



## Board of Directors Regular Board Meeting

January 27, 2022 | 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 on January 27, 2022 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:

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/82874173283?pwd=ZONBcUxjaVYxQ1M2eFhtQWorQ0RjQT09>

Passcode: 294635

Or One tap mobile:

US: +13462487799

Or Telephone:

Dial: US: +1 346 248 7799

Webinar ID: 828 7417 3283

Passcode: 294635

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, January 26, 2022 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 Regular Meeting Minutes dated December 2, 2021**  
([packet pages 8-18](#))  
*Action Item*  
Backup Information: Exhibit 1: December 2, 2021 Minutes
2. **Consider and Approve an Interlocal Agreement with Trinity Metro for Cooperative Purchasing**  
([packet pages 19-23](#))  
*Action Item*  
Backup Information: Memo  
Exhibit 1: ILA DCTA and Trinity Metro Cooperative Purchasing Agreement
3. **Consider and Approve a Second Amendment to the ILA with Trinity Metro for extension of Services at Alliance**  
([packet pages 24-33](#))  
*Action Item*  
Backup Information: Memo  
Exhibit 1: ILA DCTA and Trinity Metro
4. **Consider Approval of a Contract with Granicus in the amount of \$77,497.80 for a term of 36 months for the Implementation of Granicus Legistar Agenda Management Software**  
([packet pages 34-42](#))  
*Action Item*  
Backup Information: Memo  
Exhibit 1: Granicus Legistar Contract

## REGULAR AGENDA

1. **Discuss and Consider Denton County Transportation Authority (DCTA) Board of Directors Election of Officers**  
([packet page 43](#))  
*Action Item*  
Presenter: Raymond Suarez, CEO  
Backup Information: Memo

**2. Presentation and Discussion of Corinth Rail Station and Transit Oriented Development**

*Discussion Item*

[\(packet pages 44-45\)](#)

Presenters: Raymond Suarez, CEO  
Paul Cristina, Deputy CEO  
Bob Hart, City Manager – City of Corinth

Backup Information: Memo  
Exhibit 1: City of Corinth Letter, November 4, 2021

**3. Presentation of the FY2021 Preliminary Audit Reports from Plante Moran**

[\(packet pages 46-95\)](#)

*Discussion Item*

Presenters: Amber Karkauskas, Controller/ AVP of Finance  
Keith Szymanski, Senior Manager – Plante Moran  
Amy Tytar, Senior – Plante Moran

Backup Information: Memo  
Exhibit 1: Draft of FY2021 Annual Comprehensive Financial Report (ACFR)  
Exhibit 2: Draft of FY2021 Single Audit Report  
Exhibit 3: Draft of Plante Moran's Report to the Board of Directors

**4. Consider a Second Amended and Restated Employment Agreement Between Denton County Transportation Authority (DCTA) and the Chief Executive Officer (CEO)**

[\(packet page 96\)](#)

*Action Item*

Backup Information Memo

**5. Review and Discuss Project Management Office (PMO) Activities with Accenture, LLP**

[\(packet pages 97-99\)](#)

*Discussion Item*

Presenter: Chris Newport, Accenture

Backup Information: Memo  
Exhibit 1: PMO Progress Report

**6. GoZone Update**

[\(packet pages 100-101\)](#)

*Discussion Item*

Presenter: Javier Trilla, AVP of Innovation & Information Technology

Backup Information: Memo

**7. Consider Approval of Task Order #3 with Accenture, LLP and Consider Approval of Resolution R22-01 Approving FY22 Budget Revision 2022-05**

[\(packet pages 102-117\)](#)

*Action Item*

Presenter: Javier Trilla, AVP of Innovation and Technology  
Chris Newport, Accenture

Backup Information: Memo  
Exhibit 1: Accenture SOW Task Order 3  
Exhibit 2: Resolution R22-01 with the following Exhibits:  
“A”: Budget Revision 2022-05  
“B”: Change in Net Position (DCTA Only)  
“B-1”: Change in Net Position (DCTA & NTMC Combined)  
Exhibit 3: Year-to-Date FY22 Budget Revisions

**8. Discuss Amendment #4 to Via Task Order #1 for Via to Provide Customer Service for GoZone**  
**(packet pages 118-122)**

*Discussion Item*

Presenters: Javier Trilla, AVP of Innovation and Technology  
Chris Newport, Accenture

Backup Information: Memo  
Exhibit 1: DCTA Rider Support Proposal

**9. Consider Approval of Monthly Financial Statements for November 2021 and December 2021 and Quarterly Reports for Q1 FY2022**

**(packet pages 123-156)**

*Action Item*

Presenters: Marisa Perry, Chief Financial Officer/VP of Finance

Backup Information: Memo 1  
Exhibit 1(a): Monthly Financial Statements – November 2021  
Exhibit 1(b): Capital Projects Budget Report – November 2021  
Memo 2  
Exhibit 2(a): Monthly Financial Statements – December 2021  
Exhibit 2(b): Capital Projects Budget Report – December 2021  
Memo 3  
Exhibit 3(a): Quarterly Investment Report Q1 FY2022  
Memo 4: Quarterly Grants Report Q1 FY2022

**10. Discuss and Consider Approval of Dallas Area Rapid Transit (DART) Short Term Lease Agreement for use of Denton County Transportation Authority (DCTA) Operations and Maintenance Facility**

**(packet pages 157-222)**

*Action Item*

Presenters: Paul Cristina, Deputy CEO  
Raymond Suarez, CEO

Backup Information: Memo  
Exhibit 1: Lease Rate and Operating Expense Calculation and DART Counterproposal  
Exhibit 2: DCTA – DART Interlocal Agreement  
Exhibit 3: Draft Lease Agreement (Currently Under Review by DART)



11. Discuss and Consider Approval of Receipt of DART design funds and execution of Task Orders with Jacobs Engineering for design of the Joint Rail Operations Facility (JROF) expansion at the Denton County Transportation Authority (DCTA) Rail Operations and Maintenance Facility (ROMF)

(packet pages 223-259)

*Action Item*

Presenter: Paul Cristina, Deputy CEO

Backup Information: Memo

Exhibit 1: Accounts Receivable Letter

Exhibit 2: Jacobs Engineering Scope of Work

Exhibit 3: DCTA – DART Interlocal Agreement

12. Discuss FY21 TRiP Annual Report and FY22 TRiP Annual Call for Projects

(packet pages 260-314)

*Discussion Item*

Presenter: Tim Palermo, Planning & Data Analytics Manager

Backup Information: Memo

Exhibit 1: TRiP Annual Report for FY21

Exhibit 2: Proposed FY22 Member City Funding Allocations Including FY21 Rollover Amounts

Exhibit 3: TRiP Annual Call for Projects for FY22

13. Discuss Local and Regional Transportation Updates and Legislative Issues

(packet pages N/A)

*Discussion Item*

Presenters: Cesar Molina, Chair

Dianne Costa, Board Member

Raymond Suarez, CEO

## INFORMATIONAL REPORTS

1. Monthly Financial Reports

(packet pages 315-321)

Backup Information: Memo 1: Monthly Sales Tax Receipts

Exhibit 1: FY22 Monthly Sales Tax Report

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

Memo 3: Budget Information

2. Ridership Trends and Rail Trail Utilization Report

(packet pages 322-338)

Backup Information: Memo

Exhibit 1: FY19-FY22 Total Monthly Ridership Trend – Rail

Exhibit 2: FY19-FY22 Total Monthly Ridership Trend – Bus

Exhibit 3: FY19-FY22 Total Monthly Ridership Trend – Access

Exhibit 4: FY19-FY22 Total Monthly Ridership Trend – On-Demand

Exhibit 5: Total Rail Boardings as a Percentage of February 2020

Exhibit 6: November/December 2021 Rail Trail Utilization Report



### 3. Capital Edge Federal Legislative Briefing

(packet pages 339-340)

Backup Information: Memo

### 4. Request for Proposals (RFP) 22-01 Commuter Vanpool Program

(packet pages 341-423)

Backup Information: Memo

Exhibit 1: Request for Proposal 22-01

## 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: February 18, 2022 – Board Workshop  
February 24, 2022 – Regular Board Meeting

## 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:

The Board of Directors will convene into Closed Executive Session pursuant to Section 551.074 of the Texas Government Code, Personnel Matters, to deliberate the evaluation and duties of General Counsel.

The Board of Directors will convene into Closed Executive Session pursuant to Section 551.074 of the Texas Government Code, Personnel Matters, to deliberate the evaluation and duties of the Chief Executive Officer.

## RECONVENE OPEN SESSION

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

## ADJOURN

### Board Members:

Cesar Molina, Denton County Seat 1, *Chair*

TJ Gilmore, *Vice-Chair*

Dianne Costa, Highland Village

Alison Maguire, Denton

Andy Eads, Denton County Seat 2



**Alternates**

Jody Gonzalez, Denton County Seat 1  
Kristin Green, Lewisville  
Pat Smith, Denton  
Paul Stevens, Highland Village  
Vacant, Denton County Seat 2

**Non-Voting Board Members:**

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

***Staff Liaison:***

Raymond Suarez, CEO

This notice was posted on January 21, 2022 by 5pm.

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Kisha Morris-Perkins  
Executive Assistant | Board Process Manager



## Board of Directors Regular Meeting Minutes

December 2, 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 Chair Cesar Molina presiding on December 2, 2021 at 10:00am located at the DCTA Administrative Offices.

### Voting Members

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

### Alternates

Board Member Jody Gonzalez, Denton County  
Board Member Kristin Green, City of Lewisville  
Board Member Pat Smith, City of Denton  
Board Member Paul Stevens, City of Highland Village

### 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 CEO

Raymond Suarez

### CALL TO ORDER

Chair Molina called the meeting to order at 10:02am. All voting Board Members were present in-person. The following alternates were in-person: Jody Gonzalez, Pat Smith and Paul Stevens. The following alternate and non-voting board members participated virtually: Kristin Green, Dennie Franklin, Mark Miller, Joe Perez, Connie White and Tom Winterburn.

Note: The Board recessed and reconvened at the following times:

- Recessed at 10:20am due to technical issues and reconvened at 10:27am.
- Recessed at 11:24am due to technical issues and reconvened at 11:43am.
- Recessed at 2:18pm (lunch) and reconvened at 2:44pm.
- Convened into Executive Session at 2:45pm to consult with Legal Counsel on Agenda Item 3. The Board reconvened into Open Session at 3:07pm with no action taken.



## INVOCATION

Alternate Board Member Pat Smith provided the invocation.

## INTRODUCTIONS

Chair Molina and Board Member Costa thanked Charlotte Wilcox for her service as an Alternate Board Member representing the City of Highland Village and welcomed Paul Stevens as the newly appointed Alternate Board Member for the City of Highland Village. CEO Raymond Suarez also introduced Paul Cristina and DCTA's Deputy CEO.

## PUBLIC COMMENT

The following individuals addressed the Board during this time:

Joshua Hatton – Verbal Comments (virtual)

Eva Grecco – Verbal Comments (virtual)

Eric Pruett – Written Comments (email)

## CONSENT AGENDA

### 1. Consider Approval of Monthly Financial Statements for October 2021

(packet pages 7-13)

Action Item

Backup Information Memo

Exhibit 1(a): Monthly Financial Statements – October 2021

Exhibit 1(b): Capital Projects Budget Report – October 2021

### 2. Consider Approval of October 28, 2021 Regular Meeting Minutes

(packet pages 14-22)

Action Item

Backup Information: Exhibit 1: October 28, 2021 Regular Meeting Minutes

*Motion by Vice-Chair Gilmore with a second by Board Member Maguire to approve as presented.*

*Motion passes 5-0.*

## REGULAR AGENDA

### 1. Consider Approval of Resolution R21-09 approving Budget Revision 2022-02 for Sales Tax associated with the Castle Hills annexation into the City of Lewisville

(packet pages 23-31)

Action Item

Presenters: Marisa Perry, Chief Financial Officer/Vice President of Finance

Backup Information: Memo

Exhibit 1: Resolution R21-09 with the following exhibits:

“A”: Budget Revision 2022-02

“B”: Change in Net Position

Exhibit 2: Year to Date FY22 Budget Revisions

Marisa Perry, CFO/VP of Finance presented the staff report highlighting the following:

- Projected increase of \$575,093 with annexation of Castle Hills into City of Lewisville
- GoZone extension approved in September 2021 into Castle Hills Service Area (\$150,094 Cost, \$1565 Passenger Revenues)
- Projections were provided to the City of Lewisville

Board discussion regarding Castle Hills projections from the State Comptroller's Office.

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

## 2. GoZone Update ([packet pages 32-33](#))

*Discussion Item*

Presenters: Javier Trilla, AVP of Innovation & Information Technology  
Chris Newport, Accenture

Backup Information: Memo

Javier Trilla, AVP of Innovation and Information Technology, presented the staff report highlighting the following:

- Noteworthy Statistics (October – 30,922 rides and November – 27,369 passenger rides as of November 22, 2021)
- Operational Challenges (High demand with supply challenges = higher wait times)
- GoZone Consolidated Dashboard

Board discussion regarding comparisons to 2019 ridership, breakout of multiple rider requests (3 or more people), COVID-19 related ridership, clarification of “unaccepted proposals” definition, the Board receiving a better visual of the “heat map”, additional Via fleet vehicles and how many are wheelchair accessible and the ability to request a wheelchair accessible van through the Via app.

*No Board action required at this time.*

## 3. Consider Service Modifications Effective December 5, 2021 and Proposed Recommendations ([packet pages 34-89](#))

*Action Item*

Presenters: Chris Newport, Accenture  
Raymond Suarez, CEO  
Ari Luks, Via  
Alex Lavoie, Via  
Laney Cloud, Via

Backup Information: Memo  
Exhibit 1: Multimodal System Assessment

CEO Raymond Suarez introduced this item and provided information as relates to consideration of the proposed service modifications and subsequently considering approval of a Budget Revision Resolution



in Regular Agenda Item 4. With that being said, Mr. Suarez turned the presentation over to Chris Newport from Accenture and Ari Luks, Alex Lavoie and Laney Cloud; representatives from Via.

