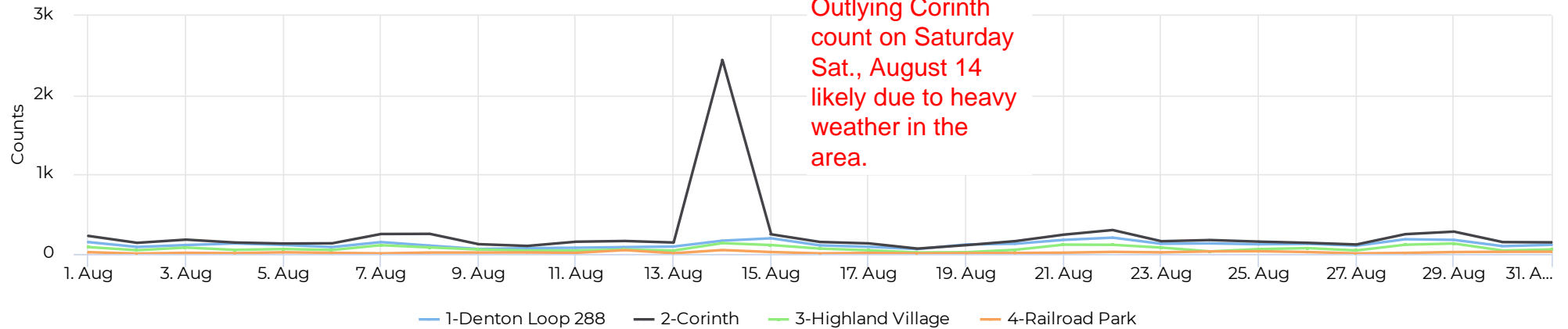
Site	Average		Peak Count		Peak Period	
2-Corinth	244		2,443		Sat Aug 14, 2021	
1-Denton Loop 288	122		205		Sun Aug 22, 2021	
3-Highland Village	69		136		Sat Aug 14, 2021	
4-Railroad Park	19		49		Sat Aug 14, 2021	

 Compared to 08/02/2020 → 09/01/2020

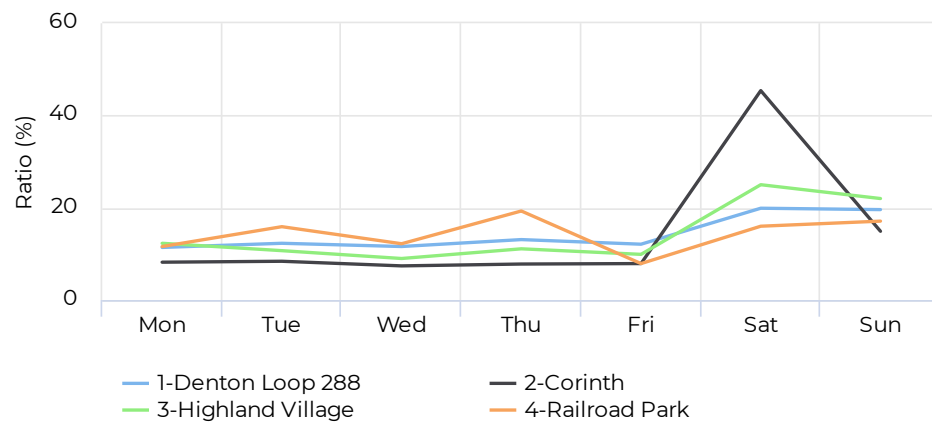
August 1, 2021 → August 31, 2021

### Time Series

08/01/2021 → 08/31/2021

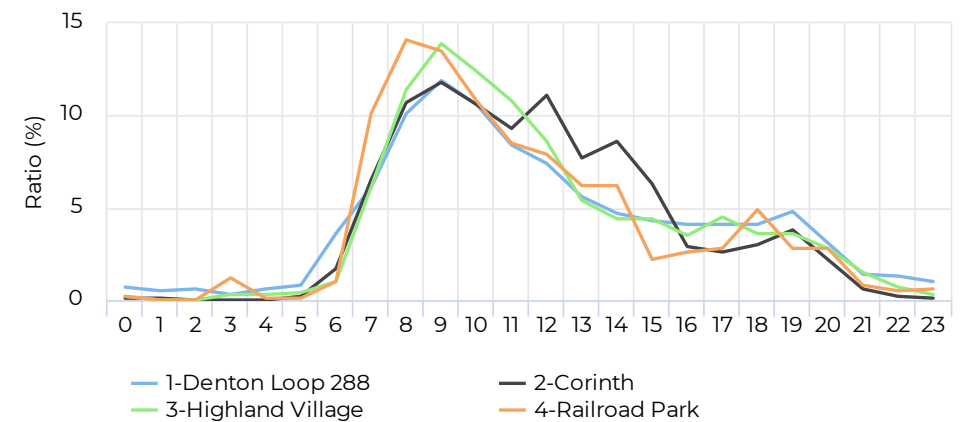


### Daily Profile



### Hourly Profile - Weekend

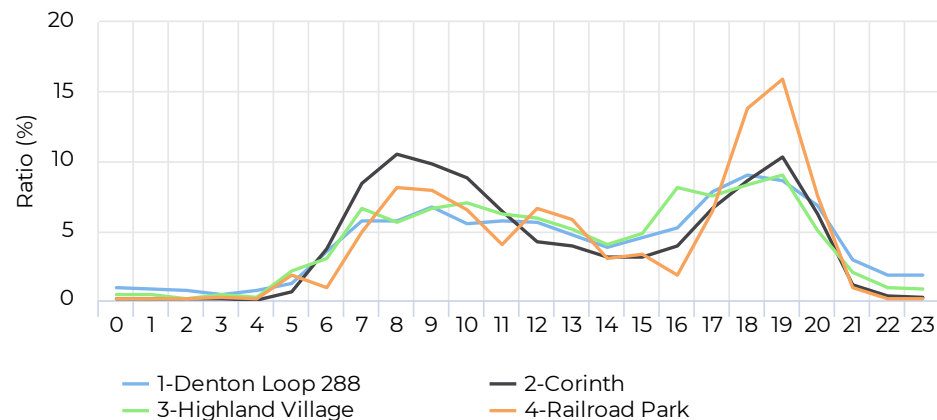
01/01/2021 → 09/12/2021



August 1, 2021 → August 31, 2021

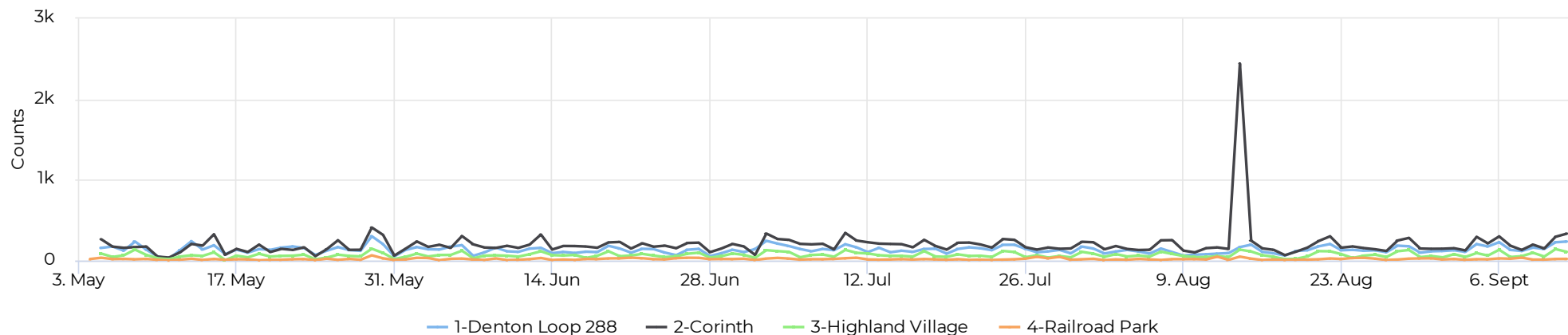
## Hourly Profile - Weekdays

01/01/2021 → 09/12/2021



## Trend to Date

Whole Period



## Board of Directors Memo

September 23, 2021

SUBJECT: Capital Edge Federal Legislative Briefing

### Recommendation

This is an informational item only. No action is required.

### Background

#### Federal Infrastructure Package

On August 10, the Senate approved what is being called the “bipartisan infrastructure framework,” a \$1.2 trillion plan that includes funding for surface transportation, water resources infrastructure, broadband expansion, and electricity grid improvements.

The Senate bill was negotiated by a bipartisan group of about 20 Senators along with the White House with the goal of enacting a bill that could not be blocked by a Senate filibuster – so at least 10 Republicans had to vote for the bill to stop a filibuster in the 50-50 Senate; eventually 19 GOP Senators voted for it (neither Senator Cornyn nor Senator Cruz voted for it), along with all 50 Democrats.

The bill includes about \$550 billion in “new” funding; that is, funding above what was expected to be spent in those areas over the next five years. For example, a five-year, \$383 billion reauthorization of existing highway, rail, and transit programs (FAST Act) is included in the bill as well, so that is not considered “new.”

About half of the \$550 billion in “new” funding is directed to programs at DOT, although only about \$21 billion would go to FTA specifically and \$66 billion to FRA. Of that \$21 billion in “new” spending available to FTA, it is likely that DCTA would be able to compete for about \$10 billion, through the Low and No Emissions Vehicle Grant Program and State of Good Repair program for fixed guideway rail.

At FRA, DCTA would likely be able to compete for about \$15 billion, through a new intercity passenger rail program and a rail crossing hazard elimination program. Much of the remainder of the \$66 billion would go to Amtrak.

However, DCTA would also receive increases to federal transit formula programs through the FAST Act reauthorization title of the bill, which essentially provides increases of about 36% for most transit programs over the five-years of the bill. In addition, The Senate bill would increase the FTA Bus and Bus Facilities grant program – formula, competitive, and “Low-No” competitive components – by 36% each over five years. The bill would also increase the DOT RAISE (formerly known as TIGER and BUILD) competitive grant program from \$1 billion per year to \$1.5 billion per year.

This combination infrastructure/transportation reauthorization bill is not as bold as either the President’s initial infrastructure proposal, or the reauthorization approved by the House this past summer (known as the INVEST Act).

The House bill would have provided 56% increases to transit formula programs, as opposed to 36% in the Senate. The House would have also increased the Bus and Bus Facilities formula program by 173% over five years. However, the bipartisan Senate infrastructure bill likely to be the best bill that can pass muster in both the House and Senate.

House Speaker Nancy Pelosi (D-CA) agreed to hold a House vote on the bipartisan Senate infrastructure plan by September 27. If it is approved unchanged by the House, it would be sent to the President for his signature.

It is the hope of the White House and most congressional Democrats that another \$3.5 trillion “human” infrastructure plan can be crafted this month and taken up in the House at the same time as the Senate’s “hard” infrastructure package.

That plan is not expected to receive any Republican votes and would be considered under what is known as “budget reconciliation” rules, which prevents filibusters in the Senate (the procedure is rare but was used to enact the 2021 pandemic relief bill and 2017 tax bill in recent years).

The “human” infrastructure bill is expected to include items such as affordable housing construction, free community college, expanded resources for home health care for seniors, tax credits for low-income families, and childcare subsidies. There is a chance that it could include additional transportation funding.

It is doubtful that all 50 Senate Democrats will support the human infrastructure plan at that \$3.5 trillion price, which may make it difficult to bring that second infrastructure bill to the House or Senate floors this month.

### **Department of Transportation Budget**

The federal fiscal year begins on October 1, but Congress is not expected to complete the FY 2022 budget prior to that date. As a result, a Continuing Resolution (CR) will be necessary to keep government operations running in the absence of a final budget. Congress is expected to be debating the FY 2022 budget into the winter, with final approval expected in November or December. The funding levels approved in the infrastructure/reauthorization bill discussed above will set a floor for the FY 2022 DOT budget.

### **Federal Mask/Vaccine Mandates**

The CDC and TSA extended the federal mandate to wear masks on all forms of transportation through January 18, 2022 and recently, TSA doubled the range of fines for violating the mandates, starting at \$500 for first violations and rising to as much as \$3,000 for second violations.

In addition, President Biden announced on September 10 that he would instruct the Occupational Safety and Health Administration (OSHA) to create regulations that would mandate COVID-19 vaccinations for all federal employees, federal government contractors and employees at businesses with more than 100 employees, including state and local government workers.

In the coming weeks, OSHA regulations on the matter would be expected to be released for public comment prior to being finalized.

### Commuter Rail Liability Insurance

Commuter rail agencies are having increasing difficulty securing mandated liability insurance for their systems, and as a result, the American Public Transportation Association (APTA) recently developed a legislative proposal that would create a federal Commuter Rail Insurance Program at the Department of Transportation. Participation in the program would be voluntary, and the Secretary of Transportation would have the ability to shut the program down after five years if DOT determines that market capacity exists at a reasonable cost for commuter rail providers.

The proposal, which has not been formally introduced in the House or Senate, was not included in the transportation reauthorization bill that was approved as part of the bipartisan Senate infrastructure bill as described above, so a separate legislative vehicle will have to be found for it to become law.

#### **Previous Board Activity & Action**

There has been no previous Board-level activity on this item.

#### **Identified Need**

N/A

#### **Financial Impact**

N/A

#### **Exhibits**

N/A

Submitted By: Chris Giglio, Capital Edge



## Board of Directors Memo

September 23, 2021

SUBJECT: Community Advisory Committee Recap Report – August 2021

### Recommendation

This is an informational item. No action is required.

### Background

DCTA's Community Advisory Committee provides a forum to exchange information between DCTA staff, its passengers, and the community on transit-related issues. Public participation and input are critical as we continue to expand the public transportation opportunities available in the region.

### Financial Impact

There is no financial impact associated with this item.

### Exhibits

Exhibit 1: Community Advisory Committee Recap Report (August 2021)

A handwritten signature in blue ink that reads "Mary Worthington". The signature is fluid and cursive.

Submitted By: \_\_\_\_\_  
Mary Worthington, Community Relations Manager





# Community Advisory Committee Meeting Recap Report

## August 2020

# MEETING DETAILS

IR



Community Advisory Committee

**DCTA**

DENTON COUNTY  
TRANSPORTATION  
AUTHORITY

Online meeting held on  
Wednesday, August 4, 2021 at 6 p.m.

*This was a joint meeting for both the Denton and  
Lewisville/Highland Village CAC groups*

Community Attendees: 5

DCTA Attendees: 1

The Community Advisory Committee welcomed a  
new member - Sheridan Saint Michel, Denton

# MEETING NOTES



# MEETING NOTES

## Purpose of the Community Advisory Committee (CAC)

- Exchanging Information
- Providing public input/feedback
- Sharing DCTA News
- Recruitment and welcoming new members

## GoZone Service Details

- Reviewed and presented GoZone launch service details
- Members were given the opportunity to ride GoZone during soft launch



# MEETING NOTES

## Presentation of September 7, 2021 Service Changes

- On overview of the September service changes were presented to the committee
- Information about A-train frequency changes was also reported

## Campaigns/Events

- Ride Safe/Stay Safe
- Lewisville Western Days September 24 & 25 – CAC members will volunteer at the booth
- Denton Art and Jazz Festival – Oct 1, 2, & 3 - CAC members will volunteer at the booth



# MEETING NOTES

## Community Outreach

- Lewisville ISD Convocation Sponsor
- Denton ISD 2021/22 School Year Partner
- UNT & TWU – orientations and block party



## DCTA Social Service Agency Roundtable

- Lewisville – August 17 (Virtual Meeting)
- Denton – August 19 (Virtual Meeting)



# NEXT MEETING



# November CAC Meeting



Wednesday  
October 20  
6 p.m.

For questions about the upcoming Community Advisory Committee Meeting, or to get more involved in the conversation, please contact:

Mary Worthington, Community Relations Manager, at [mworthington@dcta.net](mailto:mworthington@dcta.net)





## Board of Directors Memo

September 23, 2021

SUBJECT: Social Service Agency Recap Report

### Recommendation

This is an information item. No action is required.

### Background

The purpose of the Social Service Agency Roundtable is to establish and maintain collaborative relationships and partnerships with social service agencies throughout Denton County. This ensures that DCTA is collectively meeting the needs of our community.

### Committee Review

There is no committee review.

### Financial Impact

There is no financial impact

### Exhibits

Exhibit 1: Social Service Agency Roundtable Recap Report (August 2021)

Submitted By: \_\_\_\_\_  
Mary Worthington, Community Relations Manager



# Social Service Agency Roundtable Recap Report

August 17, 2021 – Lewisville Virtual SSA Meeting

August 19, 2021 – Denton Virtual SSA Meeting

# MEETING & PROMOTION OVERVIEW



# Meeting Details – Lewisville Virtual

**Location:** Virtual Meeting

**Date:** Tuesday, August 19

**Time:** 9 a.m. – 10 a.m.

**Invitations:** Denton - 131

**Actual Attendees:**

Lewisville: 24

2 DCTA staff

**Agencies in Attendance:** NCTCOG, City of Lewisville, Denton County Public Health, City of Denton, Salvation Army, North Texas Food Bank, MHMR, Grace Like Rain, Denton Veterans Coalition, Giving Hope, Inc.