Chris Newport, Ari Luks and Alex Lavoie presented highlighting the following information:

- Service Assessment – Recap (Consolidate, Analyze and Recommend)
- Service Assessment – Current State Summary
- Monthly Service Assessment – Framework
- GoZone Weekly Ridership Trend
- September and October Ridership: GoZone by Daily Peak Period
- September and October Ridership: GoZone and Connect
- September vs October – Denton/Lewisville Connect Ridership
- September and October – Connect Total Monthly Ridership by Daily Peak Period
- Boardings per Revenue Hour by Daily Peak Period
- Connect Route Indicator Assessment Summary
- Proposed Connect Alternative Service Considerations
- GoZone Utilization and Connect Coverage Overlap – Weekdays – Denton
- GoZone Utilization and Connect Coverage Overlap – Weekdays – Lewisville/Highland Village
- Distribution of GoZone rides by Distance (last 2 months)
- Key Takeaways (Ridership, Efficiency, Service Enhancement through Collaboration)
- Designing DCTA Integrated Multi-Modal Service (Re-design fixed route network, configure GoZone app to highlight hubs and increase fixed route awareness, adjust GoZone pricing for efficiency and to driver rider behavior, and deploy Intermodal Technology to optimize modes
- Proposed Fixed Route Network Changes – Denton
- Proposed Fixed Route Network Changes – Lewisville
- Proposed Connect Route Schedules
- Proposed Denton Connect and existing University Service
- Proposed Lewisville Connect Service Profile
- GoZone Map – Highlight Fixed Route Hubs
- Pricing – Potential Goals and Impact
- Potential Pricing Structures and How They Might Work (Hub discounts, Distance Based, Combination of Hubs/Discounts)
- Intermodal Trip Planning
- Designing DCTA Integrated Multi-Modal Service

#### Recommendation Summary

1. Discuss and Approve Revised Connect Routes
2. Discuss and Approve Revised Connect Schedules
3. Discuss and Approve Not-To-Exceed Budget Amendment Options (Agenda Item R04)

Budget Revision Description	R04 Option 1: December 2021 – March 2022 (Current Service Levels)	R04 Option 2: December 2021 – September 2022 (Revised Service Levels)
Net Position Impact, Lewisville Connect	(\$403,430)	(\$727,841)



Net Position Impact, Denton Connect	(\$345,224)	(\$1,019,290)
<b>Net Position Impact, Total</b>	<b>(\$748,654)</b>	<b>(\$1,747,131)</b>

- September and October Boardings by Timepoint: DC1
- September and October Boardings by Timepoint: DC2
- September and October Boardings by Timepoint: DC3
- September and October Boardings by Timepoint: DC4
- September and October Boardings by Timepoint: DC6
- September and October Boardings by Timepoint: DC7
- September and October Boardings by Timepoint: LC 21
- September and October Boardings by Timepoint: LC22
- GoZone Intensity of Pick-ups and Drop-offs – Saturdays - Denton
- GoZone Intensity of Pick-ups and Drop-offs – Saturdays – Lewisville/Highland Village
- Equity Considerations with Connect and GoZone – Denton
- Equity Considerations with Connect and GoZone – Lewisville/Highland Village
- Fixed Route Changes: DC1 (Discontinued)
- Fixed Route Changes: DC2
- Fixed Route Changes: DC3
- Fixed Route Changes: DC4
- Fixed Route Changes: DC5 (new)
- Fixed Route Changes: DC6
- Fixed Route Changes: DC7
- Fixed Route Changes: LC21
- Fixed Route Changes: LC22

*Motion by Secretary Burke with a second by Board Member Costa to adopt Option #1 for Denton Connect from December 21, 2021 through September 22, 2022. After further discussion of the motion, the motion was amended to include the base rate in Lewisville/Highland Village to remain the same. Motion passes 5-0.*

*Motion by Vice-Chair Gilmore with a second by Board Member Costa to extend routes LC 21 and LC22 through December 24, 2021 for ridership notification purposes. Motion passes 5-0.*

*Motion by Board Member Maguire with a second by Vice-Chair Gilmore to extend DC Route 1 through December 24, 2021. Motion passes 5-0.*

#### 4. Consider Approval of Resolution R21-10 approving Budget Revision 2022-03 for Fixed Route Service Extension

(packet pages 90-105)

Action Item

Presenter: Marisa Perry, Chief Financial Officer/Vice President of Finance

Backup Information: Memo

Exhibit 1: Resolution R21-10 with the following exhibits:



- “A”: Option 1 – Budget Revision 2022-03A
- “B”: Option 1 – Change in Net Position (DCTA Only)
- “B-1”: Option 1 – Change in Net Position (DCTA & NTMC Combined)
- “C”: Option 2 – Budget Revision 2022-03B
- “D”: Option 2 – Change in Net Position (DCTA Only)
- “D-1”: Option 2 – Change in Net Position (DCTA & NTMC Combined)

Marisa Perry, CFO/VP of Finance, presented the staff report highlighting the following: She noted that the modification with extending Lewisville routes LC 21 and LC22 through December 24, 2021 was not included in the options presented and therefore, staff will determine if a budget revision is needed during the January Board Meeting.

#### Budget Revision 2022-03A (Option 1)

- Extends Lewisville and Denton Fixed Route Service through March 2022
- Based on Current Service Levels
- Total Budget Impact Lewisville FR - \$403,430
- Total Budget Impact Denton FR - \$345,224

#### Budget Revision 2022-03B (Option 2)

- Extends Lewisville and Denton Fixed Route Service through September 2022
- Based on Modified Service Levels
- Total Budget Impact Lewisville FR - \$727,841
- Total Budget Impact Denton FR - \$1,019,290

*Motion by Board Member Maguire with a second by Board Member Costa to approve Option 2, Budget Revision 2022-03B, as presented. Motion passes 5-0.*

### 5. Discussion Regarding Dallas Area Rapid Transit (DART) Lease Agreement for use of Denton County Transportation Authority (DCTA) Operations and Maintenance Facility

[\(packet page 106\)](#)

*Discussion Item*

Presenters: Paul Cristina, Deputy CEO  
Raymond Suarez, CEO

Backup Information: Memo

Paul Cristina, Deputy CEO, presented the staff report highlighting the following:

- DCTA/DART Joint Rail Operations Facility Timeline (November 202 – January 2022)
- ILA Phases and Milestones (1-3)
- Appraisal Methodology and Value (Land, Facility, Railroad & Support Systems)  
(Contracted with Stateside Real Estate for appraisal and drafting of the lease agreement. Stateside subcontracted with Lowery Property Advisors (provides appraisals for rail operators including TRE, DART and Trinity Metro) to perform the work.
- Lease Rate and Expense Calculation: Years 1-2 (Facility & Rail Lease/Operating Expense)

Board discussion regarding being on track to see a resolved document in January 2022.

*No Board action required at this time.*

6. Discussion regarding Project Management Office (PMO) Activities Related to Task Order #2 with Accenture, LLP

*Discussion Item*

[\(packet pages 107-109\)](#)

Presenter: Chris Newport, Accenture

Backup Information: Memo

Exhibit 1: PMO Progress Report

Chris Newport, Accenture, provided the Board with an update highlighting the following:

- GoZone Update
- ERP Sourcing
- Trinity Metro

Board discussion regarding the GoZone Dashboard going “live” and the GoZone/GoPass integration and clarification.

*No Board action required at this time.*

7. Discuss Task Order #3 with Accenture for Transformation Initiative Priority Project Implementation Services

[\(packet pages 110-116\)](#)

*Discussion Item*

Presenters: Raymond Suarez, CEO

Chris Newport, Accenture

Backup Information: Memo

Exhibit 1: DCTA Transformation Initiative Roadmap

CEO Raymond Suarez briefly presented to the Board a proposed Task Order #3 with Accenture (for Board approval in January 2022) to include the following scope of work:

- Agency Strategic Planning, including an off-site workshop
- Bus Parts Management and Maintenance
- ERP alternative solution selection advisory services
- IT Project Management capability implementation
- Touchless and digital fare experience design and implementation

*No Board action required at this time.*

8. Discuss and Provide Direction Regarding Future Board Strategic Workshop

[\(packet page N/A\)](#)

*Discussion Item*

Presenters: Raymond Suarez, CEO

Chris Newport, Accenture

Backup Information: N/A

CEO Raymond Suarez and Chris Newport from Accenture discussed the potential structure for a Full Day Board Workshop highlighting the following:

- Review/Recap Session
- Long Range Financial Planning
- Strategic Initiatives
- Transformation Roadmap
- Survey Questions

Note: Staff will not seek formal action during this workshop.

*It was the consensus of the Board to conduct the Board Workshop on Friday, February 18, 2022, gathering at 8am and beginning the agenda at 8:30am. Location will be determined at a later date.*

## 9. Federal Legislative Update

(packet pages 117-119)

Discussion Item

Presenters: Chris Giglio, Capital Edge  
Brittney Farr, Director of Government Relations

Backup Information: Memo

Chris Giglio from Capital Edge provided the update on the Infrastructure Investment and Jobs Act highlighting the following:

- \$1.2 trillion for traditional infrastructure
- \$550 billion in new spending
- New funding – either competitive grant programs or state formulas
- Crafted by bipartisan group of Senators
- Includes 5-year reauthorization of Department of Transportation programs
- Signed into law November 15, 2021
- How much does DCTA get? (compete for grants for electric buses, railroad grade crossings, rail vehicle replacement, \$61 million federal transit formula grants over next 5 years; current funding is approximately \$9 million per year)
- When can DCTA get it? (formula funds will start flowing when a budget is approved, competitive grants as Department of Transportation announces)
- What kind of projects will be priorities? (safety, modernization, climate and equity)
- Build Back Better (\$1.75 trillion “human” infrastructure plan, childcare, universal Pre-K, Medicare Expansion, Affordable Housing, \$10 billion for FTA-HUD Competitive Grant, 30% Tax Credit for electric bus purchases, House approved last month; changes expected in Senate)
- Mask mandates extended until March 2022

*No Board action required at this time.*



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

(packet pages N/A)

Discussion Item

Presenters: Cesar Molina, Chair  
Director Dianne Costa  
Raymond Suarez, CEO

Board Member Costa provided an update from the Regional Transportation Council (RTC) and CEO Raymond Suarez advised the Board that he and the Chair attended the APTA Conference in Orlando, Florida in which DCTA received the AdWheel Grand Award, information regarding Castle Hills Annexation and the proposed City of Corinth Rail.

### INFORMATIONAL REPORTS

#### 1. Monthly Financial Reports

(packet pages 120-134)

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(a): Year to Date FY21 Budget Revisions  
Exhibit 3(b): Year to Date FY22 Budget Revisions  
Exhibit 3(c): FY22 TRiP Funding Allocations

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

(packet pages 135-148)

Backup Information: Memo  
Exhibit 1: FY19-FY22 Total Monthly Ridership Comparison Chart: Rail  
Exhibit 2: FY19-FY22 Total Monthly Ridership Comparison Chart: Bus  
Exhibit 3: FY19-FY22 Total Monthly Ridership Comparison Chart: Access  
Exhibit 4: FY19-FY22 Total Monthly Ridership Comparison Chart: On-Demand  
Exhibit 5: A-train Ridership Pre and Post COVID-19 Comparison and Trend  
Exhibit 6: October 2021 Rail Trail Utilization Report

#### 3. Social Services Agency Recap

(packet pages 149-160)

Backup Information: Memo  
Exhibit 1: Social Service Agency Roundtable Recap Report

#### 4. Community Advisory Committee Meeting Recap Report

(packet pages 161-168)

Backup Information: Memo  
Exhibit 1: Community Advisory Committee Meeting Recap Report

#### 5. Interlocal Agreement with Trinity Metro for Cooperative Purchasing





(packet pages 169-173)

Backup Information: Memo

Exhibit 1: DRAFT Interlocal Agreement with Trinity Metro Cooperative Purchasing

#### 6. Title VI Policy Updates Due to FTA by June 1, 2022

(packet pages 174-175)

Backup Information: Memo

*No Board action required at this time regarding the Informational Reports. However, Marisa Perry, CFO/VP of Finance, advised the Board of an Exhibit on page 134 of the Monthly Financial Reports (TRiP allocation/FY21/Sales). This information will be communicated to member cities for use during the Call for Projects.*

#### 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.

- A-train Authorization Study

Next Board Meeting Date: January 27, 2022

#### 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.

- Highland Village Christmas at the Ranch Event – Doubletree Ranch – Saturday, December 11, 2021 from 10am until 2pm.
- Mass Transit announces 40 under 40 recognition awarded to Brittney Farr, Director of Government Relations

#### CONVENE EXECUTIVE SESSION

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

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 convened into Executive Session at 4:44pm and reconvened into Open Session at 5:11pm.

#### RECONVENE OPEN SESSION

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

A. Consider Amendments to CEO Employment Agreement.



*The Board reconvened into Open Session at 5:12pm with no action necessary.*

ADJOURN

Chair Molina adjourned the meeting at 4:44pm.

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Cesar Molina, Chair

---

Sam Burke, Secretary

## Board of Directors Memo

January 27, 2022

SUBJECT: Consider and Approve an Interlocal Agreement with Trinity Metro for Cooperative Purchasing

### Recommendation

Staff recommends the Board of Directors authorize the CEO to execute an Interlocal Agreement with Trinity Metro for cooperative purchasing.

### Background

Trinity Metro and DCTA staff have discussed the opportunity to utilize cooperative procurements, contracts, and agreements through an Interlocal Agreement. Once established, this will allow DCTA and Trinity Metro the ability to utilize each other's contracts, agreements, and allow both entities to cooperatively procure future solicitations. Trinity Metro is a local government as defined by the Interlocal Cooperation Act.

### Previous Board Activity & Action

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

### Identified Need

DCTA and Trinity Metro have expressed a common interest in utilizing procurements, contracts, and agreements to leverage greater buying power to reduce overall cost.

Approval of the interlocal agreement will allow DCTA and Trinity Metro to utilize agreements to purchase like goods and services, to avoid duplicate procurement efforts, and leverage the buying power of volume purchasing. Each agency desires to enter into a cooperative purchasing agreement which will afford each party the ability to purchase goods and services under each other's competitively procured contracts and agreements.

Trinity Metro's board approved the ILA at their December 2, 2021 meeting.

### Financial Impact

There is no financial impact to the budget.

### Exhibits

Exhibit 1 - ILA 102-DCTA and TM

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



Brandy Hazel, Manager of Contracts & Procurement

Final Review: \_\_\_\_\_



Athena Forrester, AVP of Regulatory Compliance

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

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

**RECITALS**

**WHEREAS**, Fort Worth Transportation Authority, doing business as Trinity Metro is a regional transportation authority created under Chapter 452 of the Texas Transportation Code; and

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

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

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

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

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

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

**Article I**  
**Purpose**

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

## **Article II Term**

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

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

## **Article III Designated Representative**

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

## **Article IV Purchasing**

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

## **Article V Payments**

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

## **Article VI Miscellaneous**

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

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

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

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

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

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

*(signature page to follow)*



**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**Denton County Transportation Authority**

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

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

Approved as to form:

By: \_\_\_\_\_  
Joseph J. Gorfida, Jr., General Counsel  
(04-13-2021:TM 121786)

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**Fort Worth Transportation Authority, doing  
business as Trinity Metro**

By: \_\_\_\_\_  
Bob Baulsir, President and CEO  
Trinity Metro

Fort Worth Transportation Authority  
801 Cherry Street  
Suite 850  
Fort Worth, TX 76102  
Phone: (817) 336-7433

## Board of Directors Memo

January 27, 2022

**Subject:** Consider and Approve a Second Amendment to the ILA with Trinity Metro for extension of Services at Alliance

### Recommendation

Staff recommends approval, authorizing the CEO to execute both extensions to allow for the continued services to the Alliance area with Trinity Metro and Lyft.

### Background

#### Alliance Link Background

DCTA participated in the development and execution of the Alliance Link on-demand shuttle service as a transportation advisory partner. Toyota led the initiative by funding the nine-month pilot program which began on April 9, 2018 and ended January 31, 2019. Toyota contracted with MV Transit to operate the service, worked with Spare Labs to create and deploy the software platform and partnered with the United Way of Dallas County to act as the fiduciary agent for the project. Hillwood, Trinity Metro, DCTA, City of Fort Worth, and Tarrant County all served as advisory partners for the initiative.

The nine-month pilot allowed DCTA and Trinity Metro to gather valuable data to ascertain the best long-term solution to serve the needs of the large, industrial employment centers and 48,000 employees working in the Alliance area. Many of the jobs at the distribution and fulfillment facilities within the Alliance area are lower waged, and transportation has proven a primary challenge of employers for retention. Alliance Link was developed to fill the transportation gap between the North Texas Xpress bus stops and the passengers' places of employment, which could be an upwards of a mile. As the program came to an end, Trinity Metro and DCTA partnered to develop Phase 2 of the on-demand Alliance service. Based on the data collected, rather than continuing Alliance Link at an approximate cost of \$600,000 per year, DCTA and Trinity Metro have agreed, in collaboration with the other Alliance partners, to deploy a simplified service by leveraging DCTA's existing contract with Lyft. In analyzing the ridership data, it was determined that a Lyft program would be a cost-effective solution to the first/last mile challenges experienced by the employees and employers in Alliance.

#### Interlocal Agreement with Trinity Metro

The initial term of the ILA was two years, beginning February 1, 2019 and ending January 31, 2021, with the option to extend an additional 12-month period, ending on January 31, 2022. DCTA and Trinity Metro are proposing a one-year extension of the ILA to continue to provide Phase 2 of the first/last mile services to the Alliance area. Trinity Metro is taking this ILA to their Board on January 25, 2022 for consideration. The intent of the ILA is to allow DCTA to execute a task order with a currently contracted mobility provider, Lyft. This will allow the continuation of services for the first/last mile mobility needs in the Alliance area beginning on February 1, 2022.

With DCTA's assistance, Trinity Metro secured \$250,000 in Regional Toll Revenue (RTR) funding from the North Central Texas Council of Governments (NCTCOG) to deploy an on-demand solution to the Alliance area in partnership with DCTA for one year. Per the original ILA, DCTA would contract with the mobility provider, Lyft, to deploy on-demand service to a geo-fenced area during the current operating hours of Alliance Link. The ILA provides for mutually agreed upon amendments to the geo-fence and hours of operation, as needed based on ridership data analysis. Trinity Metro would be responsible for all marketing efforts, customer service, data

management, analysis, and hiring a Business Development Manager to manage the service and serve as the primary liaison with the employers and employees. DCTA would be responsible for contract management, billing, reporting, and data analytics. The table below represents the cost allocation breakdown per the draft ILA.

Agency	Service Rendered	Cost Allocation Per Year \$250,000
Denton County Transportation Authority	Contracted Mobility Provider Service: Direct Invoiced Costs	Not-to-exceed \$75,000/30%
	Administrative Fee: Contract Management, Billing, Administration, Reporting, and Data Analytics	Not-to-exceed \$50,000/20%
		Total: \$125,000
Trinity Metro	Marketing, Customer Service, and Program Management	\$125,000/50%
		Total: \$125,000

#### Previous Board Activity & Action

On January 24, 2019, the Board approved the initial program for two-years, plus a one-year optional renewal.

#### Identified Need

Employers continue to face retention issues due to transportation challenges experienced by the employees. Continuation of a first/last mile program connected with the North Texas Xpress and North Park & Ride allows employees traveling from Denton and Fort Worth to access employment opportunities, notwithstanding personal transportation challenges. Providing this service meets DCTA's stated objectives of improving mobility, air quality, economic development opportunities, and livability.

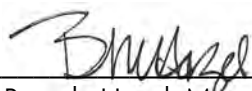
#### Financial Impact

As noted in the table under Background, DCTA services are estimated at \$125,000. The program costs attributed to DCTA activities will be fully reimbursed by Trinity Metro, as provided by NCTCOG RTR funds.

#### Exhibits

Exhibit 1: Interlocal Agreement (ILA) with Trinity Metro for Alliance services

Submitted By:



Brandy Hazel, Manager of Contracts & Procurement



Athena Forrester, AVP of Regulatory Compliance

**STATE OF TEXAS**

§

§

§

**SECOND AMENDED AND RESTATED  
INTERLOCAL COOPERATION  
AGREEMENT**

§

**COUNTIES OF DENTON  
AND TARRANT**

§

§

This Second Amended and Restated Interlocal Cooperation Agreement (“Agreement”) is made by and between Denton County Transportation Authority (“DCTA”) and Fort Worth Transportation Authority (doing business as and hereinafter referred to as “Trinity Metro”), (each a “Party” and collectively the “Parties”), acting by and through their authorized representatives.

**RECITALS**

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

**WHEREAS**, Trinity Metro is a regional transportation authority existing and operating under Chapter 452 of the Texas Transportation Code; and

**WHEREAS**, Trinity Metro operates a transportation system, including bus service, in municipalities and unincorporated areas of Tarrant County, Texas, that have joined or contracted for service with Trinity Metro; and

**WHEREAS**, Alliance, Texas (“Alliance”) is a master-planned, mixed-use community located in north Fort Worth, Texas, and Denton and Tarrant Counties, and is home to roughly 500 companies; and

**WHEREAS**, the Parties previously entered into that certain Interlocal Cooperation Agreement on February 1, 2019 (the “Original Agreement”), for DCTA to provide Trinity Metro first/last mile, on-demand services (the “Services”) in Alliance, Texas, solely by DCTA’s utilization of existing contract(s) with mobility provider(s), (i.e., Lyft, Inc.); and

**WHEREAS**, the Parties entered into that certain First Amended and Restated Interlocal Cooperation Agreement on June 10, 2019; and

**WHEREAS**, the Parties desire to enter into a Second Amended and Restated Interlocal Cooperation Agreement to extend the Term of the Agreement through January 31, 2023;

**NOW, THEREFORE**, in consideration of the terms and conditions contained herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

## **Article I Purpose**

DCTA may execute a task order for the Initial Term with a contracted mobility provider to provide first/last mile mobility services in Alliance, Texas to replace the 9-month Alliance Link pilot program, as operated by MV Transit which expires January 31, 2019. The hours of operation shall be agreed upon by the Parties and adjusted based on ridership.

## **Article II Term/Notice of Extension/Termination**

2.1 Term. The Term of the Agreement will be twelve (12) months, commencing on the Effective Date of February 1, 2022, and terminating on January 31, 2023.

2.2 Termination. Either Party may terminate this Agreement, with or without cause, by giving sixty (60) days prior written notice to the other Party. In the event of such termination, each Party shall be entitled to compensation for any services completed, in the reasonable judgment of the other Party, in accordance with this Agreement prior to such termination.

## **Article III Payments for Service**

3.1 The Funding. Trinity Metro will utilize a \$500,000 allocation of funding received by Trinity Metro (the “Funding”) from the North Central Texas Council of Governments to provide the Services in Alliance utilizing DCTA’s contract with a mobility provider (i.e., Lyft, Inc.).

3.2 Reimbursement of DCTA. DCTA shall be reimbursed for one hundred percent (100%) of all costs for the Services invoiced from the mobility provider associated with this Agreement, and an administrative fee per the schedule in Exhibit 1.

3.3 Invoicing. On or before the fifteenth (15<sup>th</sup>) day of each calendar month during the Initial Term or any extended term of this Agreement, DCTA shall prepare a written invoice to Trinity Metro including number of trips, operating expenses, administrative management fees, and reasonable supporting materials for the Services provided in the previous month.

3.4 Payment. Trinity Metro shall pay DCTA within thirty (30) days of the receipt of each monthly compliant invoice using either the Funding or other Trinity Metro funds.

3.5 Current Revenues. To the extent applicable, Trinity Metro and DCTA acknowledge that Trinity Metro shall make payment of the aforementioned sums from current revenues available.

## **Article IV**

### **Responsibilities of the Parties: Fare Collection**

4.1 Branding. Since both Parties agree that the Services should be rebranded from the current nine (9)-month pilot program referred to as “Alliance Link,” Trinity Metro will assume responsibility for the branding of the Services. The Services will not share branding with DCTA or any other entity, except as legally required according to existing contracts.

4.2 Marketing. Trinity Metro will be responsible for creating the marketing and communication plan (the “Plan”) for the Services, with input from DCTA. Additionally, Trinity Metro will be fiscally responsible for costs for marketing programs, tactics, and strategies outlined in the Plan. Trinity Metro will share creative materials prepared pursuant to the Plan with DCTA, including branding materials, and DCTA will support marketing and communications tactics, as outlined by the Plan, so that existing and potential customers in DCTA’s transit area become aware of the Services. DCTA will be responsible for any costs associated with marketing or communicating the Service to its customers to the extent such marketing is not included in the Plan.

4.3 Business Development. Trinity Metro will be responsible for informing businesses in Alliance of the transition of the pilot program “Alliance Link” to the Services as set out in this Agreement and will provide information and marketing to those businesses about the Services.

4.4 DCTA Maintains Contract. Provided Trinity Metro is performing its obligations under this Agreement, DCTA will enforce its rights and comply with its obligations under its existing contract with Lyft, including the General Services Agreement and the applicable Task Order(s).

4.5 Fare. Customers who purchase a local fare from either Trinity Metro or DCTA, and then transfer to use the Services will not be required to pay an additional fare for utilizing the Services. Either Party may modify its own local fare structure, as needed, but will not impose a fare for the Services.

## **Article V**

### **Dispute Resolution**

The Parties agree to make a good faith effort to resolve through informal discussions any disagreement or other dispute between them in connection with this Agreement (a “Dispute”). If a Dispute cannot be resolved through informal discussions, before seeking an alternative remedy, either Party must submit a written complaint to the other Party setting out the basis of the complaint and a proposed resolution to the Dispute. The Party receiving the complaint must respond in writing within twenty-one (21) days after receipt of the complaint, by accepting the proposed resolution, rejecting the proposed resolution, or proposing an alternative resolution to the Dispute. If the proposed resolution is rejected, the Parties may seek alternative remedies as they deem appropriate. If an alternative resolution is proposed, the recipient of that alternative proposal shall, within twenty-one (21) days after receipt, either accept the alternative or reject it. If it is rejected,



the Parties may seek alternative remedies as they deem appropriate. Subject to the procedure outlined in this section, both Parties will have all legal remedies allowed to them by applicable law. The provisions of this section are strictly limited in scope to serve as a prerequisite to the enforcement of remedies under this Agreement. Failure by either Party to raise a Dispute through this process shall not constitute waiver or acceptance of an alleged violation of this Agreement.

## **Article VI Miscellaneous**

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

6.2 Assignment. This Agreement may not be assigned by either Party without the prior written consent of the other Party.

6.3 Successors and Assigns. Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the Parties and their respective successors and permitted assigns.

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

6.5 No Waiver of Liability. The Parties acknowledge that neither Party is an agent, servant, or employee of the other Party, and each Party agrees it is responsible for its own individual negligent acts or omissions or other tortious conduct, as well as such acts and deeds of its contractors, agents, representatives, and employees, during the performance of this Agreement without waiving any governmental immunity available to the Parties under Texas law and other applicable law, and without waiving any available defenses under Texas law and other applicable law. Further, in the execution and performance of this Agreement, the Parties do not waive, and neither Party shall be deemed to have waived, any other immunity or defense that would otherwise be available to each Party as a local governmental entity and/or political subdivision of the State of Texas.

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

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

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

If intended for DCTA:

Raymond Suarez  
Chief Executive Officer  
DCTA  
1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75067  
Phone: 972-221-4600

With Copy to:

Joseph J. Gorfida, Jr.  
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.  
1800 Ross Tower  
500 North Akard  
Dallas, Texas 75201  
Phone: 214-965-9900

If intended for Trinity Metro:

Fort Worth Transportation Authority  
Attn: Paul J. Ballard  
President and Chief Executive Officer  
Trinity Metro  
801 Grove Street  
Fort Worth, Texas 76102

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

6.10 Exhibits. The Exhibits attached hereto are incorporated herein.

6.11 Recitals. The recitals to this Agreement are incorporated herein and made a part hereof for all purposes.

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

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

6.14 Approval of Parties. Whenever this Agreement requires or permits the approval or consent to be given by a Party, the Parties agree that such approval or consent shall not be unreasonably withheld, conditioned, or delayed.

6.15 No Third-Party Beneficiary. Nothing in this Agreement shall be construed as creating or giving rise to any rights of third-parties or any persons, including the public in general, other than the Parties.

6.16 Recordkeeping and Right to Inspect Records. Each Party shall have mutual access to, and the right to examine, all books, documents, papers, and other records of the other Party involving transactions relating to this Agreement. Each Party shall have access during normal business hours to all necessary facilities and shall be provided adequate and appropriate workspace in order to conduct audits in compliance with the provisions of this Agreement. Each Party shall give the other Party advance written notice of at least forty-eight (48) business hours of intended audits.

*(signature page to follow)*

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**Denton County Transportation Authority**

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

Approved as to form:

By: \_\_\_\_\_  
Joseph J. Gorfida, Jr., General Counsel  
(01-05-2022:TM 126896)

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**Fort Worth Transportation Authority  
("Trinity Metro")**

By: \_\_\_\_\_  
Paul J. Ballard  
President and Chief Executive Officer

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**Fort Worth Transportation Authority  
("Trinity Metro")**

By: \_\_\_\_\_  
Detra Whitmore, PMP  
Vice President of Administration

## **EXHIBIT 1**

## Board of Directors Memo

January 27, 2022

SUBJECT: Consider Approval of a Contract with Granicus in the amount of \$77,497.80 for a term of 36 months for the Implementation of Granicus Legistar Agenda Management Software

### Recommendation

Staff recommends approval of a contract with Granicus in the amount of \$77,497.80 for a term of 36 months for the implementation of Granicus Legistar Agenda Management Software.

### Background

Granicus Legistar Agenda Management software is used by various other government entities throughout the Country as well as the State of Texas in an effort to streamline the public meeting process. Utilization of this software program will provide a solid platform for public meetings to run smoothly while elevating internal efficiency and public transparency. Granicus Legistar is environmentally friendly, automating and streamlining the workflow for agenda approval/posting process and minutes management.

Granicus also provides the capability of accessing materials on any device, as well as view and edit agenda items in real time. It will also provide members of the public digital access to meeting agendas, live webcasting, video recordings and minutes in a centrally located, searchable portal. Granicus is also compatible with the updated audio-visual system located in the Board Room to leverage the software program to its fullest potential.

Granicus allowed DCTA to preview the software. In order to continue using the software, which we feel is beneficial to the agency, a contract for 36 months using the Texas Department of Information Resources (DIR) cooperative contract pricing is required.

### Previous Board Activity & Action

There has been no previous Board activity or action on this item.

### Identified Need

The new Board Agenda Software, Granicus Legistar, will provide the agency the platform needed to process board meetings and information in a manner that is efficient, professional and allows for increased government transparency as required by State and Federal laws and regulations. Therefore, in order to continue to use this software program, staff is requesting approval of this contract.

### Financial Impact

DCTA staff has received a proposal of \$77,497.80 for the 36-month term.

FY22: \$24,105.82

FY23: \$25,793.23


FY24: \$27,598.75

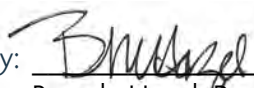
Staff has Identified funds within the FY22 budget for this project.

### Exhibits

Exhibit 1: 36-month Granicus Legistar Contract



Submitted By:   
Kisha Morris-Perkins, EA/Board Process Manager

Approved By:   
Brandy Hazel, Procurement Manager





408 Saint Peter Street, Suite 600  
Saint Paul, MN 55102  
United States

THIS IS NOT AN INVOICE

Order Form  
Prepared for  
Denton County TX, Transportation Authority

## Granicus Proposal for Denton County TX, Transportation Authority

### ORDER DETAILS

Prepared By:	Lexi Huhta
Phone:	
Email:	alexis.huhta@granicus.com
Order #:	Q-125091
Prepared On:	12/20/2021
Expires On:	11/02/2021

### ORDER TERMS

Currency:	USD
Payment Terms:	Net 30 (Payments for subscriptions are due at the beginning of the period of performance.)
Current Subscription End Date:	Current Subscription End Date: 11/02/2021
Initial Order Term End Date:	Initial Order Term End Date: 11/02/2024
Period of Performance:	11/03/2021 - 11/02/2022

## PRICING SUMMARY

The pricing and terms within this Proposal are specific to the products and volumes contained within this Proposal.