The purpose of the Social Service Agency Roundtable is to establish and maintain collaborative relationships and partnerships with social service agencies throughout Denton County. This ensures that DCTA is collectively meeting the needs of our community.



# Meeting Details –Denton Virtual

**Location:** Virtual Meeting

**Date:** Thursday, August Denton

**Time:** 9 a.m. – 10 a.m.

**Invitations:** Denton – 165

**Actual Attendees:**

Denton : 24

2 DCTA staff

**Agencies in Attendance:** NCTCOG, City of Lewisville, Denton County Public Health, Salvation Army, North Texas Food Bank, MHMR, Grace Like Rain, Giving Hope, Inc.

The purpose of the Social Service Agency Roundtable is to establish and maintain collaborative relationships and partnerships with social service agencies throughout Denton. This ensures that DCTA is collectively meeting the needs of our community.



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The August 2021 SSA Roundtable Meetings were promoted via Community Outreach News, Facebook, Twitter and direct email.







## AUGUST SOCIAL SERVICE AGENCY ROUNDTABLES

Save the date and email [mworthington@dcta.net](mailto:mworthington@dcta.net) for meeting contact info to join us online!

August 17 | 9:00 a.m. - 10:30 a.m.  
**LEWISVILLE**

August 19 | 9:00 a.m. - 10:30 a.m.  
**DENTON**



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# MEETING NOTES – Lewisville & Denton



# Meeting Notes

## Welcome and Introductions

- In order to facilitate a group atmosphere, introductions were made through an icebreaker in the chat mechanism of the Microsoft Teams meeting platform

## Review of Handouts/Presentations

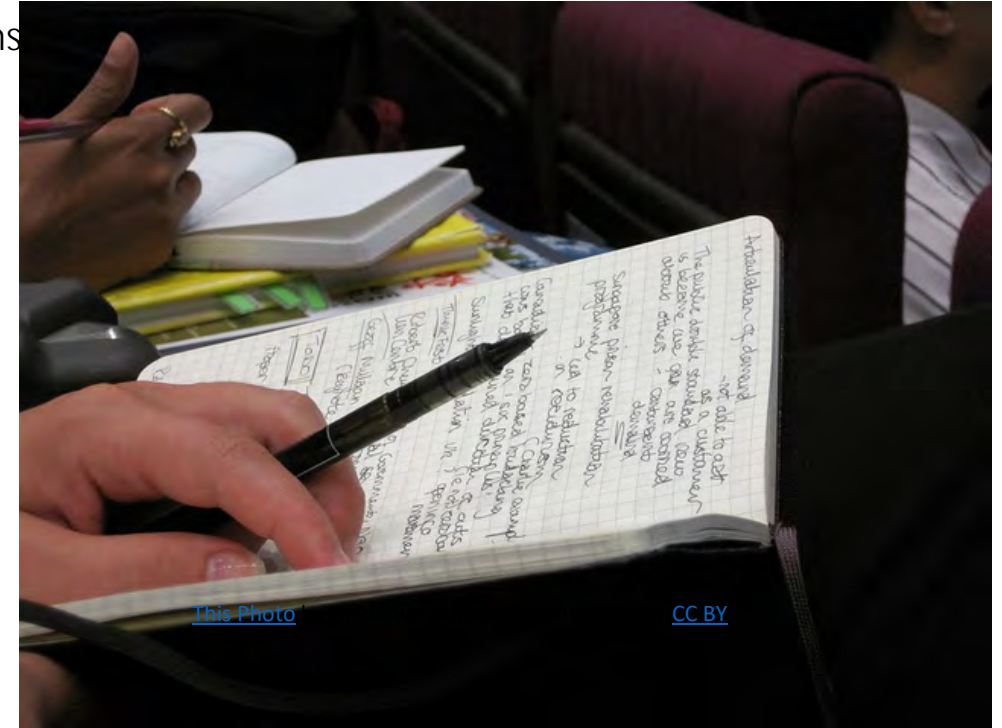
- The following updates and information were provided:
  - Proposed GoZone presentation

## Campaigns & Events

- State Fair – September 24 - October 17
- Lewisville Western Days – September 24 - September 26

## Open Discussion

- Social Service Agency Updates
- Group Feedback





# NEXT ROUNDTABLE MEETINGS



# August 2021 Roundtable Meetings

## Lewisville

### Date/Time:

Tuesday, October 20, 2021  
9:00 a.m. – 10:30 a.m.

Virtual Meeting via Microsoft Teams

## Denton

### Date/Time:

Thursday, October 21, 2021  
9:00 a.m. – 10:30 a.m.

Virtual Meeting via Microsoft Teams

For questions about the upcoming Social Service Agency Roundtables  
or to get more involved in the conversation, please contact:

Mary Worthington, Community Relations Manager

[mworthington@dcta.net](mailto:mworthington@dcta.net)

## Board of Directors Memo

September 23, 2021

SUBJECT: Request for Proposals (RFP) 21-10 Application for Depository Services

### Recommendation

This is an informational item only. Staff will bring an action item to the Board in October for consideration of approval.

### Background

Chapter 105 of the Local Government Code outlines the requirements for the selection and award of contracts for depository services. Applications must be requested from financial institutions with a contract awarded for a term that does not exceed five years.

The current contract is in place from December 1, 2016 through November 30, 2021. A request for proposal (RFP) was released on June 30, 2021 on Bid Sync for Application for Depository Services. The proposals will be evaluated, and staff plans to bring a final recommendation to the Board for formal action during the October 28, 2021 meeting.

### Previous Board Activity & Action

There has been no previous Board-level activity on this item.

### Identified Need

DCTA must have a depository bank for collection, disbursement, and management of funds. Local Government Code Section 105.016 also requires the governing body to designate a depository bank by an order recorded in its minutes.


### Financial Impact

The cost for the service is incorporated within the proposed FY2022 Budget.

### Exhibits

Exhibit 1: Request for Proposal 21-10

Submitted By:

  
Amber Karkauskas  
Controller/AVP of Finance

Final Review:

  
Marisa Perry, CPA  
Chief Financial Officer/VP of Finance

## **Solicitation 21-10**

### **Application for Depository Services**

**Bid Designation: Public**



**Denton County Transportation Authority**

## Bid 21-10

### Application for Depository Services

Bid Number **21-10**  
Bid Title **Application for Depository Services**

Bid Start Date **Jun 30, 2021 9:01:49 AM CDT**  
Bid End Date **Aug 17, 2021 2:00:00 PM CDT**  
Question &  
Answer End Date **Jul 16, 2021 2:00:00 PM CDT**

Bid Contact **Geraldine Osinaike**  
**gosinaike@dcta.net**

Contract Duration **5 years**  
Contract Renewal **Not Applicable**  
Prices Good for **90 days**

Bid Comments **The Denton County Transportation Authority (DCTA) is seeking proposals for professional services required for Application for Depository Services, requesting applications for the performance of depository services from any bank, credit union, or savings association, hereafter referred to as the "Bank", doing business in DCTA's service area that may desire to be selected as the depository of the DCTA.**

**Questions may be submitted before the deadline. It is recommended that the insurance requirement be reviewed by you and your agent.**

**Due to the COVID 19 Pandemic and the stay at home declarations in place across the country, DCTA will accept electronic bids through Bidsync only. State of Texas law prohibits DCTA from accepting emailed bids and proposals.**

**Added on Aug 13, 2021:**

**Addendum 1 has changed the due date for the RFP proposals to August 17, 2021, at 2:00 pm CT. Please acknowledge, sign and include with the proposal.**

#### Addendum # 1

New Documents **Addendum 1 21-10 Application for Depository Services.pdf**

Previous End Date **Aug 13, 2021 11:00:00 AM CDT** New End Date **Aug 17, 2021 2:00:00 PM CDT**

#### Item Response Form

Item **21-10--01-01 - RFP Application for Depository Services**

Quantity **1 each**

Prices are not requested for this item.

Delivery Location **Denton County Transportation Authority**  
Denton County Transportation Authority.  
1955 Lakeway Drive

Suite 260B  
Lewisville TX 75057  
**Qty** 1

**Description**

Application for Depository Services information



## SOLICITATION OVERVIEW AND ENDORSEMENT

<b>SOLICITATION TYPE/No.</b>	Request for Proposals (RFP) 21-10		
<b>TITLE</b>	Application for Depository Services		
<b>PROCUREMENT SCHEDULE</b>	Dates and times are subject to change, any changes will be issued by addenda.		
<b>PRE BID/PROPOSAL MEETING DATE</b>	N/A	<b>PRE BID/PROPOSAL MEETING LOCATION</b>	
<b>QUESTIONS DUE</b>	July 16, 2021 by 2:00 pm CST	<b>RESPONSES TO QUESTIONS RELEASED</b>	July 30, 2021 by 5:00 pm CST
<b>DUE DATE/TIME</b>	August 13, 2021 at 11:00 am CST		
<b>QUESTIONS/ CLARIFICATIONS</b>	All requests for clarifications and questions shall be submitted in writing. No verbal questions will be accepted and no verbal replies will be provided. Bidders/Proposers must submit requests for changes to or approval of equals, clarifications and modifications of the specifications in writing. The solicitation documents can only be modified in writing. Procurement must receive the requests no later than the date indicated above. Procurement will issue a response to those requests to all bidders/proposers by posting the replies to Periscope S2G no later than the date indicated above. DCTA assumes no responsibility for delayed or lost responses		
<b>ALL QUESTIONS AND REQUESTS FOR CLARIFICATIONS SHALL BE SENT TO</b>	Geri Osinaike <a href="mailto:procurement@dcta.net">procurement@dcta.net</a> or submitted via Periscope S2G at <a href="http://www.bidsync.com">www.bidsync.com</a>		
<b>RECEIPT OF BID/PROPOSAL</b>	Prior to the time and date indicated above, all proposal must be received electronically at <a href="http://www.bidsync.com">www.bidsync.com</a>		
	DCTA reserves the right to change the deadline for submitting bids/proposals. Further, DCTA reserves the right to unilaterally revise or amend the scope of services up to the time set for submitting bids/proposals. Such revisions and addenda, if any, shall be announced by addenda to this solicitation. Copies of such addenda shall be furnished to all prospective bidders/proposers.		
<b>ACCEPTANCE PERIOD</b>	PROPOSALS SHALL REMAIN VALID FOR 90 DAYS FROM THE DUE DATE		
<b>DBE (DISADVANTAGED BUSINESS ENTERPRISE) PROGRAM</b>	It is the policy of DCTA to create a level playing field on which DBEs, as defined in 49 CFR Part 26, can compete fairly for DOT-assisted contracts. Additionally, DCTA is committed to removing barriers to the participation of DBEs on DOT-assisted contracts. The DBE requirements of 49 CFR Part 26 applies to this procurement. By submitting its bid/proposal, Bidder/Proposer certifies that it will take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that DBEs are given the maximum opportunity to compete for and participate in the performance of this contract. Bidder/Proposer further certifies and agrees that it has not and will not discriminate on the basis of race, color, national origin, or sex in the award of subcontracts under this contract or in performance of this contract. DCTA's DBE Program is available at <a href="http://www.dcta.net">www.dcta.net</a>		
<b>DBE GOAL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no DBE goal %		
<b>DAVIS-BACON AND COPELAND ANTI-KICKBACK</b>	The Davis-Bacon and Copeland Acts are codified at 40 USC 3141, et seq. and 18 USC 874. The Acts apply to grantee construction contracts and subcontracts that "at least partly are financed by a loan or grant from the Federal Government." 40 USC 3145(a), 29 CFR 5.2(h), 49 CFR 18.36(i) (5). The Acts apply to any construction contract over \$2,000. 40 USC 3142(a), 29 CFR 5.5(a). 'Construction,' for purposes of the Acts, includes "actual construction, alteration and/or repair, including painting and decorating of public buildings and public works of the Government." 29 CFR 5.5(a).		
<b>CERTIFIED PAYROLL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no Wage Rate		
<b>BID/PROPOSAL ENDORSEMENT</b>	TO BE COMPLETED FOR HAND DELIVERED AND MAILED RESPONSES ONLY		
<b>BUSINESS NAME</b>			
<b>CONTACT NAME</b>		<b>TITLE</b>	
<b>TELEPHONE</b>		<b>EMAIL</b>	
<b>ADDRESS</b>			
<b>SIGNATURE</b>			<b>DATE</b>

## **SCOPE OF WORK, TERMS AND CONDITIONS**

### **1. GENERAL INFORMATION**

The Denton County Transportation Authority (DCTA) is requesting applications for the performance of depository services from any bank, credit union, or savings association, hereafter referred to as the "Bank", doing business in DCTA's service area that may desire to be selected as the depository of the DCTA.

The objective of this solicitation is to identify the Bank that can provide depository services in accordance with the following specific requirements, consistent with guidelines adopted by the DCTA Board of Directors and at a competitive cost.

DCTA reserves the right to enter into agreements with financial institutions other than the depository to make investments with such monies that are not immediately needed to pay vendors. DCTA also reserves the right to enter into agreements with financial institutions other than the depository in order to secure financial services not provided for in the depository agreement.

According to Section 105.034 of the Texas Local Government Code, the depository shall:

- Keep the funds covered by the depository services contract;
- Perform all duties and obligations imposed on the depository by law and under the depository services contract;
- Pay on presentation all checks drawn and properly payable on a demand deposit account with the depository;
- Pay all transfers properly payable as directed by a designated officer;
- Provide and maintain security at the level required by the provisions of Chapter 2257, Government Code; and
- Account for DCTA funds as required by law.

In addition, any suit brought in connection with a depository services contract shall be tried in Denton County, Texas.

### **2. CONTRACT TERM**

A proposed depository services contract, not to exceed five years, will be presented to the Board of Directors for award based on the Application for the Performance of Depository Services. In addition to depository services, DCTA may contract with other financial institutions, including banks, credit unions, and savings associations, for additional financial services under a separate contract if the governing body determines that additional financial services are necessary in the administration, collection, investment, and transfer of municipal funds.

Award is anticipated on September 23, 2021 and the contract start date shall be December 1, 2021, through and including November 30, 2026.

### **3. APPLICATION FORM – PRICING FOR SERVICES**

In reviewing the applications, DCTA shall consider the terms and conditions for the performance of depository services, including the type and cost of services to be provided to DCTA, consistent with any policy guidelines adopted by the governing body regarding the selection of one or more depositories. The Bank's Application Form shall provide pricing for various services.

**Attachment 1 – Application Pricing Form** contains a list of depository services as well as the activities discussed elsewhere and is not considered all-inclusive as future services may not be known and cannot be anticipated. It is expected, however, that as the needs are recognized, pricing will



follow in a manner consistent with the prices quoted for items having similar characteristics in the Bank's response.

#### **4. APPLICATION FORM – SPECIFICATIONS**

In addition to providing pricing information, DCTA is requesting additional information in order to evaluate the applications.

All applicants are strongly encouraged to respond to every element of this request for applications with information, including costs, as requested in Attachment 1 – Application Pricing Form. Explanations for any items of non-compliance shall be included with the application. Please respond in the order outlined below.

#### **5. GENERAL SPECIFICATIONS**

Applicants are required to furnish the following information with their application:

- 5.1 DCTA currently pays for services by maintaining compensating balances to offset fees. Accounts should be grouped for account analysis to obtain maximum credit for balances. A sample account analysis format and sample monthly statement should be provided as part of the application that shows volume counts, fees charged, and total prices. The sample statement should also show average ledger balances, average collected balances, and earnings credit calculations. Also, address the method and time frame of settlement of excess (shortage) of compensating balance.
- 5.2 Discuss the Bank's policy with respect to the cashing of checks (payroll and other) drawn on the Bank that are payable to persons or companies that do not have accounts at the institution. Include the amount of fee charged to either the payee or payer, if it is your policy to charge a fee for this transaction. Can this policy, with respect to check cashing, be extended to include other local financial institutions, which are part of the same holding company? If so, what will be the procedure?
- 5.3 Submit the Bank's certified annual audit reports for the last two years and a statement regarding any recent or foreseen mergers or acquisitions.
- 5.4 Submit specifications, both hardware and software, and costs associated with the packages available for DCTA to obtain online access.
- 5.5 Complete the following ratios as of December 31, 2019, and December 31, 2020:
  - Primary capital to total assets
  - Total capital to total assets
  - Net charge-offs to average loans
  - Temporary investments less volatile liabilities to total assets
  - Equity capital less goodwill to total assets
  - Nonperforming assets to equity capital plus reserves
  - Pretax earnings (before securities gains and losses) to total assets

Note: DCTA reserves the right to reject applications from any financial institutions whose ratios are not within acceptable standards as defined by appropriate authoritative sources such as the Government Finance Officers Association (GFOA) or the American Bankers Association.