Renewing Subscription Fees			
Solution	Billing Frequency	Quantity/Unit	Annual Fee
Legistar	Annual	1 Each	\$15,981.95
Government Transparency Suite	Annual	1 Each	\$4,945.97
Meeting Efficiency Suite	Annual	1 Each	\$0.00
eComment	Annual	1 Each	\$2,022.30
Open Platform Suite	Annual	1 Each	\$0.00
Open Platform Suite	Annual	1 Each	\$0.00
Granicus Encoding Appliance Software (GT)	Annual	1 Each	\$1,155.60
SUBTOTAL:			\$24,105.82

## FUTURE YEAR PRICING

Solution(s)	Period of Performance	
	11/03/2022 - 11/02/2023	11/03/2023 - 11/02/2024
Legistar	\$17,100.69	\$18,297.73
Government Transparency Suite	\$5,292.19	\$5,662.64
Meeting Efficiency Suite	\$0.00	\$0.00
eComment	\$2,163.86	\$2,315.33
Open Platform Suite	\$0.00	\$0.00
Open Platform Suite	\$0.00	\$0.00
Granicus Encoding Appliance Software (GT)	\$1,236.49	\$1,323.05
<b>SUBTOTAL:</b>	<b>\$25,793.23</b>	<b>\$27,598.75</b>

## PRODUCT DESCRIPTIONS

Solution	Description
Legistar	<p>Legistar is a Software-as-a-Service (SaaS) solution that enables government organizations to automate the entire legislative process of the clerk's office. Clerks can leverage Legistar to easily manage the entire legislative process from drafting files, through assignment to various departments, to final approval. Legistar includes:</p> <ul style="list-style-type: none"> <li>• Unlimited user accounts</li> <li>• Unlimited meeting bodies and meeting types</li> <li>• Unlimited data storage and retention</li> <li>• Up to one (1) Legistar database</li> <li>• Up to one (1) InSite web portal</li> </ul>
Government Transparency Suite	<p>Government Transparency are the live in-meeting functions. Streaming of an event, pushing of documents, and indexing of events.</p>
Meeting Efficiency Suite	<p>Meeting Efficiency is a hybrid Software-as-a-Service (SaaS) and Hardware-as-a-Service (HaaS) solution that enables government organizations to simplify the in-meeting management and post-meeting minutes creation processes of the clerk's office. By leveraging this solution, the client will be able to streamline meeting data capture and minutes production, reducing staff efforts and decreasing time to get minutes published. During a meeting, use LiveManager to record roll calls, motions, votes, notes, and speakers, all indexed with video. Use the index points to quickly edit minutes, templates to format in Microsoft Word, and publish online with the click of a button. Meeting Efficiency includes:</p> <ul style="list-style-type: none"> <li>• Unlimited user accounts</li> <li>• Unlimited meeting bodies</li> <li>• Unlimited storage of minutes documents</li> <li>• Access to the LiveManager software application for recording information during meetings</li> <li>• Access to the Word Add-in software component for minutes formatting in MS Word if desired</li> <li>• Up to one (1) MS Word minutes template (additional templates can be purchased if needed)</li> </ul>

Solution	Description
eComment	eComment reduces staff time by providing the ability to effortlessly collect and manage citizen input on agenda items. Citizens are allowed to either/or submit comments in regards to items or sign up to speak before a scheduled meeting.
Open Platform Suite	Open Platform is access to MediaManager, upload of archives, ability to post agendas/documents, and index of archives. These are able to be published and accessible through a searchable viewpage.
Open Platform Suite	Open Platform is access to MediaManager, upload of archives, ability to post agendas/documents, and index of archives. These are able to be published and accessible through a searchable viewpage.
Granicus Encoding Appliance Software (GT)	Granicus Encoding Appliance Software (GT) This includes the LiveManager Software solution where webcasts are started/stopped, agendas amended and indexed, votes and attendance recorded, and minutes created.

## TERMS & CONDITIONS

- Link to Terms: [https://granicus.com/pdfs/Master\\_Subscription\\_Agreement.pdf](https://granicus.com/pdfs/Master_Subscription_Agreement.pdf)
- This quote is exclusive of applicable state, local, and federal taxes, which, if any, will be included in the invoice. It is the responsibility of Denton County TX, Transportation Authority to provide applicable exemption certificate(s).
- Granicus certifies that it will not sell, retain, use, or disclose any personal information provided by Client for any purpose other than the specific purpose of performing the services outlined within this Agreement.
- If submitting a Purchase Order, please include the following language: The pricing, terms and conditions of quote Q-125091 dated 12-20-2021 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.
- Notwithstanding anything to the contrary, Granicus reserves the right to adjust pricing at any renewal in which the volume has changed from the prior term without regard to the prior term's per-unit pricing.

## BILLING INFORMATION

Billing Contact:		Purchase Order Required?	[   ] - No [   ] - Yes
Billing Address:		PO Number: <i>If PO required</i>	
Billing Email:		Billing Phone:	

If submitting a Purchase Order, please include the following language:  
*The pricing, terms, and conditions of quote Q-125091 dated 12/20/2021 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.*

## AGREEMENT AND ACCEPTANCE

By signing this document, the undersigned certifies they have authority to enter the agreement. The undersigned also understands the services and terms.

Denton County TX, Transportation Authority	
Signature:	
Name:	
Title:	
Date:	



## Board of Directors Memo

January 27, 2022

SUBJECT: Discuss and Consider Denton County Transportation Authority (DCTA) Board of Directors Election of Officers

### Identified Need/Board Action

Article IV of the Bylaws states that the Board shall elect three (3) Voting Board Members to serve as the Chair, Vice-Chair, and Secretary. The stated term for these offices is one (1) year and shall run from October 1 through September 30. With the resignation of Sam Burke, the Secretary position is vacant, and a new member must be elected to fulfill the duration of Mr. Burke's term.

### Previous Board Activity & Action

There has been no previous Board activity or action on this item.

### Financial Impact

There is no financial impact.

### Exhibits

None.

A handwritten signature in black ink, appearing to read "BFarr", is positioned above the printed name.

Brittney Farr, Director of Government Relations



## Board of Directors Memo

January 27, 2022

SUBJECT: Presentation and Discussion of Corinth Rail Station and Transit Oriented Development

### Recommendation

This is an informational item. No Board action is required.

### Background

The City of Corinth sent a letter to DCTA on November 4, 2021, signed by Mayor William Heidemann and City Manager Bob Hart to express interest in developing a rail station in the City of Corinth. The letter describes that the City is undertaking a Transit Oriented Development on the A-train corridor adjacent to City Hall and the North Central Texas College Campus. The City is also proceeding with the consolidation of two railroad crossings to a single crossing in conjunction with its development.

Mr. Hart will share information about the City's Transit Oriented Development and thoughts on a future station.

### Previous Board Activity

The Board has not taken previous action on this time.

### Identified Need

No action is required.

### Exhibits

1. City of Corinth Letter, November 4, 2021

Submitted By:

  
Paul Cristina, Deputy CEO

City of Corinth  
3300 Corinth Parkway  
Corinth, Texas 76208



Phone: 940-498-3200  
Fax: 940-498-7574  
[www.cityofcorinth.com](http://www.cityofcorinth.com)

November 4, 2021

Raymond Suarez, Chief Executive Officer  
Denton County Transit Authority  
1955 Lakeway Dr., Suite 260  
Lewisville, Texas 75057

Dear Raymond,

We understand the DCTA Board of Directors will embark on the agency's strategic planning session for five-plus years. The City of Corinth would request the Board members consideration of a rail station in Corinth. The City of Corinth funded a feasibility study two years ago and found that the construction and installation of a rail stop in Corinth would benefit the system operations. Based on this preliminary finding, the City has proceeded with Transit Oriented Development plans to create a "downtown" along the DCTA rail line and bounded by city hall and the North Central Texas College (NCTC) campus facility.

The City's current planning effort includes the closure of the North Corinth Street and Walton Street rail crossings and the relocation of North Corinth Street along the rail line south to connect to Corinth Parkway. Following the closure of the two street closings, the City proposes to construct one crossing near the NCTC campus from the Northbound IH-35E frontage road to North Corinth Street (NCTC Way). The new NCTC Way rail crossing is currently under design by the engineering firm, LAN.

The Corinth City Council and city staff stand ready to work with the DCTA Board and staff to plan and implement a Corinth Rail Stop. We look forward to working with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "William Heidemann", with a long horizontal flourish extending to the right.

William Heidemann  
Mayor

A handwritten signature in blue ink, appearing to read "Bob Hart", with a long horizontal flourish extending to the right.

Bob Hart  
City Manager



## Board of Directors Memo

January 27, 2022

SUBJECT: Presentation of the FY2021 Preliminary Audit Reports from Plante Moran

### Recommendation

This item is presented for informational purposes only. No action is required. The final FY2021 audit report and FY2021 financial statements and supplementary information will be presented for approval at the Board's February meeting.

### Background

Chapter 460 and DCTA bylaws require an annual audit of the affairs of the Authority prepared by an independent certified public accountant. Any deficiencies noted in the audit report shall be addressed at a regular meeting of the Authority and addressed on the record.

### Previous Board Activity & Action

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

### Identified Need

As part of the audit engagement, DCTA's independent auditor, Plante & Moran, PLLC, has a responsibility to communicate with those charged with governance in the audit of financial statements. Those required communications will be included in Weaver's presentation as well as a draft of the FY2021 financial statements.

### Financial Impact

This item is included for informational purposes only; there is no financial impact associated with this informational item.

### Exhibits

Exhibit 1: Draft of FY2021 Annual Comprehensive Financial Report (ACFR)

Exhibit 2: Draft of FY2021 Single Audit Report

Exhibit 3: Draft of Plante Moran's Report to the Board of Directors

Submitted By:



Amber Karkauskas, Controller/AVP of Finance

Final Review:



Marisa Perry, CPA, CFO/VP of Finance

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# Denton County Transportation Authority

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**Annual Comprehensive Financial Report  
with Supplemental Information  
September 30, 2021 and 2020**

**Prepared by:  
DCTA Finance Department  
Lewisville, Texas**

## **Independent Auditor's Report**

To the Board of Directors  
Denton County Transportation Authority

### **Report on the Financial Statements**

We have audited the accompanying basic financial statements of the Denton County Transportation Authority (the "Authority") as of and for the years ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Opinion***

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Denton County Transportation Authority as of September 30, 2021 and the changes in its financial position and its cash flows thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

#### ***Emphasis of Matter***

As described in Note 1 to the financial statements, the Authority made a change to the reporting entity by combining the North Texas Mobility Corporation with the Authority's operations. Our opinion is not modified with respect to this matter. The change described was retrospectively applied to all years presented.

#### ***Other Matters***

#### ***Report on Prior Year Financial Statements and Restatement***

The basic financial statements of the Denton County Transportation Authority as of and for the year ended September 30, 2020 were audited by a predecessor auditor, which expressed an unmodified opinion on the basic financial statements. The predecessor auditor's report was dated March 2, 2021.

To the Board of Directors  
Denton County Transportation Authority

***Required Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Denton County Transportation Authority's basic financial statements. The other supplemental information, as identified in the table of contents, and introductory and statistical sections are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated on our consideration of Denton County Transportation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Denton County Transportation Authority's internal control over financial reporting and compliance.



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## Basic Financial Statements

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**Denton County Transportation Authority****Statement of Net Position****September 30, 2021 and 2020**

	2021	2020
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (Note 4)	\$ 59,281,187	\$ 38,923,553
Investments (Note 4)	9,537,185	5,064,346
Receivables (Note 5)	10,848,224	10,064,934
Inventory	719,857	29,805
Prepaid expenses	456,625	194,441
Total current assets	80,843,078	54,277,079
Noncurrent assets:		
Restricted cash and cash equivalents	697,723	839,856
Net pension asset (Note 9)	-	25,989
Capital assets: (Note 6)		
Assets not subject to depreciation	20,159,336	37,408,478
Assets subject to depreciation - Net	285,070,269	276,611,283
Total noncurrent assets	305,927,328	314,885,606
Total assets	386,770,406	369,162,685
<b>Deferred Outflows of Resources</b> - Deferred pension costs (Note 9)	421,130	290,447
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	2,076,049	2,128,514
Accrued liabilities and other	1,135,862	1,654,920
Unearned revenue	53,100	56,458
Current portion of easement obligation (Note 11)	100,000	100,000
Current portion of bonds payable (Note 7)	2,465,000	1,955,000
Total current liabilities	5,830,011	5,894,892
Noncurrent liabilities:		
Easement obligation, net of current portion (Note 11)	700,000	800,000
Net pension liability (Note 9)	65,492	-
Bonds payable, net of current portion (Note 7)	18,800,000	21,405,000
Total noncurrent liabilities	19,565,492	22,205,000
Total liabilities	25,395,503	28,099,892
<b>Deferred Inflows of Resources</b> - Deferred pension cost reductions (Note 9)	152,490	70,096
<b>Net Position</b>		
Net investment in capital assets	283,862,328	290,599,617
Unrestricted	77,781,215	50,683,527
Total net position	<b>\$ 361,643,543</b>	<b>\$ 341,283,144</b>

**Denton County Transportation Authority****Statement of Revenues, Expenses, and Changes in Net Position****Years Ended September 30, 2021 and 2020**

	2021	2020
<b>Operating Revenues</b>		
Passenger revenue	\$ 548,078	\$ 833,637
Contract services	2,923,277	3,378,826
Other	460,208	427,460
Total operating revenues	3,931,563	4,639,923
<b>Operating Expenses</b>		
Salaries, wages and benefits	9,973,967	11,609,934
Outsourced services and charges	5,395,088	4,884,281
Materials and supplies	1,087,451	1,922,266
Purchased transportation services	10,302,946	10,091,453
Utilities	431,998	431,838
Insurance	1,822,821	1,783,994
Leases and rentals	224,889	226,632
Employee development	97,423	185,783
Transportation reinvestment program	29,798	-
Depreciation	9,956,637	9,558,814
Total operating expenses	39,323,018	40,694,995
<b>Operating Loss</b>	(35,391,455)	(36,055,072)
<b>Nonoperating Revenue (Expense)</b>		
Investment income	31,178	320,793
Gain (loss) on sale of assets	42,344	(7,482)
Sales tax revenue	35,332,154	29,817,365
Transit system operating assistance grants	19,633,941	16,843,203
Interest expense	(697,186)	(909,134)
Total nonoperating revenue (expense)	54,342,431	46,064,745
<b>Income - Before capital contributions</b>	18,950,976	10,009,673
<b>Capital Contributions - Capital grants</b>	1,409,423	3,472,676
<b>Change in Net Position</b>	20,360,399	13,482,349
<b>Net Position - Beginning of year</b>	341,283,144	327,800,795
<b>Net Position - End of year</b>	<b>\$ 361,643,543</b>	<b>\$ 341,283,144</b>

**Denton County Transportation Authority****Statement of Cash Flows****Years Ended September 30, 2021 and 2020**

	Enterprise Operating Fund	
	2021	2020
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	\$ 3,909,156	\$ 5,344,945
Payments to suppliers	(20,267,338)	(19,627,183)
Payments to employees and fringes	(9,958,574)	(11,557,058)
Net cash and cash equivalents used in operating activities	(26,316,756)	(25,839,296)
<b>Cash Flows from Noncapital Financing Activities</b>		
Operating grants and subsidies	18,741,443	14,212,860
Sales tax received	34,529,445	29,259,386
Net cash and cash equivalents provided by noncapital financing activities	53,270,888	43,472,246
<b>Cash Flows from Capital and Related Financing Activities</b>		
Issuance of bonds	22,870,000	-
Receipt of capital grants	2,340,389	3,480,939
Proceeds from sale of capital assets	52,344	68,124
Purchase of capital assets	(1,797,517)	(4,084,232)
Principal and interest paid on capital debt, including refunding	(25,762,186)	(2,879,134)
Net cash and cash equivalents used in capital and related financing activities	(2,296,970)	(3,414,303)
<b>Cash Flows from Investing Activities</b>		
Interest received on investments	31,178	320,793
Purchases of investment securities	(4,472,839)	(5,053,745)
Proceeds from sale and maturities of investment securities	-	5,000,000
Net cash and cash equivalents (used in) provided by investing activities	(4,441,661)	267,048
<b>Net Increase in Cash and Cash Equivalents</b>	20,215,501	14,485,695
<b>Cash and Cash Equivalents - Beginning of year</b>	39,763,409	25,277,714
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 59,978,910</b>	<b>\$ 39,763,409</b>
<b>Classification of Cash and Cash Equivalents</b>		
Cash and cash equivalents	\$ 59,281,187	\$ 38,913,622
Restricted cash	697,723	849,787
<b>Total cash and cash equivalents</b>	<b>\$ 59,978,910</b>	<b>\$ 39,763,409</b>

**Denton County Transportation Authority****Statement of Cash Flows (Continued)****Years Ended September 30, 2021 and 2020**

	Enterprise Operating Fund	
	2021	2020
<b>Reconciliation of Operating Loss to Net Cash from Operating Activities</b>		
Operating loss	\$ (35,391,455)	\$ (36,055,072)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation	9,956,637	9,558,814
Changes in assets and liabilities:		
Receivables	(19,049)	743,247
Inventory	(690,052)	18,474
Prepaid and other assets	(262,184)	74,958
Net pension asset/liability and related deferrals	53,023	(33,656)
Accounts payable	77,312	(194,368)
Accrued and other liabilities	(37,630)	86,532
Unearned revenue	(3,358)	(38,225)
Net cash and cash equivalents used in operating activities	<u><u>\$ (26,316,756)</u></u>	<u><u>\$ (25,839,296)</u></u>

## **Denton County Transportation Authority**

### **Notes to Financial Statements**

**September 30, 2021 and 2020**

#### **Note 1 - Significant Accounting Policies**

##### ***Reporting Entity***

The Denton County Transportation Authority (DCTA) is a coordinated county transportation authority of the State of Texas, created pursuant to Chapter 460 of the Texas Transportation Code. This legislation requires that a Service Plan, an outline of the services that could be provided by an authority confirmed by the voters, be developed by the transit authority. A Service Plan was developed and the Authority was confirmed by a public referendum held November 5, 2002. A second election was held in eight municipalities on September 13, 2003 for consideration and approval of a one-half percent sales and use tax. The sales and use tax and associated Service Plan passed in three cities: Denton, Highland Village, and Lewisville. Collection of the sales tax began on January 1, 2004.