- 5.6 If the Bank proposes the use of an automated sweep for overnight investment, provide a copy of the Bank's standard repurchase agreement and explain how the Bank would collateralize a repurchase agreement at 105% with DCTA. Please include the method for calculating the interest

to be paid on the overnight automated sweep investment. DCTA reserves the right to make repurchase agreements with other financial institutions.

- 5.7 List branches throughout Denton, Lewisville, and/or Highland Village that would be able to transact business.
- 5.8 Submit information on the Bank's ability to handle credit card processing including online payments, telephone payments, and Kiosk payments to DCTA. Note: Award of bid does not constitute award of merchant processing.
- 5.9 Submit information on the Bank's ability to provide an automated cash handling solution with the capability to count, validate, and secure currency and coins. The solution should include real-time or same-day deposit reporting access via the Bank's online system. This service may be provided by the Bank or a separate cash handling vendor with an established relationship with the Bank.
- 5.10 Discuss the Bank's cybersecurity policies in practice to protect clients' funds to include the following topics:
  - Safeguarding requirements and procedures;
  - Schedule and level of involvement in security audits;
  - Firewalls, anti-virus/malware applications, including mitigating risks from mobile apps and addressing cryptocurrency hacks;
  - Address how breaches are handled and what timely notifications are provided to clients;
    - o Provide sample communication;
  - User authentication protections; and
  - User training opportunities.

## **6. SPECIFIC REQUIREMENTS**

- 6.1 DCTA currently uses the following bank accounts:
  - Depository – Master account. Incoming and outgoing wires, ACH credits, currency and coin deposits, and check deposits are typically posted to this account.
  - Disbursement – Zero Balance Account (ZBA) subsidiary account utilized to process Accounts Payable and Payroll disbursements.
  - Flex Benefits – Reimbursements and debit card activity are paid out of this account to cover flex spending medical and dependent care claims.
  - Bond Fund Account
- 6.2 All accounts will have a calendar month end cut-off date. The Bank shall provide online statements, reconciliations, and outstanding checklist for all accounts not later than the second business day after the statement cut-off.
- 6.3 Online Access:
  - 6.3.1 DCTA requires an Internet-based reporting system to obtain daily balances, details of each debit and credit transaction including check numbers for paid checks and deposit slip numbers for deposits, images of all canceled checks and deposits, in all accounts for a period of at least five years.

- 6.3.2 This system shall also provide the capability to initiate and/or remove Stop Payments and to research paid items and deposits as required. The Bank shall also void checks as required by DCTA.
- 6.3.3 DCTA requires the ability to confirm incoming and outgoing wire transfers via this online system.
- 6.3.4 Downloaded data will be in BAI (Bank Administration Institute) format, which will allow uploading and/or posting of daily transactions to DCTA's accounting system. A previous day's information will be available to DCTA no later than 7:00 AM each business day, and same-day information will be shown as pending in real-time.
- 6.4 Currency, Coin, and Check Deposits:
  - 6.4.1 The Bank will accept bulk coin bags, delivered by armored car service, for sorting, counting, and deposit to DCTA's master account. Bulk coin bags are delivered to the depository during normal business hours Monday thru Friday. Bank vault services shall be required.
  - 6.4.2 DCTA does not anticipate making night depository drops; however, DCTA reserves the option to add these services at a later date if needed.
  - 6.4.3 DCTA will use sequentially numbered, book-bound deposit slips in duplicates. Deposit adjustment notifications should be available online or emailed to a designated contact person within one business day.
  - 6.4.4 The Bank shall provide the capability to deposit checks remotely via an online system that allows deposits by authorized employees at 2-3 locations.
  - 6.4.5 Items included in deposits that are returned for NSF or other reasons will be returned to DCTA on a daily basis. All items will be charged to the account in which the deposit was made.
  - 6.4.6 The Bank shall provide locking depository bags, plastic tamper-resistant bags, coin wrappers, and deposit slips in a mutually agreeable format.
  - 6.4.7 The Bank should ensure that checks are processed in accordance with the signature requirement as noted on the check stock.
- 6.5 Positive Pay:
  - 6.5.1 The Bank shall provide positive pay reconciliation as well as the electronic capability for DCTA to transmit to the Bank a text file of the checks written. This file will contain information such as bank account, check number, amount, and if necessary, the check issue date and payee.
  - 6.5.2 Method of transmission to the Bank will be in a mutually agreeable format and transmitted to the Bank before checks are distributed to payees.
  - 6.5.3 The Bank will provide information for all exceptions by 10:00 AM each day.
  - 6.5.4 All positive pay exceptions shall be set by default to reject unless authorized by DCTA staff. Images of exception items shall be available for review prior to the decision deadline.
  - 6.5.5 The Bank will assume liability for any checks paid on behalf of DCTA which are not on lists transmitted to the Bank.
- 6.6 Wire Transfers:
  - 6.6.1 DCTA requires all wire transfers to be processed through Federal Reserve Wire System.
  - 6.6.2 The application should include a copy of the Bank's standard transfer procedures and wire transfer agreement.

- 6.6.3 DCTA wires payment to vendors under various contract agreements and makes transfers within DCTA accounts, to outside banks, and to local government pools. All outgoing wires shall be initiated by an authorized employee and approved by a second authorized employee before the Bank acts on them. DCTA shall have the capability to enter and approve future-dated wires. Online templates shall be available for use on repetitive transfers.
- 6.6.4 DCTA requires that all outgoing wires be processed within one hour of approval. DCTA should be notified of any problems with outgoing wire transfers within this window.
- 6.6.5 DCTA is not normally notified of incoming wire transfers. The Bank will provide online access to information concerning incoming wires to DCTA accounts and send email notifications on all amounts greater than \$500,000.
- 6.7 ACH Services:
  - 6.7.1 DCTA uses direct deposit for its semi-monthly payroll processing as well as the biweekly payroll processing for DCTA's third-party bus operations. Describe the requirements for this service and indicate when funds would be available in employees' bank accounts.
  - 6.7.2 ACH credits are received daily for credit card settlements.
  - 6.7.3 ACH debits are processed daily for flex spending payments.
  - 6.7.4 Accounts shall have ACH debit protection whereby only authorized companies may debit a specified account.
- 6.8 Overdrafts:
  - 6.8.1 DCTA does not intend to have an overdraft position on any of its bank accounts.
  - 6.8.2 In the event a check or wire is presented for payment on any account with insufficient funds available for payment, the Bank will pay said check and promptly notify DCTA of the overdraft situation. DCTA agrees to cover the overdraft within a maximum of one business day.
  - 6.8.3 DCTA expects the Bank to view all accounts together for purposes of any charges on overdrawn balances.
- 6.9 Collateral: The Authority requires a Bank that is fiscally strong and able to provide the Services on an uninterrupted basis. DCTA funds are public funds and fall under provisions of the Public Funds Collateral Act (Texas Government Code Chapter 2257) and are further restricted by investment as included.
  - 6.9.1 All deposits, including accrued interest, are to be collateralized in accordance with the Public Funds Collateral Act (Texas Government Code Chapter 2257), pledged by the Bank and held in trust by an independent third-party custodian in an amount equal to at least at 105% of the total funds. The Bank will be responsible for determining daily if the collateral is sufficient and adjusting the pledged securities as circumstances require. The Bank shall, not later than five days before the commencement of the term of the depository services contract, provide security for the municipal funds to be deposited in accordance with the terms of the depository services contract.
  - 6.9.2 DCTA will be provided a monthly report of the collateral. DCTA may examine and verify at any reasonable time any pledged investment security or pledged investment record the Bank or a custodian maintains.
  - 6.9.3 The Bank has the right, with the prior written consent of DCTA, to replace any or all of the pledged securities with collateral acceptable to DCTA. Request for the release of securities will be

accomplished by providing a list of remaining pledges (market value) and detail of funds on deposit.

6.9.4 Eligible collateral is listed below in accordance with Texas Government Code, Chapter 2257:

- A surety bond;
- An investment security;
- an ownership or beneficial interest in an investment security, other than an option contract to purchase or sell an investment security; a fixed-rate collateralized mortgage obligation that has an expected weighted average life of 10 years or less and does not constitute a high-risk mortgage security;
- a floating-rate collateralized mortgage obligation that does not constitute a high-risk mortgage security; or
- A letter of credit issued by a Federal Home Loan bank.

6.10 Safekeeping Services:

6.10.1 DCTA uses safekeeping service for its purchased securities. All securities shall be cleared on a delivery versus payment (DVP) basis and ownership documented by clearing confirmations and/or safekeeping receipt. If the Bank utilizes a correspondent bank for safekeeping of DCTA securities, the transactions will be handled through the Bank's systems and shall not require additional interaction by the Authority with the correspondent bank. No delay in transactions, wires, or flow of funds will be acceptable under a correspondent relationship. Proposals should include the following information:

- Is the Bank a member of the Federal Reserve and Depository Trust Company?
- If used, name the correspondent bank to be used for clearing and safekeeping.
- Describe any safekeeping arrangement with a correspondent bank including processing requirements by the Authority. No delays or additional transactions are acceptable.
- Are security transactions available online for either origination or monitoring? Describe.
- What is the deadline for settlement instructions on a cash (same day) settlement? Is there any charge incurred for late instructions?

6.10.2 Securities pledged as collateral for deposits and for repurchase agreements shall be retained in safekeeping in a third-party safekeeping bank in the State of Texas or in the Federal Reserve Bank of Dallas. The investments purchased by DCTA shall be retained in a third-party safekeeping bank or in the depository bank's trust department in DCTA's name. DCTA, the Bank, and the safekeeping bank(s) shall operate in accordance with a master safekeeping agreement signed by all three parties. Please submit a copy of the safekeeping agreement with the safekeeping bank or Federal Reserve Bank to be used. The safekeeping agreement shall clearly state the safekeeping bank is instructed to release the collateral to DCTA if DCTA determines that the bank has failed to pay on any accounts, has been closed by a regulatory authority, or is in default of this agreement and if the instructions for release have been formally requested by a DCTA Board of Directors resolution. DCTA shall always hold the original safekeeping receipt for its investments and for pledged collateral. DCTA's Investment Officer shall approve the release of collateral in writing prior to its removal from the safekeeping account. The safekeeping agreement shall have the signatories from the custodian bank as trustee, the depository bank, and DCTA.

- 6.10.3 Safekeeping fees shall be described on an account analysis statement. All charges for securities clearance and safekeeping, including fees passed on from the Federal Reserve Bank, shall be on the account analysis and included on Attachment 1- Application Pricing Form.

## **7. CUSTOMER SERVICE**

- 7.1 The Bank will designate an individual as the single point of contact, and a second individual as the backup point of contact, to coordinate the account services and expedite the solution of any problem. Provide the name, title, telephone number and normal work hours of these individuals will be furnished with the application. Additionally, provide the contact name, phone number, and work hours for the following areas:
- Balance reporting
  - Vault services
  - Deposit adjustments
  - Positive pay
  - ACH services
  - Wire transfers
  - Reconciliations
  - Pledged collateral
- 7.2 Include information about the Bank's customer service:
- How many employees work in the local office?
  - How does the Bank support the community and DCTA service area?
  - How is contract performance and client satisfaction monitored?
  - Describe the plan used by the Bank to ensure a smooth transition from the current provider.
  - Describe the Bank's disaster recovery procedures including backup support in place.

## **8. ADDITIONAL INFORMATION**

- 8.1 The average collected balance of all DCTA deposit accounts is estimated to be \$1,400,000. DCTA does not guarantee account balances, average account balances, or deposits will remain at these levels.
- 8.2 DCTA receives cash deposits, online check deposits, and credit card settlement deposits on a daily basis, as follows:
- Cash deposits average \$900 per day;
  - DCTA averages approximately 4 cash deposits daily; and
  - ACH credits (credit card settlements) average \$1,000 per day.
- 8.3 DCTA expects to receive the same-day credit for funds deposited. Please enclose an availability schedule with the application.
- 8.4 DCTA's credit card processors are authorized to debit the depository account for monthly credit card processing fees. DCTA's flex spending administrator is authorized to debit the flex benefits account for daily FSA/HSA activity.
- 8.5 Full Account Reconciliation is required of all items processed through any DCTA account.
- 8.6 Intra-bank transfers are initiated in the same manner as outgoing wires.

- 8.7 Authorized DCTA employees may call the bank to order currency and/or coins and will provide the Bank an exact breakdown of denominations of coins and currency required.

## **9. COMPLIANCE WITH TEXAS PUBLIC FUNDS INVESTMENT ACT**

Any applicant that has not already furnished DCTA with a completed Certificate of Compliance with the Texas Public Funds Investment Act shall include a certification substantially in the form required by Texas Law.

## **10. BACKGROUND INFORMATION**

### **10.1 AUTHORITY DESCRIPTION**

DCTA is a Coordinated County Transportation Authority as defined in Chapter 460 of the Texas Transportation Code. It is granted power under this Texas law to plan, develop, acquire, construct, own, operate, and maintain a public transportation system in Denton County. In 2002, legislation authorizing DCTA was passed. On September 13, 2003, the voters of Denton County created DCTA. The primary revenue source for DCTA is a ½ cent local sales tax from its three (3) member cities - Denton, Highland Village, and Lewisville. Collection of the sales and use tax dedicated to DCTA from these three (3) cities began January 1, 2004. This revenue helps fund DCTA's Long Range Service Plan which includes a commuter rail component and a bus service component with local fixed-route bus service, university shuttle service, and demand response and vanpool service. The Long Range Service Plan also outlines the plan for a network of Park-and-Rides and Rail and Bus operations facilities to serve Denton County residents. These elements provide services to help mitigate congestion, improve mobility, and provide regional connectivity. DCTA's A-train rail service connects Denton County with Dallas Area Rapid Transit (DART) light rail transit facilities via a convenient cross-platform transfer and provides access to the greater Dallas-Fort Worth area. Other non-participating cities in Denton County may choose to contract with DCTA for service.

DCTA is governed by a 5 voting member Board appointed by respective entities from Denton County and the cities of Denton, Highland Village, and Lewisville serving two-year terms. Large cities, small cities, and other Denton County cities make up the remaining six non-voting members. Each member serves a term of two years and may be reappointed. There are no term limits for service on the Board. Board officers are elected from the Board membership and serve a one-year term. A Board Member may not be elected to more than three consecutive one-year terms as Chair, provided said three successive terms may be in addition to and preceded by that Board Member's election as Chair to serve the remainder of an unexpired term. In FY19, DCTA created a Local Government Corporation (LGC) called North Texas Mobility Corporation (NTMC). NTMC is a subsidiary of DCTA and acts on behalf of its creating authority, governed by Chapter 431 of the Texas Transportation Code. DCTA has entered into an Interlocal Agreement (ILA) with NTMC to provide complete mobility services and management of ongoing operations, including fixed-route, demand-response, ADA/paratransit, fare collection and enforcement services, maintenance, service operation, and DCTA's customer service/call center. DCTA contracts with Rio Grande Pacific Corporation for rail service operations including maintenance services for stations, corridor, track signal and communication systems, engineers and conductors to operate the DCTA service, and dispatching.

### **10.2 ORGANIZATIONAL RESPONSIBILITIES**

DCTA financial functions fall under the general supervision of the CEO, with the Chief Financial Officer responsible for planning, organizing, directing and coordinating the activities of the finance, accounting, purchasing, cash management, financial reporting and budgeting functions.



### 10.3 COMPUTER SYSTEMS

DCTA currently uses SunGard ONESolution, a CentralSquare Technologies product, which includes a general ledger accounting system with accounts payable, accounts receivable, and fixed assets modules. DCTA utilizes Kronos, Inc. as its payroll processor.

#### FINANCIAL INFORMATION

Audited financial statements can be found on DCTA's website at <https://www.dcta.net/about-dcta/financial-information-transparency>, under the Comprehensive Annual Financial Report tab. The adopted FY2021 budget document can be found at <https://www.dcta.net/about-dcta/financial-information-transparency>, under the Budget tab.

### 11. APPLICATION SUBMITTAL INFORMATION

The response shall be submitted online through Bidsync, at [www.bidsync.com](http://www.bidsync.com), proposals received via email shall not be considered. See the Proposal Submittal Information section of the RFP for more details.

The proposal shall not exceed 25 double sided pages. See the Proposal Submittal Information section of the RFP for more details.

### 12. ATTACHMENTS

- Attachment 1 – Application Pricing Form
- Attachment 2 – List of References
- Attachment 3 – Bidders Questionnaire
- Attachment 4- Form CIQ Conflict of Interest Questionnaire
- Attachment 5 – Non-Collusion Affidavit
- Attachment 6 - Prohibition of Contracts with Companies Boycotting Israel
- Attachment 7 – Authorization for Release of Financial Information
- Exhibit A – FY2021 Investment Policy
- Exhibit B – Quarterly Investment Report dated 03/31/2021



## **PROPOSAL SUBMITTAL INFORMATION**

The responses shall be submitted on standard 8-1/2" x 11" paper and should describe the firm, consultant(s), and key staff members who will be directly involved, a list of references, statement of qualifications; and other information relevant to the services offered and expertise provided by the respondent.

The respondent shall submit one (1) signed hardcopy original, three (3) hard copies and one (1) electronic copy (USB Flash Drive) of the proposal clearly marked with the contents and RFP number on the outside. The proposal shall not exceed 25 double sided pages.

The page count shall not include:

- Cover Letter (two page maximum)
- Front and back cover and section dividers (bindings and covers will be at the discretion of the Proposer).
- Company brochure (not more than one item), which shall be part of the Appendix.
- Required certificates and forms

Each technical proposal shall include the following information:

### **LETTER OF TRANSMITTAL**

The letter of transmittal must contain the following statements and information:

- Company name, address, telephone number(s), and website.
- Name, title, email address, and telephone number of the person(s) to contact and who are authorized to represent the firm and to whom correspondence should be directed.
- A brief statement of your understanding of the services to be performed and a positive commitment to provide services as specified.
- The letter must be signed by a corporate officer or person authorized to bind the proposer to the proposal and cost schedule.
- A statement indicating that the proposal and cost schedule will be valid and binding for ninety (90) days following the proposal due date, and will become part of the contract.

### **TAB 1: QUALIFICATIONS AND EXPERIENCE**

- Briefly introduce firm, providing a summary of the administration, organizations and staffing of your firm, including multiple offices, if applicable. Provide an organizational chart indicating the positions and names for the core management team which will undertake this engagement.
- Identify the project manager and each individual who will work as part of this engagement. Include any professional designations and affiliations, certifications and licenses, etc. or other information that will illustrate the technical competence of the proposed personnel.
- Describe experience of the firm in the last 36 months in performing services in similar size and scope, highlighting work in the public sector.

- Demonstrate the firm's knowledge and understanding of the Service required by DCTA.
- Please list any special certifications by firm and/or key employees
- Identify Small, Minority-owned, DBE, and Woman-owned business, if applicable, intended to be utilized on this project.

**TAB 2: PROJECT APPROACH**

This section should include a detailed summary of the approach to be undertaken for development of this effort and individuals responsible for the deliverables. It must be based on the project understanding and Scope of Services but provide additional detail on the process to be used in delivering these services. The responsibilities of any sub-contractors, if any, should be clearly noted.

Additionally, this section must:

- Detail the firm's approach to meeting the scope of services defined herein
- Indicate in a narrative format the firms understanding of the scope of work, including a detailed project plan for this engagement outlying major tasks and responsibilities, time frames, and staff assignments.
- Support availability (days of week and time)
- Steps for resolving problem escalation
- Response time and goal for resolving problems
- Provide a summary, including why the firm is pursuing the work and how the firm is qualified to perform the services.
- Describe the ongoing training and support provided.
- Describe the data privacy and ownership of information provided by DCTA.
- Provide a detailed description of application security and connection.
- Provide a test/demo site, if available.

**TAB 3: REFERENCES**

Provide name, title, address, and telephone number of three references for clients, whom similar services have been provided in the last 36 months, including information referencing the actual services performed and length of tenure. At least one of the references provided must be in the public sector.

**TAB 4: PRICING**

The proposed pricing shall include all costs necessary to fully complete the project. DCTA may require firms to provide services after hours and on weekends depending on system needs. It is the intention of the contract documents to include and require from all proposers, the following pricing information:

- Software
- Installation and data integration

- Maintenance and ongoing support
- Training

#### **TAB 5: ATTACHMENTS**

Include company brochure, copies of referenced certifications, acknowledgement of any Addenda issued, certifications and required forms, and any other attachments or acknowledgement required as part of this submittal.

#### **TAB 6: APPENDIX**

The following documents/forms will be completed by the Offeror and must be submitted with the Technical Proposal:

- Attachment 1 – Application Pricing Form
- Attachment 2 – List of References
- Attachment 3 – Bidders Questionnaire
- Attachment 4- Form CIQ Conflict of Interest Questionnaire
- Attachment 5 – Non-Collusion Affidavit
- Attachment 6 - Prohibition of Contracts with Companies Boycotting Israel
- Attachment 7 – Authorization for Release of Financial Information
- Exhibit A – FY2021 Investment Policy
- Exhibit B – Quarterly Investment Report dated 03/31/2021

Each Proposer shall submit a detailed response to the RFP. The response shall include sufficient information to enable the Denton County Transportation Authority to evaluate the capabilities of the Proposer and its approach to providing the specified services. Best Value will be the base for the evaluation. Unnecessarily elaborate or voluminous responses are neither required nor wanted. The 25-page limit and other requirements described shall be enforced. Discussion of the firm's past experience, which is not related to the specified services, should not be included. The response shall specifically address the issues raised, and provide the information requested.

It is the responsibility of the proposer to examine the entire RFP package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a proposal.

Proposers may not contact members of the Authority's Board of Directors concerning this procurement. Any proposer violating this provision may be disqualified from consideration in this procurement.

DCTA will not respond to oral requests. Any request for a change to any part of this document must be fully supported with technical data, or other pertinent information evidencing that the exception will result in a condition equal to or better than the required by the RFP, without substantial increase in cost or time requirements. Any responses to such written requests shall be provided by DCTA in the form of an addendum. Only written responses (including e-mail and/or

e-mail attachments) provided as addenda shall be official and all other forms of communication with any officer, employee or agent of DCTA shall not be binding on DCTA.

## **EVALUATION AND SELECTION**

### **1. GENERAL RESPONSIVENESS**

In order for an Applicant to be eligible to be awarded the Contract, the Application shall be responsive to the Request for Application, and DCTA shall be able to determine that the Applicant is responsible to perform the Contract satisfactorily. Responsive Applications are those complying in all material aspects of the solicitation. Applications which do not comply with all the terms and conditions of this solicitation may be rejected as nonresponsive. An Applicant may, at any time after the submission of the Application, be requested to submit further written evidence verifying that the firm(s) meet the criteria necessary to be determined a responsible Applicant. Refusal to provide requested information may result in the Applicant being declared nonresponsive, and the Application may be rejected.

### **2. CRITERIA FOR EVALUATION**

Proposals will be reviewed for compliance with the requirements of the RFP. Those proposals which are deemed incomplete will be rejected. Proposals will also be scored on the clarity and completeness.

A committee of DCTA staff will evaluate the responses and will make a recommendation for award based on the best value to the agency. Evaluation will be based on the following criteria:

Applications will be evaluated for compliance with the following mandatory criteria:

- The Bank shall be a member of the Federal Reserve System and/or the Federal Deposit Insurance Corporation
- The Bank shall be chartered under laws of the United States or the State of Texas with main or branch banking facilities located in Denton, Lewisville, and/or Highland Village.

Applications meeting the mandatory criteria above will be evaluated on the following criteria and rated on a 100-point scale, with maximum points for each of the evaluation criteria listed below:

<b>SCORING CRITERIA</b>	<b>WEIGHT</b>
<b>Experience and Qualifications</b>  <b>Technical Ability, including Cybersecurity Practices, to Provide Required Services</b>	40
<b>Project Approach</b> <b>Financial Strength</b>	30
<b>Past Performance and References</b> <b>Experience in Providing Services to Similar Clients</b>	20
<b>Price</b> <b>Cost of Services including Earnings Allowance</b>	10
<b>Total</b>	100
<b>Required Forms and Certifications</b> All applicable forms and certifications listed in the proposal submittal information sections must be included with the proposal in Appendix 6.	Pass/Fail

### 3. TECHNICAL EVALUATION

Following evaluation and scoring of the technical proposals submitted, DCTA will identify those firms technically qualified to perform the work. If DCTA determines that a Proposal is not technically sufficient or a Proposer is not technically qualified, that Proposal will not be evaluated further.

The application shall include Attachment 2, List of References, completed by the Bank with information for three current public clients including contact name, title and phone number. DCTA will also evaluate qualifications by inquiries into the Bank's references and/or client list. DCTA is especially concerned with the Bank's:

- Ability to effectively work with government agencies.
- Experience working with organizations with similar size, scope and complexity, including Federal Transit Administration requirements.

### 4. ORAL PRESENTATION

The evaluation committee will determine whether acceptance of the most favorable initial proposals without discussion is appropriate, or whether interviews and/or discussions should be conducted. Interviews may be conducted by phone or webinar.

Some or all of the Banks being considered for the project may, at the sole discretion of the DCTA, be invited to make an oral presentation to the Selection Committee. The oral presentations, if required, shall be conducted to solicit information to enable the DCTA to

evaluate the capability of the Bank to provide the desired services. If the DCTA notifies a Bank that an oral presentation is required, the DCTA shall inform the Bank of the schedule, order and procedure for the presentation, including its content, time limits, and use of handouts and visual aids. The DCTA may videotape any presentations. Any cost incurred by the Bank is the responsibility of the Bank and cannot be charged to DCTA.

If oral presentations are required, the written response will count as 75% of the overall score and the oral presentation as 25%. Notwithstanding the foregoing, the DCTA emphasizes that it may elect to forego oral presentations for all or some Banks. Consequently, all responses should be comprehensive and clear on their face, and no Bank should rely upon the opportunity to present additional or clarifying information at a later time.

## **5. BEST AND FINAL OFFER**

DCTA reserves the right to request a best and final offer from all or select Applicants.

## **6. CONTRACT AWARD**

Award will be made to the responsible firm whose proposal are most advantageous to DCTA. Accordingly, DCTA may not necessarily make an award to the Proposer with the highest technical ranking nor award to the Proposer with the lowest Price Proposal if doing so would not be in the overall best interest of DCTA.

## **GENERAL TERMS AND CONDITIONS**

### **1. CANCELLATION**

The DCTA reserves the right to cancel this RFP or cancel the award of this contract at any time before execution of the contract by both parties if cancellation is deemed to be in DCTA's best interest. In no event shall the DCTA have any liability for the cancellation of award. The Proposer assumes the sole risk and responsibility for all expenses connected with the preparation of its proposal.

### **2. EVALUATION AND AWARD OF CONTRACT**

The Owner reserves the right to reject any and all proposals, to waive any and all informalities except for the time of submission of the Proposal and to negotiate contract terms with the Successful Proposer. The Owner also reserves the right to reject all nonconforming, non-responsive, unbalanced or conditional Proposals. Also, the Owner reserves the right to reject the Proposal of any Proposer if the Owner believes that it would not be in the best interest of the Project to make an award to that Proposer, whether because the Proposal is not responsive or the Proposer is unqualified or has doubtful financial ability or fails to meet any other pertinent standard or criteria established by the Owner. Discrepancies in the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum.

In evaluating Proposals, the owner will consider the qualifications of the Proposers, whether or not the Proposals comply with the prescribed requirements, unit prices, completion time, and other data, as may be requested in the Proposal form or prior to the Notice of Award.

Because offers can at times be ambiguous, DCTA reserves the right to request additional information before making an award. DCTA also reserves the right to seek clarification from any proposer or offeror about any statement in its proposal that DCTA finds ambiguous.

The Owner may consider the qualifications and experience of any Subcontractors, Suppliers, or other persons or organizations proposed for those portions of the Work as to which the identity of Subcontractors, Suppliers, and other persons and organizations must be submitted as requested by the Owner:

The Owner may consider its past experience with the Proposer and any Subcontractors, Suppliers or other persons or organizations proposed to perform any portions of the Work, and the Owner reserves the right to reject any and all proposals from persons or organizations with whom the Owner has previously experienced problems including but not limited to issues relating to performance, workmanship, and disputes or litigation.

The Owner may conduct such investigations as the owner deems necessary to assist in the evaluation of any Proposal and to establish the responsibility, qualifications and financial stability of Proposers, proposed Subcontractors, Suppliers and other persons and organizations to perform and furnish the Work in accordance with the Contract Documents to the Owner's satisfaction within the prescribed time.

If contract is to be awarded, it will be awarded to the best qualified Proposer whose evaluation by the Owner indicates to the Owner that the award will be in the best interests of the DCTA. DCTA may award the contract to a single supplier, affording DCTA the improved cost effectiveness as well as one stop shopping. If determined to be in the best interest of DCTA, it reserves the right to award to multiple proposers.

### **3. ADDENDUM**

The contents of all addendums sent to proposer are to be incorporated in the RFP documents and will become part of the contract documents.

### **4. PROOF OF INSURABILITY**



Proposer must submit proof of insurability with their proposal. Proof of insurability can be in the form of a letter from the Proposer's insurance provider stating the provider's commitment to insure the Proposer for the types of coverages and levels of coverages specified in this RFP.

## **5. CONFIDENTIALITY**

It is in the public interest for the DCTA to receive as many proposals as possible. The DCTA acknowledges the possible confidential nature of any aspect of the proposal including the cost or price information requested by the Request for Proposals, and the DCTA obliges itself in good faith not to disclose any page of the proposal containing information which the Proposer clearly marks as confidential during the evaluation process. After contract award, disclosure of information shall be made only in accordance with Texas law and applicable Federal requirements.

## **6. TAXES**

DCTA is tax exempt and shall furnish the successful proposer with the necessary tax exemption certificate.

## **7. INDEMNIFICATION**

**IN ADDITION TO ALL OTHER OBLIGATIONS OF INDEMNIFICATION SPECIFIED HEREIN, PROPOSER 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 PROPOSER, OR INJURY, INCLUDING DEATH, TO ANY PERSON OR PERSONS, INCLUDING EMPLOYEES OF DCTA, PROPOSER, SUBCONTRACTORS AT ANY TIER OR ANY PERSON WORKING ON PROPOSER'S BEHALF, CAUSED BY PROPOSER, WHICH MAY BE SUSTAINED EITHER DURING THE TERM OF THE CONTRACT, 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.**

**PROPOSER 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. THE PROPOSER 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 THE PROPOSER.**

**PROPOSER, FOR ITSELF AND ITS EMPLOYEES, BOARD MEMBERS, OFFICERS, AGENTS, SERVANTS, WORKMEN, PROPOSERS, SUBCONTRACTORS, LICENSEES AND INVITEES, OR ANY OTHER PERSON WORKING ON PROPOSER'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 PROPOSER'S OR ANY OTHER PERSON WORKING ON PROPOSER'S BEHALF, INCLUDING CLAIMS FOR COMPENSATION OR BENEFITS PAYABLE TO ANY EXTENT BY**

OR FOR PROPOSER UNDER ANY WORKERS' OR SIMILAR COMPENSATION ACTS OR OTHER EMPLOYEE BENEFIT ACTS. IN THE EVENT OF JOINT OR CONCURRENT NEGLIGENCE OF THE PROPOSER AND DCTA, RESPONSIBILITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. A PROPOSER'S OBLIGATIONS UNDER THIS SECTION O SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY PROPOSER UNDER ANY RESULTANT AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF ANY RESULTANT AGREEMENT.

A PROPOSER'S INDEMNITY OBLIGATIONS UNDER THIS SECTION 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 THE PROPOSER, 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 THE PROPOSER, A SUBCONTRACTOR, OR ANY PERSON OR ENTITY FOR WHOM EITHER IS RESPONSIBLE.

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

By the execution and submission of this proposal, proposer acknowledges proposer has read and does comply with all terms and conditions, clauses and requirements contained herein.

## **8. PAYMENT**

DCTA shall pay the PROPOSER, upon the submission of proper invoices. Unless otherwise specified in this contract, payment shall be made within thirty (30) days of receipt of a complete and correct invoice.

Proposer's invoices for the services rendered shall be submitted to the following e-mail address:

[Accountspayable@dcta.net](mailto:Accountspayable@dcta.net)

## **9. ASSIGNMENT**

The successful proposer shall not assign, sell, transfer or convey the agreement completely or in part, without the prior written consent of DCTA.

## **10. VENUE**

The agreement will be governed and construed according to the laws of the State of Texas; and venue for any action concerning this contract shall be in Denton County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

## **11. INDEPENDENT CONTRACTOR**

It is understood and agreed by and between the parties, that successful proposer, in satisfying conditions in this contract, 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 successful

proposer pursuant to this contract shall be in the capacity of an independent proposer, and not as an agent or employee of DCTA. Successful proposer 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 contract.

## **12. TERMINATION / DISPUTE RESOLUTION**

### **Termination for Convenience of DCTA**

DCTA may terminate all or part of this Contract upon determining that termination is in the public interest. Termination under this Article shall be effective upon delivery of written notice of termination to Contractor. Upon termination under this provision, Contractor shall be entitled to payment in accordance with the terms of this Contract for Contract work completed before termination, and to payment for all reasonable Contract close-out costs including reasonable profit to include materials purchased and work performed. Within thirty (30) days after termination pursuant to this provision, Contractor shall submit an itemized invoice for all un-reimbursed Contract work completed before termination and all Contract close-out costs actually incurred by Contractor. DCTA shall not be liable for any costs invoiced later than thirty (30) days after termination notice. Contractor is not entitled to any alleged lost profit on work not performed but which would have been performed had this Contract not been terminated.