The Authority is governed by a eleven-member board of directors. As of September 30, 2021, the Board was composed of:

1. One voting member appointed by the governing body of each of the following cities: Denton, Highland Village, and Lewisville;
2. Two voting members appointed by the Denton County Commissioner's Court;
3. Six non-voting members to be designated by the remaining Denton County cities.

The accompanying financial statements present the Authority and its component unit, an entity for which the Authority is considered to be financially accountable. The blended component unit is, in substance, part of the Authority operations, even though it is a separate legal entity.

##### ***Blended Component Unit***

The North Texas Mobility Corporation (NTMC) was incorporated on April 1, 2019, and is governed by a five-member board appointed by the Authority's Board of Directors. Although it is legally separate from the Authority, NTMC is reported as if it were part of the Authority because its sole purpose is to manage and operate transit services for the Authority. Separate financial statements are not available, but condensed financial information for NTMC can be found in Note 12.

##### ***Accounting and Reporting Principles***

The Authority follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by the Authority:

##### ***Report Presentation***

This report includes the statements of the Authority. In accordance with government accounting principles, a government-wide presentation with program and general revenue is not applicable to special purpose governments engaged only in business-type activities.

##### ***Fund Accounting***

##### ***Proprietary Funds***

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees). The Authority reports all activity in a single enterprise fund. Activity reported in this fund includes the blended component unit, NTMC. NTMC is used to account for all employee-related operations associated with bus services provided by NTMC.

##### ***Basis of Accounting***

Proprietary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

## **Denton County Transportation Authority**

### **Notes to Financial Statements**

**September 30, 2021 and 2020**

#### **Note 1 - Significant Accounting Policies (Continued)**

##### ***Specific Balances and Transactions***

##### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

##### **Investments**

Investments are reported at fair value or estimated fair value. Short-term investments are reported at cost, which approximates fair value. The investment policies of the Authority are governed by the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Authority's funds are managed and invested based on safety, liquidity, diversification, and yield.

##### **Receivables**

Receivables consist primarily of amounts due to the Authority from sales tax collections, federal grants, and customer billings. Management does not believe any credit risk exists related to these receivables. Management evaluates the receivables to determine if an allowance for doubtful accounts should be established and considers the collection history, the aging of the accounts, and other specific information known to management that may affect collectability. Based upon this assessment, management has determined that an allowance is not necessary.

##### **Inventories**

The Authority purchases and maintains its own fuel inventory as well as maintenance and repair parts. Fuel inventory is valued by volume on a monthly basis using a first-in, first-out inventory costing method. Parts inventory is valued by average cost.

##### **Prepaid Items**

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid expenses. These expenses consist primarily of insurance payments, which are amortized over the policy period, and prepaid rents.

##### **Restricted Assets**

Restricted assets consist of unspent bonds and are held as cash and cash equivalents.

##### **Capital Assets**

Capital assets are defined by the Authority as assets which:

1. Have an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year;
2. Have a individual cost of \$5,000 or less, but are part of a network or combined unit of property; or
3. Facilities or equipment with a useful life of at least one year, which are eligible for capital assistance, and paid for with grant funding.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Interest incurred during the construction of capital assets is included as part of the capitalized value of the assets constructed.



## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 1 - Significant Accounting Policies (Continued)

Capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Depreciable Life</u>
Rail system	20-50 years
Land Improvements	25 years
Vehicles:	
Bus	5-12 years
Paratransit	4-5 years
Rail	50 years
Furniture and equipment	3-7 years
Easement	20 years

Except for sales of assets in which the unit fair value is less than \$5,000, proceeds from the sale of property, facilities, and equipment purchased with funds provided by federal grants for capital expenditures are remitted to the Federal Transit Administration (FTA) on the same percentage basis that such funds were provided by grant contracts with the FTA.

The transit system operated by the Authority includes certain facilities owned by others. The Authority has contractual rights to operate these facilities under the terms of the authorizing legislation and other agreements.

Intangible assets are stated at historical cost net of accumulated amortization. The intangible asset consists of a rail operating easement for the purpose of constructing, installing, maintaining, and operating a modern rail passenger system.

#### **Current Liabilities**

The Authority has not formally restricted cash funds to pay current operating liabilities, but has adequate cash and investments to satisfy these obligations. Construction contracts payable will be satisfied with unrestricted cash.

#### **Unearned Revenue**

The University of North Texas (UNT) and North Central Texas College (NCTC) have contracted with the Authority to provide transportation for faculty, staff, and students through the Connect service. The universities have paid for this service in advance and, in addition, the Authority sells semester and annual passes. The Authority recognizes the revenue through straight-line amortization over the respective period. The contract with NCTC expired July 31, 2020. The Retreat at Denton also contracts with DCTA to provide transportation to its residents through the Connect service.

#### **Long-term Obligations**

In the financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond issuance costs are expensed at the time they are incurred.

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until then. The Authority reports deferred outflows related to the defined benefit pension plan, as further described in Note 9.

## **Denton County Transportation Authority**

### **Notes to Financial Statements**

**September 30, 2021 and 2020**

#### **Note 1 - Significant Accounting Policies (Continued)**

In addition to liabilities, the statement of net position and will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Authority reports deferred inflows related to the defined benefit pension plan, as further described in Note 9.

##### **Net Position**

Net position of the Authority can be classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position can consist of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

##### **Net Position Flow Assumption**

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

##### **Pension**

For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from the TCERS fiduciary net position have been determined on the same basis as they are reported by TCERS. TCERS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expenses when due and payable in accordance with the plan benefit terms. Related plan investments are reported at fair value.

##### **Compensated Absences**

Employees receive compensation for vacations, holidays, illness, personal days, and certain other qualifying absences. The number of days compensated for the various categories of absence is based on length of service. Sick and vacation days that have been earned, but not paid, have been accrued in the accompanying financial statements. Compensation for holidays and other qualifying absences are not accrued in the accompanying financial statements as rights to such compensation do not accumulate or vest. The liability for compensated absences is classified as an accrued liability.

##### **Proprietary Funds Operating Classification**

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Authority is the sale of transit services. Passenger revenue consists of farebox collections and the sale of passes. Contract service revenue is related to providing transit services to third parties on a contractual basis. The Authority provides contract services for UNT, NCTC, the City of Frisco, the McKinney Urban Transit District, the City of Coppell, and Trinity Metro. The contract with NCTC expired July 31, 2020.

Operating expenses for these funds include the cost of sales or services and administrative expenses and may include depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

# Denton County Transportation Authority

## Notes to Financial Statements

September 30, 2021 and 2020

### Note 1 - Significant Accounting Policies (Continued)

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

#### Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation. The changes to fiscal year 2020 consist of a reclassification of \$9,931 from restricted cash to unrestricted cash, the break out of \$1,654,920 of accrued liabilities and other from accounts payable, and the inclusion of \$621,036 of retainage payable in accounts payable. The net investment in capital assets was increased by \$621,036 to exclude retainage payable and unrestricted net position was reduced by the same amount.

#### Reporting Change

In 2021, the Authority determined the North Texas Mobility Corporation should be combined with the Authority as opposed to a separate enterprise fund. This change was applied to the 2020 financial statements as well. There was no impact to net position as NTMC had zero net position.

#### Upcoming Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement were originally effective for the Authority's financial statements for the year ending September 30, 2021 but were extended to September 30, 2022 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. This statement addresses eight unrelated practice issues and technical inconsistencies in authoritative literature. The standard addresses leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The standard has various effective dates. The Authority does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In May 2020, the Governmental Accounting Standards Board issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending September 30, 2023.

## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 1 - Significant Accounting Policies (Continued)

In June 2020, the Governmental Accounting Standards Board issued GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. While this standard had certain aspects impacting defined contribution pension and OPEB plans and other employee benefit plans that were effective immediately, it also clarifies when a 457 should be considered a pension plan or an other employee benefit plan to assist in the application of GASB Statement No. 84 to these types of plans. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement related to 457 plans are effective for the Authority's financial statements for the year ending September 30, 2022.

#### Note 2 - Stewardship, Compliance, and Accountability

##### *Budgetary Information*

Section 460 of the Texas Transportation Code requires the Authority to create an annual budget. The Authority maintains control over operating expenditures by the establishment of the annual operating budget. Budgets are prepared on the accrual basis consistent with accounting principles generally accepted in the United States of America. Annual proposed operating and capital budgets are prepared by management, presented to Denton County residents at public meetings, and reviewed by the Board of Directors prior to adoption of the final budget in September. The operating and capital budgets follow the same preparation and review cycle.

Operating budget appropriations terminate at the end of the fiscal year. Capital budget amounts are not included in the accompanying financial statements. Capital budget amounts are budgeted over the life of the respective project, not on an annual basis.

During the course of the annual budget cycle, it may be necessary to modify the budget by a process of amendment or transfer. For example, modifications may be required because of changes in the purpose, description, terms and conditions, or changes in the cost of an approved service or item. All budget amendments require approval by the Board of Directors. Budget transfers may be authorized by the Authority President/CEO and reported to the Board. The Board of Directors monitors, reviews, and accepts the monthly and year to date unaudited financial statements with budget comparisons and explanations of material variances.

#### Note 3 - Service Agreement

On October 1, 2016, DCTA entered into a contract with First Transit Inc. for rail operations and maintenance. This contract includes management fees, maintenance of way, vehicle maintenance, train hours and car miles. The contract is accounted for under purchased transportation services. On October 31, 2020, Rio Grande Pacific Corporation assumed the contract in place of First Transit Inc. As of September 30, 2021, \$10,393,283 was spent on this contract and the remaining commitment was \$63,317,465. Additionally, DCTA and the Dallas Area Rapid Transit (DART) entered into an interlocal operating agreement for ticket vending machine services and train platform maintenance.

#### Note 4 - Deposits and Investments

Deposits and investments are reported in the financial statements as follows:

	2021	2020
Cash and cash equivalents	\$ 59,281,187	\$ 38,913,622
Investments	9,537,185	5,064,346
Restricted cash and investments	697,723	849,787
Total deposits and investments	<u>\$ 69,516,095</u>	<u>\$ 44,827,755</u>

# Denton County Transportation Authority

## Notes to Financial Statements

September 30, 2021 and 2020

### Note 4 - Deposits and Investments (Continued)

The Authority's cash and investments are subject to several types of risk, which are examined in more detail below:

#### ***Custodial Credit Risk of Bank Deposits***

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority's cash and cash equivalents are deposited in various accounts as allowed by the Texas Public Funds Investment Act and the Authority's investment policy. Balances for these accounts are insured by the Federal Depository Insurance Corporation, and the deposits in excess of the insured amount are collateralized at 105 percent of the market value of the principal and accrued interest by pledged book entry securities held in a securities account at a Federal Reserve Bank in the Authority's name by a third party or were invested in U.S. Government Securities as allowed by the Texas Public Funds Investment Act.

#### ***Interest Rate Risk***

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Authority's investment policy minimizes interest rate risk by limiting investment maturities to two years as a means of managing its exposure to fair value losses arising from increasing interest rates. In addition, the policy limits weighted average maturity of the overall portfolio to eighteen months.

At year end, the Authority had the following investments:

Investment	2021		2020	
	Carrying Value	Weighted Average Maturity (Days)	Carrying Value	Weighted Average Maturity (Days)
U.S. Treasury	\$ 4,526,320	183	\$ 1,012,070	197
U.S. government agency securities	5,010,865	410	4,052,276	254
TexSTAR investment pool	58,548,348	43	38,605,005	39

#### ***Credit Risk***

The Authority's investment policy minimizes credit risk by limiting allowable investments. In accordance with the Texas Public Funds Investment Act and the Authority's investment policy, the Authority invests in obligations of the United States or its agencies and instrumentalities. As of September 30, 2021, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	2021			2020		
	Carrying Value	Rating	Rating Organization	Carrying Value	Rating	Rating Organization
U.S. government agency securities	\$ 5,010,865	AA+	S&P	\$ 4,052,276	AA+	S&P
TexSTAR investment pool	58,548,348	AAAm	S&P	38,605,005	AAAm	S&P
Total	<u>\$63,559,213</u>			<u>\$42,657,281</u>		

#### ***Fair Value Measurements***

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 4 - Deposits and Investments (Continued)

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Authority has the following recurring fair value measurements as of September 30, 2021 and 2020:

- U.S. Treasury securities of \$4,526,317 and \$1,012,070, respectively, are valued using a matrix pricing model (Level 2 inputs).
- U.S. government agency securities of \$5,010,868 and \$4,052,276, respectively, are valued using a matrix pricing model (Level 2 inputs).
- Investment in the TexSTAR investment pool of \$58,548,348 and \$38,605,005, respectively, is measured at NAV

The valuation method for investments measured at net asset value (NAV) per share (or its equivalent) is described below.

#### ***Investments in Entities that Calculate Net Asset Value per Share***

The Authority holds shares or interests in an investment pool whereby the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At September 30, 2021 and 2020, the Authority had investments in the TexSTAR investment pool of \$58,548,348 and \$38,605,005, respectively.

TexSTAR is a local government investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily liquidity, and competitive yield. The fund is rated AAAM by Standard and Poor's and maintains a weighted average maturity of 60 days or less, with a maximum maturity of 13 months for any individual security. The fund seeks to maintain a constant dollar objective and fulfills all of the requirements of the Texas Public Funds Investment Act for local government investment pools.