### **Termination for Default**

If the Contractor 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 the Contractor, 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. The Contractor and its sureties shall be liable for any damage to DCTA resulting from the Contractor's refusal or failure to complete the work within the specified time or not performed in a good workmanship like manner, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by DCTA in completing the work.

The Contractor's right to proceed shall not be terminated nor the Contractor charged with damages under this Article, if:

- (1) The delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include (i) acts of God or of the public enemy, (ii) acts of another Contractor in the performance of a contract with DCTA, (iii) fires, (iv) floods, (v) epidemics, (vi) quarantine restrictions, (vii) strikes, (viii) freight embargoes, (ix) unusually severe weather, or (x) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the control and without the fault or negligence of both the Contractor and the subcontractors or suppliers; and
- (2) The Contractor, within 10 days from the beginning of any delay (unless extended by the Project Manager), notifies the Project Manager in writing of the causes of delay. The Project Manager shall ascertain the facts and the extent of delay. If, in the judgment of the Project Manager, the findings of fact warrant such action, the time for completing the work shall be extended with an appropriate Contract amendment, the right to proceed terminated or no action taken by the Project Manager. The findings of the Project Manager shall be final and conclusive on the parties, but subject to Claims.
- (3) The Contractor cures such failures to perform within 10 calendar days (or more if authorized in writing by the Project Manager) after receipt of the notice of default.

If, after termination of the Contractor's right to proceed, it is determined that the Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of DCTA.

### **Termination of 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.

### **Disputes**

Performance During Dispute – Unless otherwise directed by DCTA, contractor shall continue performance under this contract while matters in dispute are being resolved. Further, DCTA shall pay contractor for any undisputed work performed by contractor prior or during the resolution of the matters in dispute.

### **Notice of Dispute / Negotiated Resolution**

In the event that there is any controversy, claim or dispute between DCTA and the contractor arising out of or related to this contract or the breach hereof, that has not been resolved by informal discussions and negotiations, either party may, by written notice to the other, invoke the formal dispute resolution procedures set forth herein. The written notice invoking these procedures shall set forth in reasonable detail the nature, background and circumstances of the controversy claim or dispute. During the thirty (30) days following said written notice, the parties shall meet, confer and negotiate in good faith to resolve the dispute. Either party may, during said thirty (30) day period, request the utilization of the services of a professional mediator, and the other party or parties to this dispute shall cooperate with such request and share the reasonable costs of such mediator.

## **13. PROTEST PROCEDURES**

Protests relative to this procurement will be reviewed and adjudicated by DCTA in accordance with its Procurement Policy and Procedures Manual maintained in DCTA's offices in Lewisville, TX.

## **14. ADMINISTRATIVE REMEDIES**

Denton County Transportation Authority reserves the right to accept or reject any and/or all proposals, to waive any formalities and/or irregularities and to award the Contract in the best interest of the DCTA.

By submission of a proposal in response to this solicitation, the Proposer agrees to exhaust its administrative remedies under DCTA's Procurement Regulations or Disputes Clause of any resulting contract prior to seeking judicial relief of any type in connection with any matter related to this solicitation, the award of any contract, and any dispute under any related contract. Protests relative to this procurement will be reviewed and adjudicated by DCTA in accordance with its Procurement Policy and Procedures Manual maintained in DCTA's offices in Lewisville, TX.

## **15. OPEN RECORDS**

All responses submitted to DCTA become the property of DCTA and are subject to the Public Information Act (Texas Government Code Chapter 552). The interested firms/individuals should familiarize themselves with the provisions of that Act. In no event shall DCTA, or any of its agents, Representatives, consultants, directors, officers, or employees, be liable to a firm/individual for the disclosure of all or any portion of a response submitted pursuant to the RFB.

If a firm/individual has special concerns about information that it desires to make available to DCTA, but which it believes constitutes a trade secret, proprietary information or other information excepted from disclosure, such firm/individual should specifically and conspicuously designate each page of that information, which the Proposer believes, should not be disclosed outside DCTA. Disclosure of requested information will be subject to the Texas Public Information Act.

**16. CONTRACT**

The successful Proposer may be required to execute a contract prepared and approved by DCTA General Counsel.

**17. RELATIONSHIP AND WORK IN GENERAL**

Contractor, an independent contractor, covenants and agrees to perform for the stated compensation, all of the services described in Scope of Work, Terms and Conditions of this Contract. Contractor agrees to complete the work in a professional and workmanlike manner with a high degree of care to ensure the accuracy and timeliness thereof.

**18. ASSIGNMENT OF PERSONNEL**

Contractor agrees to assign qualified staff members including a Project Manager who shall be responsible for the task administration and work performance.

**19. EMPLOYMENT OF PERSONNEL**

Contractor agrees to employ, at its own expense, all personnel required in performing the services under this contract. Personnel employed by Contractor shall not be employees of, nor have any contractual relationship with DCTA. All personnel engaged in the work shall be fully qualified and shall be authorized or licensed to perform such work as required.

**20. EMPLOYMENT OF VETERANS**

Applicable to capital projects only-Contractor shall provide a hiring preference, to the extent practicable, to veterans (as defined in section 2108 of Title 5) who have the requisite skills and abilities to perform the construction work required under this contract. This shall not be understood, construed or enforced in any manner that would require an employer to give a preference to any veteran over any equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a disability, or a former employee.

**21. USE OF SUBCONTRACTORS**

The Contractor may utilize the services of specialty subcontractors on those parts of the work which, under normal contracting practices, are performed by specialty subcontractors.

No work or services under this Contract shall be subcontracted without the prior written approval of DCTA. DCTA reserves the right to reject any subcontractors proposed to be utilized on this project.

**22. DBE SUBCONTRACTS**

If DBE subcontractors are utilized to perform under this contract the contractor must make available to DCTA copies of all DBE subcontracts upon request. The subcontractor shall ensure that all subcontracts or agreements with the Prime to supply labor or materials require that the subcontract and all lower tier subcontracts be performed in accordance with 49 CFR Part 26.55.

**23. INSPECTION OF WORK**

DCTA shall have the right to review and inspect the progress of the work described herein at all times.

## **24. COPYRIGHT**

No reports, maps, or other documents produced in whole or in part under this contract shall be the subject of an application for copyright by or on behalf of the Contractor. All reports, maps, and other documents produced under this contract shall become the property of DCTA. The Contractor shall, at its expense, defend all suits or proceedings instituted against DCTA and pay any award of damages assessed against DCTA in such suits or proceedings, insofar as the same are based on any claim that materials furnished or work performed under the contract constitutes an infringement of any patent, trade secret, copyright, or any other proprietary right.

## **25. PROPRIETARY RIGHTS**

Contractor agrees not to release data or information about the results of the project to any person outside of DCTA without first obtaining written authorization to release such information from DCTA.

## **26. OWNERSHIP OF DOCUMENTS**

The parties agree and understand that any and all documents produced under this Contract are the sole and exclusive property of DCTA and DCTA retains ownership of all such documentation including, but not limited to, studies, plans, specifications, intellectual property and all related documents. To the extent necessary, CONTRACTOR HEREBY ASSIGNS AND TRANSFERS ANY AND ALL COPYRIGHTS TO DCTA.

## **27. MAINTENANCE OF RECORDS**

Proposer must maintain records to show actual time involved in performance of the Work.

## **28. CHANGES BY CONTRACTOR**

If, during the performance of Work under the Contract, the Contractor finds it impracticable to comply strictly with the specifications, the Contractor will notify the DCTA Project Manager and Procurement Manager immediately in writing.

## **29. WRITTEN ACCEPTANCE BY DCTA**

Any proposals by Contractor that vary or add to this Contract shall be construed as additional terms or modifications and shall not become part of the Contract unless accepted in writing, by DCTA.

## **30. CHANGE ORDERS / CONTRACT MODIFICATIONS**

All requests for changes in the work must be submitted in writing to the DCTA Project Manager. Changes shall be made only with the prior approval DCTA and only by appropriate written Change Order or Contract Modification as appropriate. The Procurement Manager may, at any time, by a written Change Order or Contract Modification, and without notice to the Surety (if any), make changes within the general scope of this Contract. If the change affects the Contractor's costs, then the Procurement Manager shall also make an equitable adjustment in the Contractor's compensation.

## **31. WHOLE AGREEMENTS**

The Contract constitutes the whole of the agreement between the parties hereto and neither thereof has been induced to make or enter into the Contract by reason of any promise, agreement, representation, statement, or warranty other than contained herein.

## **32. PARTIAL INVALIDITY**

If any term, provision, covenant, or condition of this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.



**33. TITLES AND HEADINGS FOR CONVENIENCE ONLY**

As used throughout this Contract, titles and headings of sections are for convenience only, and shall not be used to aid in interpretation of the provisions contained herein.

**34. COMPENSATION**

The proposer shall be compensated for work in performance of the contract and per the agreed upon fees. The proposer shall include as part of his invoice a list of all subcontractors and the amounts to be paid to each of the subcontractors from this invoice. DCTA will require specific payment reporting criteria for all payments made to subcontractors and will provide additional information and forms upon selection as the awarded firm.

**35. PROMPT PAYMENT**

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the Denton County Transportation Authority. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Denton County Transportation Authority. This clause applies to both DBE and non-DBE subcontracts and must be included in contracts between the Denton County Transportation Authority, the prime contractor, sub contracts and sub-recipients.

**36. RETAINAGE**

The prime contractor agrees to return retainage payments to each subcontractor within 30 days after the subcontractors work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Denton County Transportation Authority. This clause applies to both DBE and non-DBE subcontracts.

**37. MINORITY OWNED FINANCIAL INSTITUTIONS**

In accordance with the requirements of 49 CFR Part 26, and grant agreements between DCTA and the Department of Transportation (DOT), to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contract to make use of these institutions. Information regarding financial institutions may be obtained on-line from the Federal Reserve at <https://www.fdic.gov/regulations/resources/minority/mdi.html>

**NON-DISCRIMINATION**

The contractor, sub-recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions
- (3) Liquidated damages; and/or
- (4) Disqualifying the contractor from future solicitations as non-responsible

**38. GRATUITIES**

It shall be unethical for any person to offer, give, or agree to give any DCTA officer or former DCTA officer, or for any DCTA officer or former DCTA officer to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation therefore.

**39. FUNDING**

Funds for payment have been provided through the DCTA budget approved by the Board of Directors for this fiscal year only. State of Texas statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Therefore, anticipated orders or other obligations that may arise past the end of the current DCTA fiscal year shall be subject to budget approval.

**40. FEDERAL FUNDS**

DCTA is a recipient of federal funds from the Federal Transit Authority (FTA) and as a recipient of federal funds specific clauses and certifications must be included in any contract that involves the disbursement of federal funds. If federal dollars will be utilized under this contract, Proposers must adhere to the clauses and certifications if applicable. All required clauses and certifications will be included if applicable.

**41. PROCUREMENT OF RECOVERED MATERIALS**

If federal dollars are utilized for this project all contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

**42. SILENCE OF SPECIFICATIONS**

The apparent silence of the specifications as to any detail or to the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of these specifications shall be made on the basis of this statement.



## **INSURANCE REQUIREMENTS**

Proposers performing work on DCTA's behalf shall provide the DCTA a certificate of insurance or a copy of their insurance policy(s) evidencing the coverage and coverage provisions identified herein within ten (10) days of request from DCTA. Proposers shall provide DCTA evidence that all subcontractors performing work on the project have the same types and amounts of coverage as required herein or that the subcontractors are included under the proposer's policy. Work shall not commence until insurance has been approved by DCTA.

All insurance companies and coverage must be authorized by the Texas Department of Insurance to transact business in the State of Texas and must have a A.M. Best's rating A-VI or greater.

Listed below are the types and minimum amounts of insurances required and which must be maintained during the term of the contract. DCTA reserves the right to amend or require additional types and amounts of coverage or provisions depending on the nature of the work.

### **COMMERCIAL GENERAL LIABILITY:**

Covering Bodily Injury/Property Damage, Products/Completed Operations and Personal Advertising Injury

- Per occurrence .....\$1,000,000
- General Aggregate ..... \$2,000,000
- Products/Completed Aggregate ..... \$2,000,000
- Personal Advertising Injury per occurrence ..... \$1,000,000

### **BUSINESS AUTO LIABILITY**

to include coverage for:

- Owned/Leased vehicles
- Non-owned vehicles
- Hired vehicles
- Combined Single Limit ..... \$1,000,000

### **WORKERS' COMPENSATION EMPLOYERS' LIABILITY**

Texas Statutory Limits with Employer's Liability limits per occurrence:

- Each accident ..... \$1,000,000
- Disease Policy Limits ..... \$1,000,000
- Disease each employee ..... \$1,000,000

### **PROFESSIONAL LIABILITY (ERRORS & OMISSIONS)**

Or equivalent coverage customary to the bank, credit union, or savings association industry

- Per claim .....\$1,000,000

### **COMMERCIAL CRIME**

Or equivalent coverage customary to the bank, credit union, or savings association industry, to include theft of the property of others/client property, including computer/wire transfer fraud,

• Per occurrence .....\$1,000,000

#### **CYBER LIABILITY**

Or equivalent coverage for damages arising from a failure of computer security, or wrongful release of private information including expenses for notification as required by local, state or federal guidelines.

• Per claim .....\$1,000,000

#### **ADDITIONAL INSURED:**

The Commercial General Liability and Business Automobile Liability policies shall be endorsed to name DCTA, its directors and employees as additional insured regarding Bidder's operations in performance of this Contract.

#### **WAIVER OF SUBROGATION:**

The Workers' Compensation and Employers' Liability policies shall be endorsed to provide a waiver of subrogation in favor of DCTA, its officers, directors and employees.

#### **COVERAGE PRIMARY:**

Such insurance as is provided therein shall be primary and non-contributing with any other valid and collectible insurance available to DCTA. The limits of liability required above may be provided by a single policy of insurance or by a combination of primary, excess or umbrella policies. But in no event shall the total limits of liability available for any one occurrence or accident be less than the amounts required herein.

#### **NO COMMENCEMENT WITHOUT COVERAGE:**

The Bidder shall not commence work at the site under this Contract until he/she has obtained all required insurance and until such insurance has been approved by DCTA. Bidder shall not allow any subcontractor to commence work until all similar required insurance has been obtained and approved. Approval of the insurance by DCTA shall not relieve or decrease the liability of the Bidder hereunder.

#### **CERTIFICATES:**

Certificate of Insurance evidencing insurance coverage as required shall be furnished to the Purchasing Manager prior to commencement of work and within ten (10) calendar days after the date of Notice of Award. CERTIFICATES SHALL BE PROVIDED BY BIDDER AND ANYONE INVOLVED IN THE PERFORMANCE OF WORK UNDER THIS CONTRACT (not otherwise included under Bidder's coverage), INCLUDING ALL SUBCONTRACTORS. All certificates from Bidder and any subcontractors must be issued reflecting DCTA as the certificate holder. All Certificates of Insurance shall reflect the Denton County Transportation Authority project number. Failure to furnish the required certificates of insurance within the time allowed shall not be considered cause for modification of any contractual time limits. All policies of insurance presented, as proof of compliance with the above requirements shall be on forms and with insurance companies approved by DCTA. All such insurance policies shall be provided by insurance companies having a Best's rating of A-VI rating or greater as shown in the most current issue of A.M. Best's Key Rating Guide. Policies of insurance issued by insurance companies not rated by Best's or have a Best's

rating lower than A-VI will not be accepted as complying with the insurance requirements of the Contract unless such insurance companies are approved in writing prior to the award of the Contract. Certificate of Insurance shall contain transcripts from the proper office of the insurer, evidencing in particular those insured, the extent of the insurance, the location, and the cancellation clause as required below.

**NO LAPSE OR CANCELLATION:**

The Bidder and any subcontractor shall not cause any insurance to be canceled nor permit any insurance to lapse. All insurance policies shall not be canceled, reduced, restricted, or limited until thirty (30) days after DCTA has received written notice. In the event of cancellation or lapse of insurance, the Bidder shall notify DCTA immediately and unless otherwise directed by DCTA, shall cease work until evidence of acceptable insurance coverage is supplied to DCTA.

**BREACH:**

Failure to maintain insurance coverage as required herein shall constitute a material breach and default.





## LIST OF REFERENCES FOR SIMILAR PROJECTS

Bidder/Proposer shall submit references for projects in similar size and scope. DCTA may contact these references in determining the qualifications of the bidder/proposer.

1.	PROJECT:	<input type="text"/>	<input type="text"/>
	DATE OF COMPLETION IF APPLICABLE:	<input type="text"/>	<input type="text"/>
	CONTACT PERSON:	<input type="text"/>	<input type="text"/>
	COMPANY NAME:	<input type="text"/>	<input type="text"/>
	ADDRESS:	<input type="text"/>	<input type="text"/>
	TELEPHONE NUMBER:	<input type="text"/>	<input type="text"/>
	FAX NUMBER:	<input type="text"/>	<input type="text"/>
	EMAIL ADDRESS:	<input type="text"/>	<input type="text"/>
	PROJECT BUDGET:	<input type="text"/>	<input type="text"/>
2.	PROJECT:	<input type="text"/>	<input type="text"/>
	DATE OF COMPLETION IF APPLICABLE:	<input type="text"/>	<input type="text"/>
	CONTACT PERSON:	<input type="text"/>	<input type="text"/>
	COMPANY NAME:	<input type="text"/>	<input type="text"/>
	ADDRESS:	<input type="text"/>	<input type="text"/>
	TELEPHONE NUMBER:	<input type="text"/>	<input type="text"/>
	FAX NUMBER:	<input type="text"/>	<input type="text"/>

EMAIL

ADDRESS:

PROJECT

BUDGET:

3.

PROJECT:

DATE OF COMPLETION IF

APPLICABLE:

CONTACT

PERSON:

COMPANY

NAME:

ADDRESS:

TELEPHONE

NUMBER:

FAX NUMBER:

EMAIL

ADDRESS:

PROJECT

BUDGET:

4.

PROJECT:

DATE OF COMPLETION IF

APPLICABLE:

CONTACT

PERSON:

COMPANY

NAME:

ADDRESS:

TELEPHONE

NUMBER:

FAX NUMBER:

EMAIL

ADDRESS:

PROJECT  
BUDGET:

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**BIDDER'S QUESTIONNAIRE**

1. Name of Contractor ("Business", herein) <input type="text"/>		19. Is any litigation pending against the Business? <input type="checkbox"/> Yes <input type="checkbox"/> No
2. Doing Business As (other business name if applicable) <input type="text"/>		20. Has the Business been debarred, suspended, proposed for debarment, and declared ineligible, voluntarily excluded or otherwise disqualified from bidding, proposing or contracting? <input type="checkbox"/> Yes <input type="checkbox"/> No
3. Federal Tax ID Number <input type="text"/>		21. Has the Business ever been a defaulter, as principal, surety or otherwise? <input type="checkbox"/> Yes <input type="checkbox"/> No
4. Business Mailing Address (include City/State/Zip Code) <input type="text"/>		22. Has the government or other public entity requested or required enforcement of any of its rights under a surety agreement on the basis of a default or in lieu of declaring the Business in default? <input type="checkbox"/> Yes <input type="checkbox"/> No
5. Business Email Address <input type="text"/>		23. Is the Business in arrears upon a contract or debt? <input type="checkbox"/> Yes <input type="checkbox"/> No
6. Business Telephone <input type="text"/>	Business Fax Number <input type="text"/>	24. Are there any proceedings pending relating to the Business' responsibility, debarment, suspension, voluntary exclusion or qualification to receive a public contract? <input type="checkbox"/> Yes <input type="checkbox"/> No
7. Business Type <input type="text"/>		25. Have liquidated damages or penalty provisions been assessed against the Business for failure to complete the work on time or for any other reason? <input type="checkbox"/> Yes <input type="checkbox"/> No
8. Number of Years in Business <input type="text"/>		26. If a "yes" response is given to questions 17-25, please provide a detailed explanation including dates, references to contract information, contacts, etc. (attach additional pages as necessary). DCTA reserves the right to inquire further with respect thereto <input type="text"/>
9. <u>Annual Gross Revenue</u> for the past three years (M = Millions) <input type="checkbox"/> \$1M or Less <input type="checkbox"/> \$1M-\$5M <input type="checkbox"/> \$5M-\$10M <input type="checkbox"/> \$10M-\$16M <input type="checkbox"/> \$16M+		27. List the name and business address of each person or each entity which has a 10% or more ownership or control interest in the Business (attach additional pages as necessary). <input type="text"/>
10. Number of Employees <input type="checkbox"/> 100 or Less <input type="checkbox"/> 101-500 <input type="checkbox"/> 501-750 <input type="checkbox"/> 751-1,000 <input type="checkbox"/> 1,001+		I, individually and on behalf of the business named above, do by my signature below certify that the information provided in this questionnaire is true and correct. I understand that if the information provided herein contains any false statements or any misrepresentations: 1) DCTA will have the grounds to terminate any or all contracts which DCTA has or may have with the business; 2) DCTA may disqualify the business named above from consideration for contracts and/or 3) DCTA may have grounds for initiating legal action under federal, state or local law. <b>Note: This questionnaire is also a certification form; the information requested will be used to determine small business status as per 13 CFR Part 121. Additionally, this information will allow DCTA to report the amount of subcontracting activity for DCTA.</b> <input type="text"/>
11. Is Business a DBE Firm? <input type="checkbox"/> Yes <input type="checkbox"/> No		
12. Is Business Owned by Minority Ethnicity? <input type="checkbox"/> Yes <input type="checkbox"/> No		
13. Ethnic Group Black American      Subcontinent Asian American Hispanic American      White/Caucasian Native American      Asian Pacific American Other		
14. Woman Owned? <input type="checkbox"/> Yes <input type="checkbox"/> No		



15. Veteran Owned

☐ Yes ☐ No

Printed Name

16. Type of Work Performed

☐ Manufacturing ☐ Professional Service  
☐ Retail ☐ General/Technical Service

Title

17. Has the Business, or any officer or partner thereof, failed to complete a contract?

☐ Yes ☐ No

Signature of owner

18. Has the Business ever been declared "Not Responsible"

☐ Yes ☐ No

Date

Email Address

*(Owner, CEO, President, Majority Stockholder or Designated Representative) Questions about this document should be directed to the Procurement Manager*

**CONFLICT OF INTEREST QUESTIONNAIRE****FORM CIQ**

For vendor or other person doing business with local governmental entity

This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person doing business with the governmental entity .

**OFFICE USE ONLY**

By law this questionnaire must be filed with the records administrator of the local government not later than the 7<sup>th</sup> business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

Date Received

A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor .

1 Name of person doing business with local governmental entity .

2

☐ Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than September 1 of the year for which an activity described in Section 176.006(a), Local Government Code, is pending and not later than the 7<sup>th</sup> business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3

Describe each affiliation or business relationship with an employee or contractor of the local governmental entity who makes recommendations to a local government officer of the local governmental entity with respect to expenditure of money.

4

Describe each affiliation or business relationship with a person who is a local government officer and who appoints or employs a local government officer of the local governmental entity that is the subject of this questionnaire.

**CONFLICT OF INTEREST QUESTIONNAIRE****FORM CIQ**

For vendor or other person doing business with local governmental entity

**Page 2**

5 Name of local government officer with whom filer has affiliation or business relationship. (Complete this section only if the

**answer to A, B, or C is YES.)**

This section, items 5 including subparts A, B, C & D, must be completed for each officer with whom the filer has affiliation or business relationship. Attach additional pages to this Form CIQ as necessary.

A. Is the Local government officer named in this section receiving or likely to receive taxable income from the filer of the questionnaire?

☐ YES

☐ NO

B. Is the filer of the questionnaire receiving or likely to receive taxable income from or at the direction of the local government officer named in this section AND the taxable income is not from the local governmental entity?

☐ YES

☐ NO

C. Is the filer of this questionnaire affiliated with a corporation or other business entity that the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ YES

☐ NO

D. Describe each affiliation or business relationship.

6

**Describe any other affiliation or business relationship that might cause a conflict of interest.**

7

Signature of person doing business with the governmental entity

Date

## NON-COLLUSION AFFIDAVIT

***This affidavit must be completed and submitted with the bid/proposal***

The authorized representative for bidder / proposer, , being first duly sworn, deposes and says that he or she is of the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Signature of Authorized Company Representative

Name and Title of Authorized Company Representative

Date

Subscribed and sworn to before me on  (Date)

(Notary Seal)

Signature Notary Public

## **Prohibition of Contracts with Companies Boycotting Israel**

***This form must be completed and submitted with the bid/proposal***

*House Bill 89, effective September 1, 2017, amended the Texas Government Code to add Chapter 2270, Prohibition of Contracts with Companies Boycotting Israel.*

*Effective September 1, 2017, a state agency and a political subdivision (which includes a transportation authority) may not enter a contract with a company for goods or services unless the contract contains a written verification from the company that: (i) it does not Boycott Israel; and (ii) will not Boycott Israel during the term of the contract.*

*"Boycott Israel" is defined to mean refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.*

*"Company" is defined to mean a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.*

---

"I,  (Name of certifying official), the  
 (title or position of certifying official) of  
 (name of company), verifies that (i) it does not Boycott Israel;  
and (ii) will not Boycott Israel during the term of the Contract. This section does not apply if the  
Company is a sole proprietor, a non-profit entity or a governmental entity; and only applies if: (i)  
the Company has ten (10) or more fulltime employees and (ii) this Contract has a value of  
\$100,000.00 or more to be paid under the terms of this Contract.

Signature of Certifying Official Title:

Title:

Date:



## AUTHORIZATION FOR RELEASE OF FINANCIAL INFORMATION

This authorization will be used to obtain information to assist DCTA in determining a potential contractor's financial responsibility. Your signature authorizes the release of financial information to the DCTA Procurement department for this purpose. All information must be current and traceable. Each venture of a joint venture must submit a separate signed form

DCTA Reserves the right to make additional inquiries based on the information submitted or lack thereof.

Name of Bank/Financial Institution

Address

City, State, Zip

Name of Bank Officer Familiar with the Account

Telephone

Fax

Email Address

Name of Business

Address

City, State, Zip

I, individually and on behalf of the Business named above, do by my signature below, certify that the information provided is true and correct, and authorize the release of financial information for verification of financial responsibility. I understand that any false statements or misrepresentations regarding the Business named above may result in: 1) termination of any or all contracts which DCTA has or may have with the business; 2) disqualification of the Business from consideration for contracts; 3) legal action(s) applicable under federal, state or local law.

Printed Name

Title

Signature

Date

# Denton County Transportation Authority Financial Management Policies

(Adopted September 2020)

## INVESTMENT POLICY

### I. POLICY STATEMENT

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

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

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

### II. SCOPE

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

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

### III. OBJECTIVES AND STRATEGY

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

#### Safety of Principal

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

#### Liquidity

Investments will be based on a cash flow analysis of needs and will remain sufficiently liquid to satisfy all operating requirements which might be reasonably anticipated by the agency's long range financial plan. The portfolio will be structured so that investments mature concurrent with cash needs. Because all possible cash



demands cannot be anticipated, the portfolio will include investments that offer same-day liquidity for those unanticipated situations. In addition, a portion of the portfolio will consist of securities with active secondary or resale markets.

#### Diversification

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

#### Yield

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

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

### **IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY**

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

### **V. DELEGATION OF INVESTMENT AUTHORITY**

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

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

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

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

### Authorization Resolution

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

## **VI. PRUDENCE**

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

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

### Limitation of Personal Liability

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

## **VII. INTERNAL CONTROLS**

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

### Cash Flow Forecasting

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

## **VIII. AUTHORIZED INVESTMENTS**

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

- a. Obligations of the United States Government, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC), agencies and instrumentalities and government sponsored enterprises, excluding collateralized mortgage obligations (CMO’s), not to exceed two years to stated maturity with the exception of project funds which may be invested in longer maturities but not to exceed forecasted expense dates;
- b. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas, not to exceed two years to stated maturity. In addition, separate CDs issued by depositories wherever located, bundled together into a single investment with the full amount of principal and interest of each CD insured by the Federal Deposit Insurance Corporation (FDIC) may be purchased through a

broker that has its main office in Texas and is selected from a list adopted by the DCTA Board or a selected depository institution with its main office or branch office in Texas. See Attachment II for a list of Board approved broker/dealers. This broker or depository shall act as the custodian for the various certificates on behalf of DCTA;

- c. Repurchase agreements and reverse repurchase agreements as defined by the Act, not to exceed 90 days to stated maturity, provided an executed Master Repurchase Agreement is on file with DCTA and the counterparty bank or primary dealer. Flexible repurchase agreements used specifically for capital projects may extend beyond the stated limitation, but shall not exceed the expense plan of the projects;
- d. No-load SEC-registered money market funds, each approved specifically before use by DCTA;
- e. Constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act; and
- f. Interest bearing bank savings deposits issued by state and national banks or savings bank or a state or federal credit union (having their main or branch office in Texas) that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund (or their successor organizations).

If additional types of securities are approved for investment by public funds by state statutes, none will be eligible for investment by DCTA until this policy has been amended and approved by the DCTA Board.

#### Competitive Bidding Requirements

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

#### Delivery versus Payment

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

### **IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

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

Securities broker/dealers must meet and disclose certain criteria as determined by the Investment Officer including:

- a. an audited financial statement each year;
- b. proof of certification by the Financial Industry Regulatory Authority (FINRA) and provision of CRD number;
- c. proof of current registration with the State Securities Commission; and
- d. completion of DCTA questionnaire.

Every broker/dealer, investment pool, investment manager and bank with which DCTA transacts business will be provided a copy of this Investment Policy to assure they are familiar with the goals and objectives of DCTA's investment program. A representative of the transacting organization will be required to return a signed

certification stating that the policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to DCTA.

DCTA may appoint one or more investment advisors to assist the financial staff in the management of DCTA funds. The investment advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and also be registered with the Texas State Securities Board as an investment advisor. To be eligible for consideration, an investment advisor shall demonstrate knowledge of, and experience in, the management of public funds. An appointed investment advisor shall act solely in an advisory and administrative capacity, within the guidelines of this Investment Policy, and shall not have discretionary authority to transact business on behalf of DCTA.

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

#### **X. DIVERSIFICATION AND MATURITY LIMITATIONS**

It is DCTA's policy to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

<u>Security Type</u>	<u>Max % of Portfolio</u>
U.S. Treasury obligations	100%
U.S. Government agencies and instrumentalities	Not to exceed 75%
Fully insured or collateralized CDs	Not to exceed 30%
Repurchase agreements	100%
Money Market Funds	50%
Local Government Investment Pools	
Liquidity Pools	100%
Maximum percent ownership of pool	Not to exceed 10%
Interest Bearing Bank Savings Deposits	25%

The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investments with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to a specific requirement, the Investment Officer may not:

- a. invest more than 20% of the portfolio for a period greater than one (1) year, or
- b. invest any portion of the portfolio for a period of greater than two (2) years.

## XI. SAFEKEEPING AND COLLATERALIZATION

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

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

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

### Collateralization

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

To provide a level of additional security for all funds and to also anticipate any market changes, the collateralization level required will be 105% of the market value of the principal and accrued interest. Collateral will be held by an independent third party safekeeping agent.

## XII. PERFORMANCE EVALUATION AND REPORTING

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

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

### **XIII. DEPOSITORIES**

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

### **XIV. TRAINING REQUIREMENT**

The DCTA Investment Officer(s) shall attend at least one investment training session consisting of no less than 10 hours of instruction relating to investment responsibilities within twelve months of taking office or assuming duties, and subsequently shall receive a minimum of 10 hours not less often than once in a two-year period that begins on the first day of the fiscal year and consists of the two consecutive years after that date. The investment training session shall be provided by an independent source approved by the Board of Directors. See Attachment I for a list of Board approved independent investment training sources. Contingent upon Board approval, additional independent sources from which investment training may be obtained shall include a professional organization, an institute of higher learning, or any sponsor other than a business organization with whom DCTA may engage in an investment transaction. Such training shall include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act.

### **XV. ETHICS AND CONFLICTS OF INTEREST**

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

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

### **XVI. SUBJECT TO AUDIT**

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

### **XVII. INVESTMENT POLICY ADOPTION BY DCTA BOARD**

DCTA's Investment Policy shall be adopted annually by the Board of Directors. The policy and strategies shall be reviewed on an annual basis by the Board. A written resolution approving that review, and suggested changes to the policy will be approved by the Board.