TexSTAR is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by Hilltop Securities, Inc. and J.P. Morgan Investment Management, Inc. (JPMIM), and managed by JPMIM, who provides custody and investment management. The primary objectives of TexSTAR are, in order of priority, preservation and protection of principal, maintenance of sufficient liquidity to meet participants' needs, and yield. The portfolio will maintain a dollar-weighted average maturity that does not exceed 60 days and seeks to maintain a net asset value of \$1.00 per share. TexSTAR may invest in securities including: obligations of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; other obligations which are unconditionally guaranteed or insured by the U.S.; fully collateralized repurchase agreements with a defined termination date and unconditionally guaranteed or insured by the U.S. or its agencies and instrumentalities; and SEC-registered no-load money-market fund which meet the requirements of the Public Funds Investment Act. The investment pool has a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.



## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 5 - Receivables

Receivables at September 30, 2021 and 2020 consisted of the following:

	2021	2020
Operating:		
Ticket, token and other receivables	\$ 774,105	\$ 755,056
Sales tax	6,225,167	5,422,458
Grants receivable	3,848,952	3,887,420
Total	<u>\$ 10,848,224</u>	<u>\$ 10,064,934</u>

#### Note 6 - Capital Assets

Capital asset activity during the fiscal year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Reclassifications	Additions	Disposals and Adjustments	Balance September 30, 2021
Capital assets not being depreciated:					
Land	\$ 17,394,147	\$ -	\$ -	\$ -	\$ 17,394,147
Construction in progress	20,014,331	(18,425,623)	1,176,481	-	2,765,189
Subtotal	37,408,478	(18,425,623)	1,176,481	-	20,159,336
Capital assets being depreciated:					
Rail	283,178,861	17,369,093	-	-	300,547,954
Land improvements	12,166,783	(8,057)	-	-	12,158,726
Vehicles	12,584,752	1,064,587	-	(667,052)	12,982,287
Furniture and equipment	7,035,417	-	-	-	7,035,417
Facilities	31,760,649	-	-	-	31,760,649
Easement	16,997,155	-	-	-	16,997,155
Subtotal	363,723,617	18,425,623	-	(667,052)	381,482,188
Accumulated depreciation:					
Rail	56,110,686	-	6,765,003	-	62,875,689
Land improvements	2,788,304	-	486,763	-	3,275,067
Vehicles	9,190,031	-	704,162	(657,052)	9,237,141
Furniture and equipment	4,640,797	-	445,361	-	5,086,158
Facilities	5,600,653	-	705,490	-	6,306,143
Easement	8,781,863	-	849,858	-	9,631,721
Subtotal	87,112,334	-	9,956,637	(657,052)	96,411,919
Net capital assets being depreciated	276,611,283	18,425,623	(9,956,637)	(10,000)	285,070,269
Net business-type activity capital assets	<u>\$ 314,019,761</u>	<u>\$ -</u>	<u>\$ (8,780,156)</u>	<u>\$ (10,000)</u>	<u>\$ 305,229,605</u>

## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 6 - Capital Assets (Continued)

Capital asset activity during the fiscal year ended September 30, 2020 was as follows:

	Balance October 1, 2019	Reclassifications	Additions	Disposals and Adjustments	Balance September 30, 2020
Capital assets not being depreciated:					
Land	\$ 17,394,147	\$ -	\$ -	\$ -	\$ 17,394,147
Construction in progress	20,536,649	(4,586,481)	4,064,163	-	20,014,331
Subtotal	37,930,796	(4,586,481)	4,064,163	-	37,408,478
Capital assets being depreciated:					
Rail	283,178,861	-	-	-	283,178,861
Land improvements	9,017,865	3,148,918	-	-	12,166,783
Vehicles	12,698,163	-	-	(113,411)	12,584,752
Furniture and equipment	5,567,482	1,437,563	35,700	(5,328)	7,035,417
Facilities	31,760,649	-	-	-	31,760,649
Easement	16,997,155	-	-	-	16,997,155
Subtotal	359,220,175	4,586,481	35,700	(118,739)	363,723,617
Accumulated depreciation:					
Rail	49,779,910	-	6,330,776	-	56,110,686
Land improvements	2,327,927	-	460,377	-	2,788,304
Vehicles	8,513,300	-	714,535	(37,804)	9,190,031
Furniture and equipment	4,148,347	-	497,779	(5,329)	4,640,797
Facilities	4,895,163	-	705,490	-	5,600,653
Easement	7,932,006	-	849,857	-	8,781,863
Subtotal	77,596,653	-	9,558,814	(43,133)	87,112,334
Net capital assets being depreciated	281,623,522	4,586,481	(9,523,114)	(75,606)	276,611,283
Net capital assets	\$ 319,554,318	\$ -	\$ (5,458,951)	\$ (75,606)	\$ 314,019,761

In June 2010, the Authority acquired a rail operating easement for the purpose of constructing, installing, maintaining, and operating a modern passenger rail system for payments totaling \$16,950,000. As of September 30, 2021, \$16,150,000 had been paid to the Dallas Area Rapid Transit (DART). The remaining payments of \$800,000 will be paid in annual payments until the contract expires (See Note 11). The Authority's right under the contract will expire in June 2030, which is 20 years after the execution of the contract. Amortization of this asset is being recognized over the 20 year useful life on a straight-line basis and was \$849,858 and \$849,857 for each of the years ended September 30, 2021 and 2020 respectively.



## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 7 - Long-term Debt

Long-term debt activity for the years ended September 30, 2021 and 2020 can be summarized as follows:

		2021					
	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:							
Other debt:							
Sales Tax Revenue Refunding Bonds, Series 2020	0.99%	\$805,000 - 2,065,000	\$ -	\$12,930,000	\$(1,605,000)	\$11,325,000	\$ 1,600,000
Sales Tax Revenue Refunding Bonds, Series 2021	1.28%	\$865,000 - 1,140,000	-	9,940,000	-	9,940,000	865,000
Sales Tax Revenue Refunding Bonds, Series 2009	3.99%	\$885,000 - 1,650,000	12,755,000	-	12,755,000)	-	-
Sales Tax Bonds, Series 2011	3.13%	\$555,000 - 1,215,000	10,605,000	-	10,605,000)	-	-
Total long-term debt			<u>\$23,360,000</u>	<u>\$22,870,000</u>	<u>\$24,965,000)</u>	<u>\$21,265,000</u>	<u>\$ 2,465,000</u>
		2020					
	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:							
Other debt:							
Sales Tax Revenue Refunding Bonds, Series 2009	3.99%	\$885,000 - 1,650,000	\$13,915,000	\$ -	\$(1,160,000)	\$12,755,000	\$ 1,205,000
Sales Tax Bonds, Series 2011	3.13%	\$555,000 - 1,215,000	11,315,000	-	(710,000)	10,605,000	750,000
Total long-term debt			<u>\$25,230,000</u>	<u>\$ -</u>	<u>\$(1,870,000)</u>	<u>\$23,360,000</u>	<u>\$ 1,955,000</u>

#### Revenue Bonds

Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets and to pay debt service. The Authority utilizes revenue bonds to finance capital expenditures. The Authority has pledged gross sales tax revenues. Proceeds from the bonds provided financing for acquisition of rail vehicles and the first phase of the new federal mandate for Positive Train Control. The remaining principal and interest to be paid on the bonds is \$22,681,449. During the current year, gross sales tax revenue of the Authority was \$35,332,154, compared to annual debt requirements of \$1,710,250.

## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 7 - Long-term Debt (Continued)

##### ***Debt Service Requirements to Maturity***

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending September 30	Other Debt		Total
	Principal	Interest	
2022	\$ 2,465,000	\$ 234,048	\$ 2,699,048
2023	1,775,000	212,438	1,987,438
2024	1,800,000	192,299	1,992,299
2025	1,815,000	171,811	1,986,811
2026	1,835,000	151,102	1,986,102
2027-2031	9,510,000	434,310	9,944,310
2032	2,065,000	20,441	2,085,441
Total	<u>\$ 21,265,000</u>	<u>\$ 1,416,449</u>	<u>\$ 22,681,449</u>

##### ***Advance Bond Refundings***

During the year, the Authority issued \$12,930,000 in revenue bonds with an average interest rate of 0.99 percent. The proceeds of these bonds were used to advance refund \$12,755,000 of outstanding revenue bonds with an average interest rate of 3.99 percent. The net proceeds of \$12,845,475 (after payment of \$84,525 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the original bonds. As a result, the bonds are considered to be defeased, and the liability for the bonds has been removed from long-term debt. The advance refunding reduced total debt service payments over the next 8 years by \$1,707,058, which represents an economic gain of \$1,803,985.

During the year, the Authority issued \$9,940,000 revenue bonds with an average interest rate of 1.28 percent. The proceeds of these bonds were used to advance refund \$9,855,000 of outstanding revenue bonds with an average interest rate of 3.13 percent. The net proceeds of \$9,867,853 (after payment of \$72,147 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the original bonds. As a result, the bonds are considered to be defeased, and the liability for the bonds has been removed from long-term debt. The advance refunding reduced total debt service payments over the next 10 years by \$1,008,898, which represents an economic gain of \$938,899.

##### **Significant Terms**

The bond agreements require the Authority to establish and maintain a pledged revenue account and a bond fund account at a depository institution and segregate these accounts in the general ledger for the purpose of accumulating principal and interest when it becomes due and payable. At September 30, 2021 and 2020, the Authority was in compliance with this requirement.

#### Note 8 - Risk Management

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation) as well as medical benefits provided to employees. The Authority participates in the Texas Municipal League Intergovernmental Risk Pool (TML-IRP) to provide insurance for errors and omission, general liability, workers' compensation, automobile liability, and physical damage coverage. Settled claims relating to the insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 8 - Risk Management (Continued)

The shared-risk pool program in which the Authority participates operates as a common risk-sharing management program; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

Premiums are assessed based on the rates set by the Texas State Board of Insurance for each participating political subdivision's experience. The Authority has a \$10,000 deductible for errors and omissions liability with limits of \$3,000,000 per wrongful act and an annual aggregate of \$6,000,000. General liability coverage has no deductible with limits of \$1,000,000 per occurrence, \$1,000,000 per occurrence for sudden events involving pollution, and an annual aggregate of \$2,000,000. Worker's compensation coverage has no deductible. Automobile liability has a limit of \$5,000,000 per occurrence. The Authority's vehicles are insured for physical damage for collision and comprehensive coverage after a \$10,000 deductible. Real and personal property coverage has a \$10,000 deductible. Cyber Liability and Data Breach Response Coverage is also provided by TML-IRP for the following:

- Information Security, Privacy Liability, Website Media Content Liability - \$1,000,000 Aggregate limit, \$0 deductible
- Privacy Breach Response Services - \$25,000 per incident and in the Aggregate, \$1,250 deductible per incident
- Regulatory Defense & Penalties/Payment Card Industry Fines and Expenses/Cyber Extortion/First Party Data Protection and Network Business Interruption - \$50,000 Aggregate limit; \$2,500 deductible per claim, \$5,000 Loss of Income Deductible.

The Authority has a government crime policy with TML-IRP insuring against forgery and computer fraud up to \$1,000,000 in the aggregate. For the years ended September 30, 2021 and 2020, the Authority has not incurred any losses under this plan.

In addition to the coverages provided by TML-IRP, the Authority also carries Pollution Liability Coverage for its 16,000 gallon Underground Fuel Storage Tank (UST) permitted by the Texas Commission on Environmental Quality (TCEQ) and located at the Rail Operations & Maintenance Facility. The UST provides fleet re-fueling for the Authority's passenger rail vehicles. Mid-Continent Casualty Company is the insurance provider with the following coverages: \$1,000,000 each Pollution Incident for bodily injury, property damage and claim handling, \$2,000,000 Annual Aggregate, \$5,000 deductible.

Beginning in December 2020, DCTA's excess railroad liability insurance has been provided under Dallas Area Rapid Transit's policy with a policy limit of \$140 million and \$3 million self-insured retention. DCTA secured its own rail liability insurance coverage from October 2016 to December 2020. The change to a joint policy allowed both DCTA and DART to benefit from reduced premiums.

#### Note 9 - Pension Plans

##### *Plan Description*

The Authority provides retirement, disability and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the Texas County and District Retirement System (TCDRS), an agent multiple-employer plan, administered by the TCDRS Board. The Board of Directors is responsible for the administration of the statewide agent multi-employer public employee defined benefit pension retirement system consisting of nearly 800 public employee defined benefit pension plans.

TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the board of trustees at P. O. Box 2034, Austin, Texas 78768-2034 or can be viewed at [www.tcdrs.org](http://www.tcdrs.org).

## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 9 - Pension Plans (Continued)

##### **Benefits Provided**

Texas County and District Retirement System (TCDRS) provides retirement, disability, and survivor benefits to all of its non-temporary DCTA employees. Retirement benefits are calculated based on 5 percent of each employee's pay, earning 7 percent interest on beginning of year balances annually and at retirement, account is matched at an employer set percentage (currently 200 percent) and is then converted to an annuity. An employee who leaves Authority service may withdraw his or her contributions, plus any accumulated interest.

Benefit terms do not provide for an automatic annual cost of living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. However, each year, the Authority may elect an ad hoc COLA for its retirees. There are two COLA types, each limited by actual inflation.

Benefit terms are generally established under the TCERS Act and can be amended as of January 1 each year, but must remain in conformity with the Act.

Benefit terms, including contribution requirements, for qualified deferred compensation defined contribution plan under the Internal Revenue Code Section 457 are established and may be amended by the Board of Directors. The Authority is not required to contribute to individual employee accounts. Employees are permitted to make contributions to the pension plan up to applicable Internal Revenue Code limits. Employees are immediately vested in their own contributions and earnings on those contributions and become vested in employer contributions and earnings on employer contributions after completion of 60 months of creditable service with the Authority. Nonvested Authority contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the plan's administrative expenses.

##### **Employees Covered by Benefit Terms**

The following members were covered by the benefit terms:

Date of member count	December 31, 2020
Inactive plan members or beneficiaries currently receiving benefits	2
Inactive plan members entitled to but not yet receiving benefits	34
Active plan members	32
Total employees covered by the plan	68

##### **Contributions**

The deposit rate for employees is 4 percent to 7 percent of compensation, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Employer contribution rates are determined annually and approved by the TCERS Board of Trustees. Pursuant to state law, employers participating in the system must pay 100 percent of their actuarially determined required contributions on an annual basis. Each employer has the opportunity to make additional contributions in excess of its annual required contribution rate either by adopting an elected rate that is higher than the required rate or by making additional contributions on an ad hoc basis. Employers may make additional contributions to pay down their liabilities faster, pre-fund benefit enhancements and/or buffer against future adverse experience. In addition, employers annually review their plans and may adjust benefits and costs based on their local needs and budgets. Although accrued benefits may not be reduced, employers may reduce future benefit accruals and immediately reduce costs. Monthly contributions by the Authority are based on the covered payroll and the employer contribution rate in effect. For fiscal years 2021 and 2020, the Authority made contributions of 6.25 percent and 6.26 percent, respectively.

# Denton County Transportation Authority

## Notes to Financial Statements

September 30, 2021 and 2020

### Note 9 - Pension Plans (Continued)

#### Net Pension Liability

The Authority has chosen to use the December 31, 2020 measurement date as its measurement date for the net pension liability. The September 30, 2021 fiscal year end reported net pension liability was determined using a measure of the total pension liability and the pension net position as of the December 31, 2020 measurement date. The December 31, 2020 measurement date total pension liability was determined by an actuarial valuation performed as of that date.