## Attachment I

### Board Approved Independent Investment Training Sources

1. Texas Municipal League (TML)
2. Government Finance Officers Association (GFOA)
3. Government Finance Officers Association of Texas (GFOAT)
4. North Central Texas Council of Governments
5. Texas Higher Education Coordinating Board
6. University of North Texas – Center for Public Management



Attachment II

Board Approved Broker/Dealers List



**Approved Broker/Dealers**  
**May 2020**

**BofA Securities**  
BOK Financial  
**Cantor Fitzgerald & Co**  
**Citigroup Global Markets**  
**Daiwa Capital Markets**  
FHN Financial  
**Goldman, Sachs & Co**  
INTL FCStone  
**JP Morgan Securities**  
KeyBanc Capital Markets  
*Loop Capital Markets \*\**  
Mesirow Financial  
**Mizuho Securities**  
**Morgan Stanley & Co**  
*Multi-Bank Securities \*\**  
Piper Sandler & Co  
Raymond James  
**RBC Capital Markets**  
*Rice Financial \*\**  
SunTrust Robinson Humphrey  
Stifel, Nicolaus & Co.  
**TD Securities**  
**UBS Securities**  
Vining Sparks  
**Wells Fargo Securities**  
*Siebert Williams Shank \*\**

\* **Bold face font indicates firm is a Primary Dealer.**

\*\* *Dark blue italics font indicates firm is a Historically Underutilized Business (HUB) or Minority/Women Owned Business (MWOB).*





## Investment Portfolio Summary

### Denton County Transportation Authority



For the Quarter Ended

March 31, 2021

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 - MARCH 2021:

The economic outlook brightened considerably in March as the pace of vaccine distribution accelerated and Congress passed another massive stimulus package. Consumers were already sitting on an abundance of cash and the \$1.9 trillion American Rescue Plan will add to that pile. Progress on the vaccine front suggests herd immunity could be reached by early summer, several months sooner than previously expected, setting the stage for a return to something resembling normal in the second half of 2021.

The headline ISM manufacturing index climbed from 58.7 to a 10-year high of 60.8 in February. Numbers above 50 indicate expansion, while numbers above 60 are consistent with exceptionally strong growth. The ISM non-manufacturing index slipped to a nine-month low as the service sector remains hamstrung by the virus-related shutdowns and restrictions, but it is poised to rebound as the economy normalizes. Employment conditions improved as U.S. businesses added +379k jobs to payrolls in February, nearly twice the median forecast. Upward revisions to prior months boosted the tally by another +38k. The unemployment rate declined from 6.3% to 6.2% and while unemployment remains well above the five-decade low of 3.5% from a year ago, it is much improved from the 14.8% pandemic high ten months ago. Initial jobless claims, though still elevated relative to pre-pandemic levels, fell to their lowest level in over a year. Consumer spending soared in January, with the original +5.3% gain revised even higher to +7.6%. February retail sales couldn't keep up the pace, falling -3.0% month-over-month. This was to be expected as January's torrid pace, supported by stimulus checks, wasn't sustainable. Freezing weather across much of the nation had a negative impact as well. Spending is set to boom in the months ahead as the American Rescue Plan includes almost \$450 billion in aid to individuals and families. If the last round of \$600 stimulus checks managed to bolster retail sales so much in January, imagine what March's \$1,400 checks will do to sales in the next few months. That idea is supported by a big jump in March's consumer confidence index which posted its biggest single month gain in 18 years, climbing to 109.7. March's slate of housing data reflected February's freezing weather with both new and existing home sales declining, though home prices continue to rise. Existing home sales are being restrained by a lack of homes available for sale. Low inventories and higher prices are a recipe for new construction, which will further add to 2021 GDP growth.

With conditions rapidly improving on both the Covid-19 and economic fronts, economists have been busy revising their 2021 growth forecasts higher. The median forecast in Bloomberg's survey of economists currently shows first quarter gross domestic product advancing at a +4.7% quarter-over-quarter annualized rate, followed by a second quarter booming at +7%. GDP could easily expand more than +6% in 2021. Bond markets have taken note. Although the short end remains anchored by a Fed determined to stand pat until they see both sustained inflation and full employment, intermediate to long yields have climbed significantly. The five-year Treasury note yield, which rose 31 basis points during February, climbed another 21 basis points in March to close the month at 0.94%. The 10-year T-note closed March at 1.74%, up 83 bps since the year began.




## Investment Officers' Certification

### For the Quarter Ended March 31, 2021

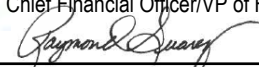
This report is prepared for the **Denton County Transportation Authority** (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing 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 03/31/21*

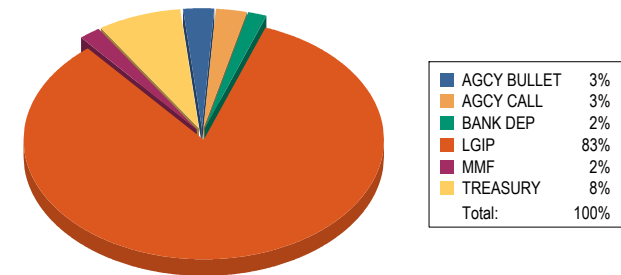
**Account Summary**

**Allocation by Security Type**

Beginning Values as of 12/31/20

Ending Values as of 03/31/21

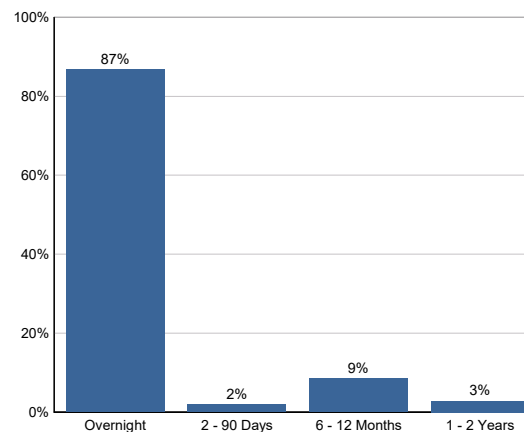
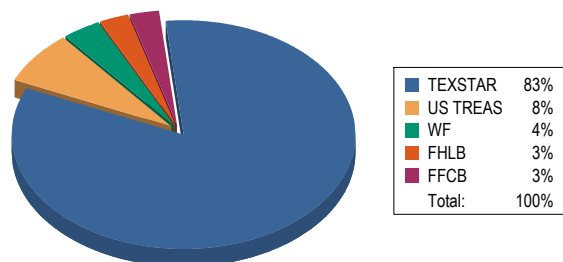
Par Value	47,418,119.33	53,302,178.89
Market Value	47,464,441.83	53,355,321.19
Book Value	47,446,316.65	53,345,352.91
Unrealized Gain/(Loss)	18,125.18	9,968.28
<b>Market Value %</b>	<b>100.04%</b>	<b>100.02%</b>
Weighted Avg. YTW	0.172%	0.081%
Weighted Avg. YTM	0.172%	0.081%



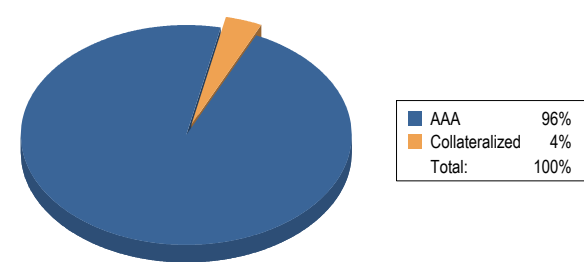
**Allocation by Issuer**

**Maturity Distribution %**

**Credit Quality**

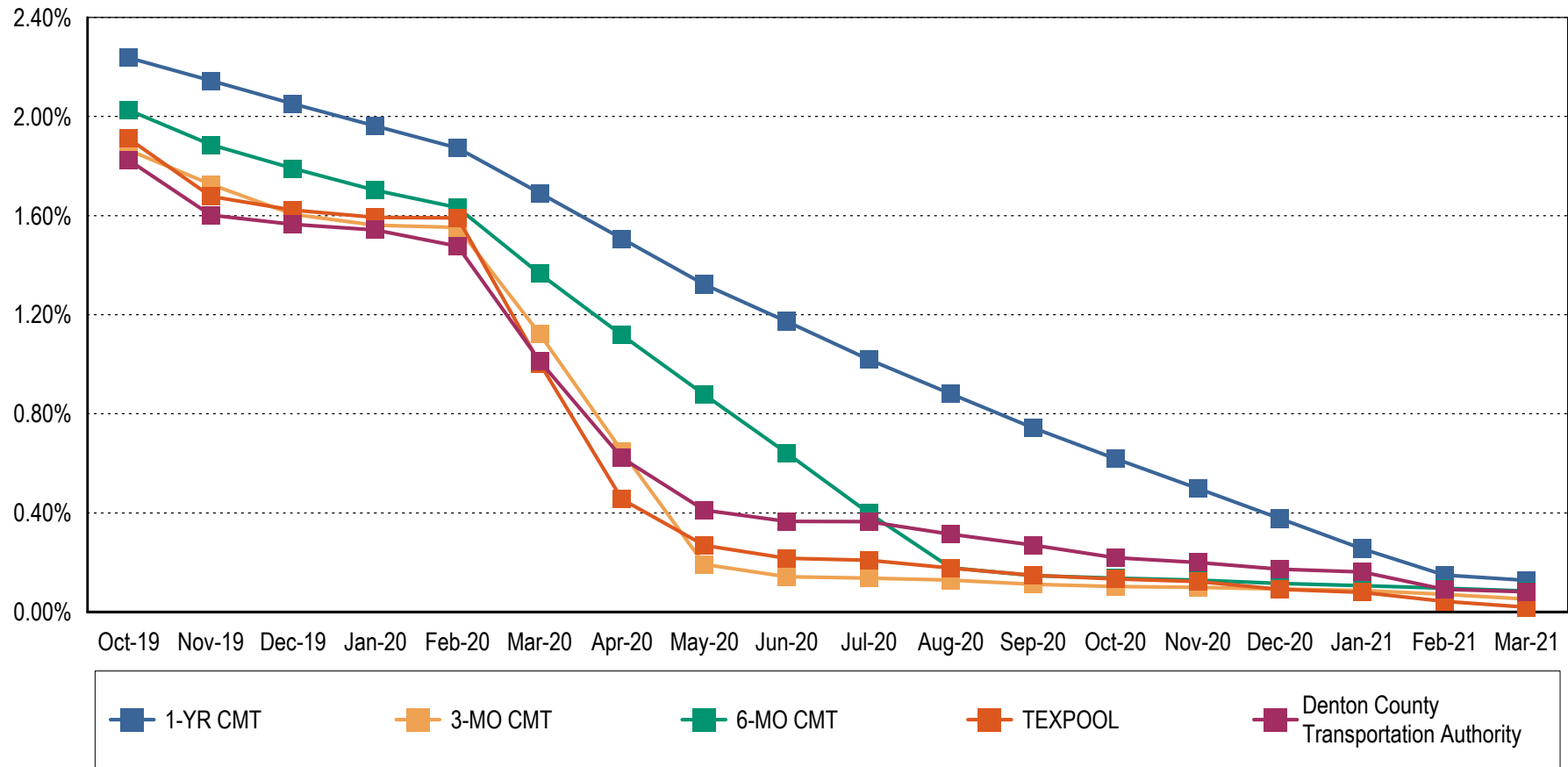


Weighted Average Days to Maturity: 46





**Denton County Transportation Authority**  
**Benchmark Comparison**  
*As of 03/31/2021*



**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 03/31/2021

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					823,248.58	100.000	823,248.58	823,248.58	100.000	823,248.58	1		0.160	0.160
<b>Total for 2011 Bond Fund</b>								<b>823,248.58</b>	<b>100.000</b>	<b>823,248.58</b>	<b>823,248.58</b>	<b>100.000</b>	<b>823,248.58</b>	<b>1</b>		<b>0.160</b>	<b>0.160</b>
<b>Additional Reserve Fund</b>																	
TEXSTAR		LGIP	TexSTAR					887,567.76	100.000	887,567.76	887,567.76	100.000	887,567.76	1		0.022	0.022
<b>Total for Additional Reserve Fund</b>								<b>887,567.76</b>	<b>100.000</b>	<b>887,567.76</b>	<b>887,567.76</b>	<b>100.000</b>	<b>887,567.76</b>	<b>1</b>		<b>0.022</b>	<b>0.022</b>
<b>Bond Fund</b>																	
TEXSTAR		LGIP	TexSTAR					1,192,924.79	100.000	1,192,924.79	1,192,924.79	100.000	1,192,924.79	1		0.022	0.022
<b>Total for Bond Fund</b>								<b>1,192,924.79</b>	<b>100.000</b>	<b>1,192,924.79</b>	<b>1,192,924.79</b>	<b>100.000</b>	<b>1,192,924.79</b>	<b>1</b>		<b>0.022</b>	<b>0.022</b>
<b>Operating Fund</b>																	
WF-SWEEP		MMF	Wells Fargo Sweep					1,053,705.93	100.000	1,053,705.93	1,053,705.93	100.000	1,053,705.93	1		0.000	0.000
<b>Total for Operating Fund</b>								<b>1,053,705.93</b>	<b>100.000</b>	<b>1,053,705.93</b>	<b>1,053,705.93</b>	<b>100.000</b>	<b>1,053,705.93</b>	<b>1</b>		<b>0.000</b>	<b>0.000</b>
<b>Reserve Fund</b>																	
TEXSTAR		LGIP	TexSTAR					4,216,854.17	100.000	4,216,854.17	4,216,854.17	100.000	4,216,854.17	1		0.022	0.022
9128284G2	01/17/20	TREAS NOTE	U.S. Treasury	2.375	04/15/21			1,000,000.00	100.941	1,009,414.06	1,000,293.36	100.089	1,000,890.10	15		1.606	1.606
912828H86	02/12/21	TREAS NOTE	U.S. Treasury	1.500	01/31/22			1,500,000.00	101.367	1,520,507.81	1,517,695.94	101.188	1,517,812.50	306		0.085	0.085
313378CR0	03/13/20	AGCY BULET	FHLB	2.250	03/11/22			1,500,000.00	103.110	1,546,650.00	1,522,167.17	102.026	1,530,385.65	345		0.677	0.677
912828ZG8	02/22/21	TREAS NOTE	U.S. Treasury	0.375	03/31/22			1,500,000.00	100.328	1,504,921.88	1,504,455.78	100.297	1,504,453.20	365		0.077	0.077
3133EMCH3	10/13/20	AGCY CALL	FFCB	0.160	10/13/22	10/13/2021	CONT	1,500,000.00	99.875	1,498,125.00	1,498,561.77	99.973	1,499,600.85	561	196	0.223	0.223
<b>Total for Reserve Fund</b>								<b>11,216,854.17</b>	<b>100.716</b>	<b>11,296,472.92</b>	<b>11,260,028.19</b>	<b>100.478</b>	<b>11,269,996.47</b>	<b>213</b>		<b>0.294</b>	<b>0.294</b>



**Denton County Transportation Authority**  
**Detail of Security Holdings**  
*As of 03/31/2021*

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					38,127,877.66	100.000	38,127,877.66	38,127,877.66	100.000	38,127,877.66	1		0.022	0.022
<b>Total for Sales Tax Fund</b>								<b>38,127,877.66</b>	<b>100.000</b>	<b>38,127,877.66</b>	<b>38,127,877.66</b>	<b>100.000</b>	<b>38,127,877.66</b>	<b>1</b>		<b>0.022</b>	<b>0.022</b>
<b>Total for Denton County Transportation Authority</b>								<b>53,302,178.89</b>	<b>100.151</b>	<b>53,381,797.64</b>	<b>53,345,352.91</b>	<b>100.101</b>	<b>53,355,321.19</b>	<b>46</b>		<b>0.081</b>	<b>0.081</b>