Changes in the net pension liability during the measurement year were as follows:

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension (Asset) Liability
<b>Balance at December 31, 2019</b>	\$ 2,375,960	\$ 2,401,949	\$ (25,989)
Changes for the year:			
Service cost	354,281	-	354,281
Interest	220,389	-	220,389
Differences between expected and actual experience	(84,719)	-	(84,719)
Changes in assumptions	221,352	-	221,352
Contributions - Employer	-	202,396	(202,396)
Contributions - Employee	-	160,377	(160,377)
Net investment income	-	248,840	(248,840)
Benefit payments, including refunds	(19,149)	(19,149)	-
Administrative expenses	-	(2,197)	2,197
Miscellaneous other charges	-	10,406	(10,406)
Net changes	692,154	600,673	91,481
<b>Balance at December 31, 2020</b>	<u>\$ 3,068,114</u>	<u>\$ 3,002,622</u>	<u>\$ 65,492</u>

The plan's fiduciary net position represents 97.9 percent of the total pension liability.

Changes in the net pension liability during the prior measurement year were as follows:

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability (Asset)
<b>Balance at December 31, 2018</b>	\$ 1,861,885	\$ 1,752,600	\$ 109,285
Changes for the year:			
Service cost	296,238	-	296,238
Interest	174,468	-	174,468
Changes in benefits	51,919	-	51,919
Contributions - Employer	-	200,030	(200,030)
Contributions - Employee	-	159,880	(159,880)
Net investment income	-	287,455	(287,455)
Benefit payments, including refunds	(8,550)	(8,550)	-
Administrative expenses	-	(1,830)	1,830
Other	-	12,364	(12,364)
Net changes	514,075	649,349	(135,274)
<b>Balance at December 31, 2019</b>	<u>\$ 2,375,960</u>	<u>\$ 2,401,949</u>	<u>\$ (25,989)</u>

## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 9 - Pension Plans (Continued)

The plan's fiduciary net position represents 101.1 percent of the total pension liability as of the previous measurement date.

#### ***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended September 30, 2021 and 2020, the Authority recognized pension expense of \$231,840 and \$172,966, respectively.

At September 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 97,086	\$ 91,617	\$ 127,473	\$ 35,762
Changes in assumptions	182,878	-	8,061	-
Net difference between projected and actual earnings on pension plan investments	-	60,873	-	34,334
Employer contributions to the plan subsequent to the measurement date	141,166	-	154,913	-
Total	<u>\$ 421,130</u>	<u>\$ 152,490</u>	<u>\$ 290,447</u>	<u>\$ 70,096</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date will reduce the net pension liability and, therefore, will not be included in future pension expense):

Year Ending December 31,	Amount
2021	\$ 32,659
2022	33,660
2023	12,466
2024	38,688
2025	10,001
Total	<u>\$ 127,474</u>

#### ***Actuarial Assumptions***

The total pension liability in the December 31, 2020 actuarial valuation was determined using an inflation assumption of 2.50 percent; assumed salary increases (average over career including inflation) of 3.50 to 8.00 percent, including wage inflation of 3.00 percent; an investment rate of return (gross of investment expenses) of 7.60 percent; and using the RP-2014 Healthy Annuitant mortality tables. These assumptions were applied to all periods included in the measurement, and are based on an experience study conducted for the period January 1, 2013 through December 31, 2016.

## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 9 - Pension Plans (Continued)

##### **Discount Rate**

The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

##### **Investment Rate of Return**

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2021 information for a 10-year time horizon.

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
U.S. Equities	11.50 %	4.25 %
Global Equities	2.50	4.55
International Equities - Developed Markets	5.00	4.25
International Equities - Emerging Markets	6.00	4.75
Investment-Grade Bonds	3.00	(0.85)
Strategic Credit	9.00	2.11
Direct Lending	16.00	6.70
Distressed Debt	4.00	5.70
REIT Equities	2.00	3.45
Master Limited Partnerships	2.00	5.10
Private Real Estate Partnerships	6.00	4.90
Private Equity	25.00	7.25
Hedge Funds	6.00	1.85
Cash Equivalents	2.00	(0.70)

##### **Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.60 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.60%)	Current Discount Rate (7.60%)	1 Percentage Point Increase (8.60%)
Net pension liability (asset)	\$ 590,345	\$ 65,492	\$ (361,098)

##### **Assumption Changes**

The December 31, 2020 actuarial valuation updated investment rate of return, net of investment and administrative expenses, from 8.00% to 7.50%, inflation from 2.75% to 2.50% and discount rate from 8.10% to 7.60%



## Denton County Transportation Authority

### Notes to Financial Statements

September 30, 2021 and 2020

#### Note 10 - NTMC Defined Contribution Retirement Plans

The Authority sponsors one NTMC 401(k) plan for non-operator employees. The plan provides for the Authority to make a required matching contribution of 50 percent of the participant's elected deferral up to 6 percent. Contributions to the plan totaled \$9,138 and \$9,263 for the years ended September 30, 2021 and 2020, respectively.

The Authority sponsors one Amalgamated Transit Union (ATU) 401(k) plan for operator employees. The plan provides for the Authority to make a required matching contribution of 50 percent of the participant's elected deferral up to 3 percent. Contributions to the plan totaled \$460 for the year ended September 30, 2021. In 2020, the Authority did not match the ATU 401(k) plan. In April 2021, NTMC and the ATU went into bargaining negotiations and bargained a new collective bargaining agreement (CBA) for an employer match to this plan.

#### Note 11 - Easement Obligation

In June 2010, the Authority entered into a rail operating easement agreement with DART. The easement obligation represents the remaining principal amounts payable under the agreement. Remaining requirements are as follows:

Years Ending	Amount
2022	\$ 100,000
2023	100,000
2024	100,000
2025	100,000
2026	100,000
2027-2029	300,000
Total	<u>\$ 800,000</u>

The current portion of the easement obligation is \$100,000 as of September 30, 2021 and 2020.



# Denton County Transportation Authority

## Notes to Financial Statements

September 30, 2021 and 2020

### Note 12 - Component Unit Information

Condensed financial information detailing component unit activity is as follows:

	2021			2020		
	DCTA	NTMC	Total	DCTA	NTMC	Total
<b>Current Assets</b>	\$ 80,343,240	\$ 499,838	\$ 80,843,078	\$ 53,858,895	\$ 408,253	\$ 54,267,148
<b>Long-term Assets</b>	305,927,328	-	305,927,328	314,895,537	-	314,895,537
<b>Deferred Outflows of Resources</b>	421,130	-	421,130	290,447	-	290,447
Total assets and deferred outflows	<u>\$386,691,698</u>	<u>\$ 499,838</u>	<u>\$387,191,536</u>	<u>\$369,044,879</u>	<u>\$ 408,253</u>	<u>\$369,453,132</u>
<b>Current Liabilities</b>	5,330,173	499,838	5,830,011	5,486,639	408,253	5,894,892
<b>Long-term Liabilities</b>	19,565,492	-	19,565,492	22,205,000	-	22,205,000
<b>Deferred Inflows of Resources</b>	152,490	-	152,490	70,096	-	70,096
Total liabilities and deferred inflows	25,048,155	499,838	25,547,993	27,761,735	408,253	28,169,988
<b>Net Position</b>						
Net investment in capital assets	283,862,328	-	283,862,328	289,978,581	-	289,978,581
Unrestricted	77,781,215	-	77,781,215	51,304,563	-	51,304,563
Total net position	<u>361,643,543</u>	<u>-</u>	<u>361,643,543</u>	<u>341,283,144</u>	<u>-</u>	<u>341,283,144</u>
Total liabilities and net position	<u>\$386,691,698</u>	<u>\$ 499,838</u>	<u>\$387,191,536</u>	<u>\$369,044,879</u>	<u>\$ 408,253</u>	<u>\$369,453,132</u>
<b>Operating Revenue</b>	\$ 3,931,563	\$ -	\$ 3,931,563	\$ 4,639,923	\$ -	\$ 4,639,923
<b>Operating Expenses</b>	32,802,554	6,520,464	39,323,018	33,139,568	7,555,427	40,694,995
Operating loss	(28,870,991)	(6,520,464)	(35,391,455)	(28,499,645)	(7,555,427)	(36,055,072)
<b>Other Revenue (Expense)</b>						
Nonoperating revenue (expense)	54,342,431	-	54,342,431	46,064,745	-	46,064,745
Capital contributions	1,409,423	-	1,409,423	3,472,676	-	3,472,676
Payment from DCTA to NTMC	(6,520,464)	6,520,464	-	(7,555,427)	7,555,427	-
Total other revenue (expense)	<u>49,231,390</u>	<u>6,520,464</u>	<u>55,751,854</u>	<u>41,981,994</u>	<u>7,555,427</u>	<u>49,537,421</u>
Change in net position	<u>\$ 20,360,399</u>	<u>\$ -</u>	<u>\$ 20,360,399</u>	<u>\$ 13,482,349</u>	<u>\$ -</u>	<u>\$ 13,482,349</u>
<b>Cash Flows from Operating Activities</b>	\$ (26,864,831)	\$ 5,529	\$ (26,859,302)	\$ (25,883,237)	\$ 43,941	\$ (18,283,869)
<b>Cash Flows from Noncapital Financing Activities</b>	54,223,364	-	54,223,364	43,472,246	-	43,472,246
<b>Cash Flows from Capital and Related Financing Activities</b>	(2,706,900)	-	(2,706,900)	(3,414,303)	-	(3,414,303)
<b>Cash Flows from Investing Activities</b>	(4,441,661)	-	(4,441,661)	267,048	-	267,048
<b>Net Increase in Cash and Cash Equivalents</b>	20,209,972	5,529	20,215,501	14,441,754	43,941	22,041,122
<b>Cash and Cash Equivalents - Beginning of year</b>	39,356,019	407,390	39,763,409	24,914,265	363,449	25,277,714

# Denton County Transportation Authority

## Notes to Financial Statements

September 30, 2021 and 2020

### Note 12 - Component Unit Information (Continued)

Cash and Cash Equivalents - End  
of year

\$ 59,565,991	\$ 412,919	\$ 59,978,910	\$ 39,356,019	\$ 407,390	\$ 47,318,836
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### Note 13 - Commitments and Contingencies

#### Operating Lease Agreements

The Authority has entered into certain operating lease agreements. All operating leases to which the Authority is currently a party will expire in fiscal year 2022. The total lease expense was \$224,889 for 2021 and \$226,632 for 2020. The remaining lease payments for 2022 are \$119,639.

#### State and Federal Grants

The Authority participates in several State and Federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to these grant programs are subject to audit, approval, and adjustment by the grantor agencies, which could result in refunds to the grantor. It is management's opinion that the Authority has complied with substantially all of the requirements under the respective grants, and therefore, no provision has been recorded in the accompanying financial statements for such liabilities.

#### TRiP Projects

The Transportation Reinvestment Program (TRiP) will enable partnerships between DCTA and its member cities on mutually beneficial investments in transit-supportive projects by allowing DCTA to distribute funds to member cities for eligible projects consistent with DCTA's Long Range Service Plan and the Authority's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code. TRiP was approved by the Board as a five-year program with its first funding cycle in fiscal year 2021. The anticipated annual TRiP budget will be set at 15 percent of DCTA's net available fund balance from the previous fiscal year. For the initial program year and in addition to the set 15 percent, a one-time program startup amount of \$2,000,000 was dedicated to the TRiP project line item within the fiscal year 2021 budget. The Authority has made commitments totaling \$4,972,771 to local communities to support transit-related projects under the Authority's Transportation Reinvestment Program.

### Note 14 - Operating Reserves

The Board adopted a policy to designate three months' operating expenses as a reserve to address unanticipated emergencies, a sales tax stabilization fund, fuel stabilization, and a capital/infrastructure reserve. These reserves may be allocated by the approval of the Board. At September 30, 2021 and 2020, the reserves are as follows:

	2021	2020
Operating reserve	\$ 8,563,132	\$ 8,069,817
Sales tax stabilization	934,625	804,161
Fuel stabilization	326,000	450,000
Capital/infrastructure	2,000,000	4,000,000
Total	<u>\$ 11,823,757</u>	<u>\$ 13,323,978</u>

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## Required Supplemental Information

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# Denton County Transportation Authority

## Required Supplemental Information Schedule of Changes in the Net Pension Liability and Related Ratios

### Last Seven Plan Years Ended December 31

	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>							
Service cost	\$ 354,281	\$ 296,238	\$ 268,708	\$ 232,727	\$ 202,663	\$ 159,650	\$ 130,849
Interest	220,389	174,468	138,144	102,436	70,330	60,290	37,882
Changes in benefit terms	-	-	-	-	-	(26,820)	40,628
Differences between expected and actual experience	(84,719)	51,919	20,678	68,812	6,193	(95,366)	87,214
Changes in assumptions	221,352	-	-	5,065	-	13,055	-
Benefit payments, including refunds	(19,149)	(8,550)	(4,744)	(3,633)	(28,266)	(1,640)	(12,905)
<b>Net Change in Total Pension Liability</b>	692,154	514,075	422,786	405,407	250,920	109,169	283,668
<b>Total Pension Liability - Beginning of year</b>	2,375,960	1,861,885	1,439,099	1,033,692	782,772	673,603	389,935
<b>Total Pension Liability - End of year</b>	<b>\$ 3,068,114</b>	<b>\$ 2,375,960</b>	<b>\$ 1,861,885</b>	<b>\$ 1,439,099</b>	<b>\$ 1,033,692</b>	<b>\$ 782,772</b>	<b>\$ 673,603</b>
<b>Plan Fiduciary Net Position</b>							
Contributions - Employer	\$ 202,396	\$ 200,030	\$ 184,229	\$ 148,998	\$ 126,805	\$ 108,954	\$ 72,565
Contributions - Employee	160,377	159,880	149,818	122,330	104,798	92,022	78,874
Net investment income	248,840	287,455	(23,109)	152,471	55,555	(13,315)	25,740
Administrative expenses	(2,197)	(1,830)	(1,408)	(956)	(604)	(472)	(366)
Benefit payments, including refunds	(19,149)	(8,550)	(4,744)	(3,633)	(28,266)	(1,640)	(12,905)
Other	10,406	12,364	9,955	3,579	22,435	(57)	(27)
<b>Net Change in Plan Fiduciary Net Position</b>	600,673	649,349	314,741	422,789	280,723	185,492	163,881
<b>Plan Fiduciary Net Position - Beginning of year</b>	2,401,949	1,752,600	1,437,859	1,015,070	734,347	548,855	384,974
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 3,002,622</b>	<b>\$ 2,401,949</b>	<b>\$ 1,752,600</b>	<b>\$ 1,437,859</b>	<b>\$ 1,015,070</b>	<b>\$ 734,347</b>	<b>\$ 548,855</b>
<b>Authority's Net Pension Liability - Ending</b>	<b>\$ 65,492</b>	<b>\$ (25,989)</b>	<b>\$ 109,285</b>	<b>\$ 1,240</b>	<b>\$ 18,622</b>	<b>\$ 48,425</b>	<b>\$ 124,748</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	97.87 %	101.09 %	94.13 %	99.91 %	98.20 %	93.81 %	81.48 %
<b>Covered Payroll</b>	\$ 3,207,550	\$ 3,197,604	\$ 2,996,341	\$ 2,446,606	\$ 2,095,950	\$ 1,840,437	\$ 1,577,470
<b>Authority's Net Pension Liability as a Percentage of Covered Payroll</b>	2.04 %	(0.81)%	3.65 %	0.05 %	0.89 %	2.63 %	7.91 %

Schedule is built prospectively upon implementation of GASB 68.