# Denton County Transportation Authority

## Change in Value

From 12/31/2020 to 03/31/2021

CUSIP	Security Type	Security Description	12/31/20 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	03/31/21 Book Value	12/31/20 Market Value	03/31/21 Market Value	Change in Mkt Value
<b>2011 Bond Fund</b>											
WF-MANA	BANK DEP	Wells Fargo Managed Rate	838,219.01	113.91	(15,084.34)	0.00	0.00	823,248.58	838,219.01	823,248.58	(14,970.43)
<b>Total for 2011 Bond Fund</b>			<b>838,219.01</b>	<b>113.91</b>	<b>(15,084.34)</b>	<b>0.00</b>	<b>0.00</b>	<b>823,248.58</b>	<b>838,219.01</b>	<b>823,248.58</b>	<b>(14,970.43)</b>
<b>Additional Reserve Fund</b>											
TEXSTAR	LGIP	TexSTAR	791,321.13	96,246.63	0.00	0.00	0.00	887,567.76	791,321.13	887,567.76	96,246.63
<b>Total for Additional Reserve Fund</b>			<b>791,321.13</b>	<b>96,246.63</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>887,567.76</b>	<b>791,321.13</b>	<b>887,567.76</b>	<b>96,246.63</b>
<b>Bond Fund</b>											
TEXSTAR	LGIP	TexSTAR	700,045.70	700,070.50	(207,191.41)	0.00	0.00	1,192,924.79	700,045.70	1,192,924.79	492,879.09
<b>Total for Bond Fund</b>			<b>700,045.70</b>	<b>700,070.50</b>	<b>(207,191.41)</b>	<b>0.00</b>	<b>0.00</b>	<b>1,192,924.79</b>	<b>700,045.70</b>	<b>1,192,924.79</b>	<b>492,879.09</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	369,194.36	684,511.57	0.00	0.00	0.00	1,053,705.93	369,194.36	1,053,705.93	684,511.57
<b>Total for Operating Fund</b>			<b>369,194.36</b>	<b>684,511.57</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,053,705.93</b>	<b>369,194.36</b>	<b>1,053,705.93</b>	<b>684,511.57</b>
<b>Reserve Fund</b>											
TEXSTAR	LGIP	TexSTAR	5,734,468.37	3,050.10	(1,520,664.30)	0.00	0.00	4,216,854.17	5,734,468.37	4,216,854.17	(1,517,614.20)
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
3130A7CV5	AGCY BULET	FHLB 1.375 02/18/21	1,499,681.24	0.00	(1,500,000.00)	318.76	0.00	0.00	1,502,344.20	0.00	(1,502,344.20)
9128284G2	TREAS NOTE	U.S. Treasury 2.375 04/15/21	1,002,179.22	0.00	0.00	(1,885.86)	0.00	1,000,293.36	1,006,406.30	1,000,890.10	(5,516.20)
912828H86	TREAS NOTE	U.S. Treasury 1.500 01/31/22	0.00	1,520,507.81	0.00	(2,811.87)	0.00	1,517,695.94	0.00	1,517,812.50	1,517,812.50
313378CR0	AGCY BULET	FHLB 2.250 03/11/22	1,528,009.07	0.00	0.00	(5,841.90)	0.00	1,522,167.17	1,538,360.25	1,530,385.65	(7,974.60)
912828ZG8	TREAS NOTE	U.S. Treasury 0.375 03/31/22	0.00	1,504,921.88	0.00	(466.10)	0.00	1,504,455.78	0.00	1,504,453.20	1,504,453.20
3133EMCH3	AGCY CALL	FFCB 0.160 10/13/22	1,498,327.79	0.00	0.00	233.98	0.00	1,498,561.77	1,499,211.75	1,499,600.85	389.10
<b>Total for Reserve Fund</b>			<b>11,262,665.69</b>	<b>3,028,479.79</b>	<b>(3,020,664.30)</b>	<b>(10,452.99)</b>	<b>0.00</b>	<b>11,260,028.19</b>	<b>11,280,790.87</b>	<b>11,269,996.47</b>	<b>(10,794.40)</b>





**Denton County Transportation Authority**  
**Change in Value**  
*From 12/31/2020 to 03/31/2021*

CUSIP	Security Type	Security Description	12/31/20 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	03/31/21 Book Value	12/31/20 Market Value	03/31/21 Market Value	Change in Mkt Value
<b>Sales Tax Fund</b>											
TEXSTAR	LGIP	TexSTAR	33,484,870.76	4,896,145.92	(253,139.02)	0.00	0.00	38,127,877.66	33,484,870.76	38,127,877.66	4,643,006.90
<b>Total for Sales Tax Fund</b>			<b>33,484,870.76</b>	<b>4,896,145.92</b>	<b>(253,139.02)</b>	<b>0.00</b>	<b>0.00</b>	<b>38,127,877.66</b>	<b>33,484,870.76</b>	<b>38,127,877.66</b>	<b>4,643,006.90</b>
<b>Total for Denton County Transportation Authority</b>			<b>47,446,316.65</b>	<b>9,405,568.32</b>	<b>(3,496,079.07)</b>	<b>(10,452.99)</b>	<b>0.00</b>	<b>53,345,352.91</b>	<b>47,464,441.83</b>	<b>53,355,321.19</b>	<b>5,890,879.36</b>



# Denton County Transportation Authority

## Earned Income

From 12/31/2020 to 03/31/2021

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	328.75	328.75	0.00	0.00	0.00	328.75
<b>Total for 2011 Bond Fund</b>			<b>0.00</b>	<b>328.75</b>	<b>328.75</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>328.75</b>
<b>Additional Reserve Fund</b>									
TEXSTAR	LGIP	TexSTAR	0.00	75.72	75.72	0.00	0.00	0.00	75.72
<b>Total for Additional Reserve Fund</b>			<b>0.00</b>	<b>75.72</b>	<b>75.72</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>75.72</b>
<b>Bond Fund</b>									
TEXSTAR	LGIP	TexSTAR	0.00	94.04	94.04	0.00	0.00	0.00	94.04
<b>Total for Bond Fund</b>			<b>0.00</b>	<b>94.04</b>	<b>94.04</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>94.04</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	489.58	489.58	0.00	0.00	0.00	489.58
3130A7CV5	AGCY BULET	FHLB 1.375 02/18/21	7,619.79	2,692.71	10,312.50	0.00	0.00	318.76	3,011.47
9128284G2	TREAS NOTE	U.S. Treasury 2.375 04/15/21	5,089.29	5,872.25	0.00	0.00	10,961.54	(1,885.86)	3,986.39
912828H86	TREAS NOTE	U.S. Treasury 1.500 01/31/22	0.00	2,983.42	0.00	(745.86)	3,729.28	(2,811.87)	171.55
313378CR0	AGCY BULET	FHLB 2.250 03/11/22	10,312.50	8,437.50	16,875.00	0.00	1,875.00	(5,841.90)	2,595.60
912828ZG8	TREAS NOTE	U.S. Treasury 0.375 03/31/22	0.00	587.14	2,812.50	(2,240.73)	15.37	(466.10)	121.04
3133EMCH3	AGCY CALL	FFCB 0.160 10/13/22	520.00	600.00	0.00	0.00	1,120.00	233.98	833.98
<b>Total for Reserve Fund</b>			<b>23,541.58</b>	<b>21,662.60</b>	<b>30,489.58</b>	<b>(2,986.59)</b>	<b>17,701.19</b>	<b>(10,452.99)</b>	<b>11,209.61</b>



**Denton County Transportation Authority**  
**Earned Income**  
*From 12/31/2020 to 03/31/2021*

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>Sales Tax Fund</b>									
TEXSTAR	LGIP	TexSTAR	0.00	3,399.40	3,399.40	0.00	0.00	0.00	3,399.40
<b>Total for Sales Tax Fund</b>			<b>0.00</b>	<b>3,399.40</b>	<b>3,399.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,399.40</b>
<b>Total for Denton County Transportation Authority</b>			<b>23,541.58</b>	<b>25,560.51</b>	<b>34,387.49</b>	<b>(2,986.59)</b>	<b>17,701.19</b>	<b>(10,452.99)</b>	<b>15,107.52</b>



**Denton County Transportation Authority**  
**Investment Transactions**  
 From 01/01/2021 to 03/31/2021

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>Maturities</b>															
02/18/21	02/18/21	3130A7CV5	AGCY BULET	FHLB	1.375	02/18/21		1,500,000.00	100.000	1,500,000.00	0.00	1,500,000.00		1.539	
<b>Total for: Maturities</b>								<b>1,500,000.00</b>		<b>1,500,000.00</b>	<b>0.00</b>	<b>1,500,000.00</b>		<b>1.539</b>	
<b>Purchases</b>															
02/11/21	02/12/21	912828H86	TREAS NOTE	U.S. Treasury	1.500	01/31/22		1,500,000.00	101.367	1,520,507.81	745.86	1,521,253.67		0.085	0.085
02/19/21	02/22/21	912828ZG8	TREAS NOTE	U.S. Treasury	0.375	03/31/22		1,500,000.00	100.328	1,504,921.88	2,240.73	1,507,162.61		0.077	0.077
<b>Total for: Purchases</b>								<b>3,000,000.00</b>		<b>3,025,429.69</b>	<b>2,986.59</b>	<b>3,028,416.28</b>		<b>0.081</b>	<b>0.081</b>
<b>Income Payments</b>															
02/18/21	02/18/21	3130A7CV5	AGCY BULET	FHLB	1.375	02/18/21				0.00	10,312.50	10,312.50			
03/11/21	03/11/21	313378CR0	AGCY BULET	FHLB	2.250	03/11/22				0.00	16,875.00	16,875.00			
03/31/21	03/31/21	912828ZG8	TREAS NOTE	U.S. Treasury	0.375	03/31/22				0.00	2,812.50	2,812.50			
<b>Total for: Income Payments</b>										<b>0.00</b>	<b>30,000.00</b>	<b>30,000.00</b>			



**Denton County Transportation Authority**  
**Investment Transactions**  
*From 01/01/2021 to 03/31/2021*

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 Maturities	1,500,000.00	1,500,000.00		1.539	
Total Purchases	3,000,000.00	3,028,416.28		0.081	0.081
Total Income Payments	0.00	30,000.00			



# Denton County Transportation Authority

## Amortization and Accretion

From 12/31/2020 to 03/31/2021

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>											
3130A7CV5	02/14/20	AGCY BULET	FHLB 1.375 02/18/21		0.00	99.836	0.00	318.76	0.00	0.00	0.00
9128284G2	01/17/20	TREAS NOTE	U.S. Treasury 2.375 04/15/21		1,000,000.00	100.941	1,009,414.06	(1,885.86)	(9,120.70)	(293.36)	1,000,293.36
912828H86	02/12/21	TREAS NOTE	U.S. Treasury 1.500 01/31/22		1,500,000.00	101.367	1,520,507.81	(2,811.87)	(2,811.87)	(17,695.94)	1,517,695.94
313378CR0	03/13/20	AGCY BULET	FHLB 2.250 03/11/22		1,500,000.00	103.110	1,546,650.00	(5,841.90)	(24,482.83)	(22,167.17)	1,522,167.17
912828ZG8	02/22/21	TREAS NOTE	U.S. Treasury 0.375 03/31/22		1,500,000.00	100.328	1,504,921.88	(466.10)	(466.10)	(4,455.78)	1,504,455.78
3133EMCH3	10/13/20	AGCY CALL	FFCB 0.160 10/13/22	10/13/21	1,500,000.00	99.875	1,498,125.00	233.98	436.77	1,438.23	1,498,561.77
<b>Total for Reserve Fund</b>					<b>7,000,000.00</b>		<b>7,079,618.75</b>	<b>(10,452.99)</b>	<b>(36,444.73)</b>	<b>(43,174.02)</b>	<b>7,043,174.02</b>
<b>Total for Denton County Transportation Authority</b>					<b>7,000,000.00</b>		<b>7,079,618.75</b>	<b>(10,452.99)</b>	<b>(36,444.73)</b>	<b>(43,174.02)</b>	<b>7,043,174.02</b>



**Denton County Transportation Authority**  
**Projected Cash Flows**  
*Cash Flows for next 180 days from 03/31/2021*

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
<b>Reserve Fund</b>						
3133EMCH3	AGCY CALL	FFCB 0.160 10/13/22	04/13/21	1,200.00	0.00	1,200.00
9128284G2	TREAS NOTE	U.S. Treasury 2.375 04/15/21	04/15/21	11,875.00	1,000,000.00	1,011,875.00
912828H86	TREAS NOTE	U.S. Treasury 1.500 01/31/22	07/31/21	11,250.00	0.00	11,250.00
313378CR0	AGCY BULET	FHLB 2.250 03/11/22	09/11/21	16,875.00	0.00	16,875.00
<b>Total for Reserve Fund</b>				<b>41,200.00</b>	<b>1,000,000.00</b>	<b>1,041,200.00</b>



## Denton County Transportation Authority

### Projected Cash Flows

Cash Flows for next 180 days from 03/31/2021

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

April 2021	13,075.00	1,000,000.00	1,013,075.00
July 2021	11,250.00	0.00	11,250.00
September 2021	16,875.00	0.00	16,875.00
<b>Total Projected Cash Flows for Denton County Transportation Authorit</b>	<b>41,200.00</b>	<b>1,000,000.00</b>	<b>1,041,200.00</b>



August 13, 2021

**ADDENDUM NO. 1**

Request for Proposals (RFP) 21-10

Application for Depository Services

**Changes:**

1. The due date/time to submit proposals has been changed to August 17, 2021 at 2:00 pm CST
2. The Solicitation overview and endorsement form on page 3 is deleted and replaced with Attachment 1.

**Addendum 1 Attachments:**

Attachment 1: Solicitation overview and endorsement revised

***Addendum must be acknowledged below and returned with the bid submittal. The underlined text is the addition or change. Some unchanged text from original solicitation is shown only for purposes of context. All other text not referenced below remains the same as stated in the original solicitation or as stated in previous addendums.***

Sign here

Name Geri Osinaike

Title Senior Procurement Specialist

Acknowledged by: \_\_\_\_\_ Date: \_\_\_\_\_  
Firm/Representative



## SOLICITATION OVERVIEW AND ENDORSEMENT

<b>SOLICITATION TYPE/No.</b>	Request for Proposals (RFP) 21-10		
<b>TITLE</b>	Application for Depository Services		
<b>PROCUREMENT SCHEDULE</b>	Dates and times are subject to change, any changes will be issued by addenda.		
<b>PRE BID/PROPOSAL MEETING DATE</b>	N/A	<b>PRE BID/PROPOSAL MEETING LOCATION</b>	
<b>QUESTIONS DUE</b>	July 16, 2021 by 2:00 pm CST	<b>RESPONSES TO QUESTIONS RELEASED</b>	July 30, 2021 by 5:00 pm CST
<b>DUE DATE/TIME</b>	<b>August 13, 2021 at 11:00 am CST August 17, 2021 at 2:00 pm CST</b>		
<b>QUESTIONS/ CLARIFICATIONS</b>	All requests for clarifications and questions shall be submitted in writing. No verbal questions will be accepted and no verbal replies will be provided. Bidders/Proposers must submit requests for changes to or approval of equals, clarifications and modifications of the specifications in writing. The solicitation documents can only be modified in writing. Procurement must receive the requests no later than the date indicated above. Procurement will issue a response to those requests to all bidders/proposers by posting the replies to Periscope S2G no later than the date indicated above. DCTA assumes no responsibility for delayed or lost responses		
<b>ALL QUESTIONS AND REQUESTS FOR CLARIFICATIONS SHALL BE SENT TO</b>	Geri Osinaike <a href="mailto:procurement@dcta.net">procurement@dcta.net</a> or submitted via Periscope S2G at <a href="http://www.bidsync.com">www.bidsync.com</a>		
<b>RECEIPT OF BID/PROPOSAL</b>	Prior to the time and date indicated above, all proposal must be received electronically at <a href="http://www.bidsync.com">www.bidsync.com</a>		
	DCTA reserves the right to change the deadline for submitting bids/proposals. Further, DCTA reserves the right to unilaterally revise or amend the scope of services up to the time set for submitting bids/proposals. Such revisions and addenda, if any, shall be announced by addenda to this solicitation. Copies of such addenda shall be furnished to all prospective bidders/proposers.		
<b>ACCEPTANCE PERIOD</b>	<b>PROPOSALS SHALL REMAIN VALID FOR 90 DAYS FROM THE DUE DATE</b>		
<b>DBE (DISADVANTAGED BUSINESS ENTERPRISE) PROGRAM</b>	It is the policy of DCTA to create a level playing field on which DBEs, as defined in 49 CFR Part 26, can compete fairly for DOT-assisted contracts. Additionally, DCTA is committed to removing barriers to the participation of DBEs on DOT-assisted contracts. The DBE requirements of 49 CFR Part 26 applies to this procurement. By submitting its bid/proposal, Bidder/Proposer certifies that it will take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that DBEs are given the maximum opportunity to compete for and participate in the performance of this contract. Bidder/Proposer further certifies and agrees that it has not and will not discriminate on the basis of race, color, national origin, or sex in the award of subcontracts under this contract or in performance of this contract. DCTA's DBE Program is available at <a href="http://www.dcta.net">www.dcta.net</a>		
<b>DBE GOAL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no	<b>DBE goal %</b>	
<b>DAVIS-BACON AND COPELAND ANTI-KICKBACK</b>	The Davis-Bacon and Copeland Acts are codified at 40 USC 3141, et seq. and 18 USC 874. The Acts apply to grantee construction contracts and subcontracts that "at least partly are financed by a loan or grant from the Federal Government." 40 USC 3145(a), 29 CFR 5.2(h), 49 CFR 18.36(i) (5). The Acts apply to any construction contract over \$2,000. 40 USC 3142(a), 29 CFR 5.5(a). 'Construction,' for purposes of the Acts, includes "actual construction, alteration and/or repair, including painting and decorating of public buildings and public works of the Government." 29 CFR 5.5(a).		
<b>CERTIFIED PAYROLL</b>	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no	<b>Wage Rate</b>	
<b>BID/PROPOSAL ENDORSEMENT</b>	<b>TO BE COMPLETED FOR HAND DELIVERED AND MAILED RESPONSES ONLY</b>		
<b>BUSINESS NAME</b>			
<b>CONTACT NAME</b>		<b>TITLE</b>	
<b>TELEPHONE</b>		<b>EMAIL</b>	
<b>ADDRESS</b>			
<b>SIGNATURE</b>			<b>DATE</b>

## Question and Answers for Bid #21-10 - Application for Depository Services

### Overall Bid Questions

There are no questions associated with this bid.