## Denton County Transportation Authority

### Required Supplemental Information Schedule of Pension Contributions

	Last Seven Fiscal Years						
	Year Ended September 30						
	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 188,649	\$ 206,622	\$ 188,483	\$ 184,273	\$ 143,780	\$ 120,475	\$ 99,864
Contributions in relation to the actuarially determined contribution	188,649	206,622	188,483	184,273	143,780	120,475	99,864
<b>Contribution excess (deficiency)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered employee payroll</b>	<b>\$ 3,018,354</b>	<b>\$ 3,300,495</b>	<b>\$ 3,025,716</b>	<b>\$ 3,002,632</b>	<b>\$ 2,364,645</b>	<b>\$ 2,001,375</b>	<b>\$ 1,776,972</b>
<b>Contributions as a percentage of covered employee payroll</b>	<b>6.25 %</b>	<b>6.26 %</b>	<b>6.23 %</b>	<b>6.14 %</b>	<b>6.08 %</b>	<b>6.02 %</b>	<b>5.62 %</b>

#### Notes to Schedule of Pension Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date                      Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increase	Varies by age and service. 4.6% average over career including inflation
Investment rate of return	7.50% net of administrative and investment expenses, including inflation
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Other information	None

## **Denton County Transportation Authority**

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### **Notes to Required Supplemental Information**

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**September 30, 2021 and 2020**

#### **Pension Information**

##### ***Changes in Assumptions***

Amounts reported in 2021 reflect updated investment rate of return, net of investment and administrative expenses, from 8.00 percent to 7.50 percent, inflation from 2.75 percent to 2.50 percent and discount rate from 8.10 percent to 7.60 percent.

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## Other Supplemental Information

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**Denton County Transportation Authority**

**Other Supplemental Information**

**Schedule of Revenues and Expenses - DCTA - Budget to Actual**

**Year Ended September 30, 2021 with Comparative Actual for 2020**

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget	2020
<b>Operating Revenues</b>					
Passenger revenue	\$ 580,291	\$ 580,291	\$ 548,078	\$ (32,213)	\$ 833,637
Contract services	3,458,402	3,633,760	2,923,277	(710,483)	3,378,826
Other	-	200,000	460,208	260,208	427,460
Total operating revenues	4,038,693	4,414,051	3,931,563	(482,488)	4,639,923
<b>Operating Expenses</b>					
Salaries, wages and benefits	4,193,211	4,263,661	3,945,499	318,162	4,398,509
Outsourced services and charges	3,955,959	6,247,868	5,028,644	1,219,224	4,683,164
Materials and supplies	2,917,735	2,883,995	1,086,848	1,797,147	1,922,266
Purchased transportation services	10,732,539	11,402,257	10,302,946	1,099,311	10,091,453
Utilities	506,668	508,810	431,998	76,812	431,838
Insurance	1,681,336	1,715,712	1,712,923	2,789	1,656,122
Leases and rentals	238,468	238,468	224,889	13,579	226,632
Employee development	241,304	241,604	82,372	159,232	170,770
Transportation reinvestment program	-	29,798	29,798	-	-
Depreciation	10,489,375	10,489,375	9,956,637	532,738	9,558,814
Total operating expenses	34,956,595	38,021,548	32,802,554	5,218,994	33,139,568
<b>Operating loss</b>	(30,917,902)	(33,607,497)	(28,870,991)	4,736,506	(28,499,645)
<b>Nonoperating revenues (expenses)</b>					
Investment income	100,000	100,000	31,178	(68,822)	320,793
Gain (loss) on sale of assets	-	-	42,344	42,344	(7,482)
Sales tax revenue	26,624,124	31,154,178	35,332,154	4,177,976	29,817,365
Transit system operating assistance grants	16,506,873	19,143,234	19,633,941	490,707	16,843,203
Interest expense	(841,080)	(684,330)	(697,186)	(12,856)	(909,134)
Total nonoperating revenues (expenses)	42,389,917	49,713,082	54,342,431	4,629,349	46,064,745
<b>Capital Contributions - Capital grants</b>	6,094,359	1,556,153	1,409,423	(146,730)	3,472,676
<b>Transfers to NTMC</b>	(8,027,839)	(8,214,303)	(6,520,464)	1,693,839	(7,555,427)
<b>Change in Net Position</b>	9,538,535	9,447,435	20,360,399	10,912,964	13,482,349
<b>Net Position - Beginning of year</b>	341,283,144	341,283,144	341,283,144	-	327,800,795
<b>Net Position - End of year</b>	<b>\$ 350,821,679</b>	<b>\$ 350,730,579</b>	<b>\$ 361,643,543</b>	<b>\$ 10,912,964</b>	<b>\$ 341,283,144</b>



**Denton County Transportation Authority**

Other Supplemental Information

Schedule of Revenues and Expenses - NTMC - Budget to Actual

**Year Ended September 30, 2021 with Comparative Actual for 2020**

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget	2020
<b>Operating Revenues</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating Expenses</b>					
Salaries, wages and benefits	7,451,314	7,636,554	6,028,468	(1,608,086)	7,211,425
Outsourced services and charges	399,919	400,219	366,444	(33,775)	201,117
Insurance	118,878	119,802	109,898	(9,904)	127,872
Employee development	54,435	54,435	15,051	(39,384)	15,013
Materials and supplies	3,293	3,293	603	(2,690)	-
Total operating expenses	8,027,839	8,214,303	6,520,464	(1,693,839)	7,555,427
<b>Transfers from DCTA</b>	8,027,839	8,214,303	6,520,464	(1,693,839)	7,555,427
<b>Change in Net Position</b>	16,055,678	16,428,606	13,040,928	(3,387,678)	15,110,854
<b>Net Position - Beginning of year</b>	-	-	-	-	-
<b>Net Position - End of year</b>	<b>\$ 16,055,678</b>	<b>\$ 16,428,606</b>	<b>\$ 13,040,928</b>	<b>\$ (3,387,678)</b>	<b>\$ 15,110,854</b>

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# Denton County Transportation Authority

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**Federal Awards Supplemental Information  
September 30, 2021**

**Denton County Transportation Authority**

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Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

**Independent Auditor's Report**

To the Board of Directors  
Denton County Transportation Authority

We have audited the financial statements of the Denton County Transportation Authority (the "Authority") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated , which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to .

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Board of Directors  
Denton County Transportation Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Denton County Transportation Authority (the "Authority") as of and for the year ended September 30, 2021 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated .

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance  
Required by the Uniform Guidance

**Independent Auditor's Report**

To the Board of Directors  
Denton County Transportation Authority

**Report on Compliance for Each Major Federal Program**

We have audited the Denton County Transportation Authority's (the "Authority") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on the Authority's major federal program for the year ended September 30, 2021. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended September 30, 2021.

**Report on Internal Control Over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

To the Board of Directors  
Denton County Transportation Authority

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Denton County Transportation Authority****Schedule of Expenditures of Federal Awards****Year Ended September 30, 2021**

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
Clusters:				
U.S. Department of Transportation - Direct Programs				
Federal Transit Cluster:				
Federal Transit—Formula Grants (Urbanized Area Formula Program)				
TX-95-X079-00	20.507		\$ -	\$ 565,518
TX-2017-011-00	20.507		-	587,974
TX-2019-071-00	20.507		-	406,307
TX-2020-048-00	20.507		-	245,654
COVID-19- TX-2020-095-00	20.507		-	16,735,697
TX-2020-124-00	20.507		-	1,297,076
TX-2020-151-00	20.507		-	176,970
TX-2021-014-00	20.507		-	255,931
TX-2021-088-00	20.507		-	441,642
TX-2021-091-00	20.507		-	158,042
Total Formula Grants (Urbanized Area Formula Program)			-	20,870,811
TX-2021-067-00 State of Good Repair Grants Program	20.525		-	(1,120)
Total Federal Transit Cluster			-	20,870,811
Passed Through the North Central Texas Council of Governments				
Transit Services Programs Cluster:				
TX-57-X043-01 Job Access and Reverse Commute Program	20.516	N/A	-	99,778
Total expenditures of federal awards			\$ -	\$ 20,970,589



**Denton County Transportation Authority**

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**Notes to Schedule of Expenditures of Federal Awards**

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**Year Ended September 30, 2021****Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Denton County Transportation Authority (the "Authority") under programs of the federal government for the year ended September 30, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the full accrual of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The pass-through entity identifying numbers are presented where available.

The Authority has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

**Denton County Transportation Authority****Schedule of Findings and Questioned Costs****Year Ended September 30, 2021****Section I - Summary of Auditor's Results****Financial Statements**

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X   None reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes      X   None reported

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X   None reported
- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? \_\_\_\_\_ Yes      X   No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster	Opinion
20.507, 20.525	Federal Transit Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

  X   Yes    \_\_\_\_\_ No**Section II - Financial Statement Audit Findings**

None

**Section III - Federal Program Audit Findings**

None

DATE, 2022

To the Board of Directors  
Denton County Transportation Authority

We have audited the financial statements of the Denton County Transportation Authority (the "Authority") as of and for the year ended September 30, 2021 and have issued our report thereon dated DATE, 2022. Professional standards require that we provide you with the following information related to our audit, which is divided into the following sections:

Section I - Required Communications with Those Charged with Governance

Section II - Other Items

Section I includes information that current auditing standards require independent auditors to communicate to those individuals charged with governance. We will report this information annually to the members of the board of directors of the Authority.

Section II contains informational items that we believe will be of interest to you.

We would like to take this opportunity to thank the Authority's staff for the cooperation and courtesy extended to us during our audit. Their assistance and professionalism are invaluable.

This report is intended solely for the use of the members of the board of directors and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

We welcome any questions you may have regarding the following communications, and we would be willing to discuss these or any other questions that you might have at your convenience.

Very truly yours,

**Plante & Moran, PLLC**

Pamela L. Hill

Keith Szymanski

## **Section I - Required Communications with Those Charged with Governance**

### **Our Responsibility Under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter dated November 4, 2021, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of the Authority. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our audit of the Authority's financial statements has also been conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Under *Government Auditing Standards*, we are obligated to communicate certain matters that come to our attention related to our audit to those responsible for the governance of the Authority, including compliance with certain provisions of laws, regulations, contracts, and grant agreements; certain instances of error or fraud; illegal acts applicable to government agencies; and significant deficiencies in internal control that we identify during our audit. Toward this end, we issued a separate letter dated DATE, 2022 regarding our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements.

### **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on July 22, 2021.

### **Significant Audit Findings**

#### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note 1 to the financial statements.

As described in Note 1 to the financial statements, the Authority made a reporting change to combine the North Texas Mobility Corporation with the Authority's operations.

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus.

We noted no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant balances, amounts, or disclosures in the financial statements based on sensitive management estimates.

The disclosures in the financial statements are neutral, consistent, and clear.

***Difficulties Encountered in Performing the Audit***

We encountered no difficulties in performing and completing our audit.

***Disagreements with Management***

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

***Significant Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Authority, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated DATE, 2022.

***Management Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**Other Information Included in Annual Reports**

Our responsibility for other information included in annual reports does not extend beyond the financial statements, and we do not express an opinion or any form of assurance on the other information. However, we read the introductory and statistical section of the financial statements, and nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially misstated or materially inconsistent with the information or manner of its presentation appearing in the financial statements.

## Section II - Other Items

### **COVID-19 Resource Center and ARPA**

Throughout the COVID-19 pandemic, Plante & Moran, PLLC's COVID-19 task force of leaders across the firm has monitored, addressed, and provided insight related to the virus and the unique challenges our local governments have faced while continuing to provide essential services to their communities through our COVID-19 resource center at <https://www.plantemoran.com/explore-our-thinking/areas-of-focus/covid-19-government-resource-center>. This will continue as our nation emerges from this crisis.

In March 2021, the president signed the American Rescue Plan Act (ARPA) into law, which included \$30.5 billion in federal funding to support public transportation systems. The ARPA award terms provide that payments from the Fiscal Recovery Funds as a general matter will be subject to the provision of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), including the cost principles and restrictions on general provisions for selected items of cost. The Authority will need to understand these reforms and may be required to evaluate, document, and monitor internal procedures around compliance, including maintaining certain required policies.

The COVID-19 resource center is being continuously updated for the latest guidance and strategy related to ARPA and will help keep the Authority running smoothly through our nation's recovery.

Want to receive relevant content directly to your email? Subscribe at <https://www.plantemoran.com/subscribe> where you can customize your subscription preferences based on your specific interests and industry selection.

### **Auditor Reporting Standards**

The AICPA Auditing Standards Board (ASB) issued several new standards that will be effective shortly, which will significantly change the independent auditor's report and make some changes to certain required audit procedures. The standards discussed below are both first effective for your fiscal year ending June 30, 2022.

Statement on Auditing Standards No. 137 addresses auditors' responsibilities relating to other information included in annual reports. This new standard may increase the scope of audit procedures and may result in some audit work being performed outside of the normal timing. To the extent that the Authority issues a document meeting the AICPA's definition of an annual report under the standard, additional audit procedures will need to be performed on that separate document before it is issued.

Statement on Auditing Standards No. 134 requires changes in the form and content of the auditor's report issued as a result of an audit of financial statements in order to provide financial statement users with more meaningful information about the audit process and meaning of auditor opinions. This is the first significant change to auditors' reports in years.

Significant elements of the new standard include:

- Revision of order for elements of the opinion letter, including moving the auditor's opinion to the top of the letter
- Expansion of information to be included within a basis of opinion section and notification to the user that the auditor is required to be independent of the entity and meet other ethical responsibilities
- Explanation of how misstatements to financial statements are determined to be material
- Addition of definition of reasonable assurance and identifying that the risk of material misstatement due to fraud is greater than the risk due to error

## Section II - Other Items (Continued)

- Enhanced reporting related to going concern, including a description of management's responsibilities when required by the applicable reporting framework
- Description of the auditor's responsibilities, including responsibilities relating to professional judgment and professional skepticism, internal controls, identification of risks of material misstatement to the financial statements, evaluation of accounting policies used, conclusion on the entity's ability to continue as a going concern, and the auditor's communications with those charged with governance

We are happy to discuss these changes with you so that you are well prepared.

### **Cybersecurity**

Cyberattacks are on the rise across the globe, and the cost of these attacks is ever increasing. Because of these attacks, governmental entities stand to lose their reputation, the ability to operate efficiently, and proprietary information or assets. They potentially can also be subject to financial and legal liabilities. Managing this issue is especially challenging because even a government with a highly mature cybersecurity risk management program still has a residual risk that a material cybersecurity breach could occur and not be detected in a timely manner.

Recognizing the risk of cyberattacks, the Department of Homeland Security recently announced that TSA will impose cybersecurity mandates on certain rail transit systems and railroads. It will be recommended that public transit agencies not covered by the directive adopt certain measures, including developing and implementing contingency/response plans for cyberattacks and conducting self-assessments to benchmark cybersecurity posture.

We understand that the technology department continues to monitor and evaluate this risk, which are critical best practices. Additionally, periodic assessments of the system in order to verify that the control environment is working as intended are key parts of measuring associated business risk. We encourage administration and those charged with governance to work with the technology team on this very important topic. If we can be of assistance in the process, we would be happy to do so.

### **Upcoming Accounting Standard Requiring Preparation - GASB Statement No. 87 - Leases**

This new accounting pronouncement will be effective for the Authority's 2022 fiscal year. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

We recommend beginning to accumulate information now related to all significant lease agreements in order to more efficiently implement this new standard once it becomes effective.

Plante & Moran, PLLC has been providing trainings and other resources to help prepare for the implementation of this new standard. Please reach out to your engagement team for assistance in getting started.



## Board of Directors Memo

January 27, 2022

SUBJECT: Consider A Second Amended and Restated Employment Agreement Between Denton County Transportation Authority (DCTA) and the Chief Executive Officer (CEO)

### Identified Need

The Board of Directors will deliberate the terms of the employment contract with the CEO.



## Board of Directors Memo

January 27, 2022

SUBJECT: Review and Discuss Project Management Office (PMO) Activities 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:

January PMO activities centered on 1) refinement of service data Board reporting formats; 2) Connect route ridership data extraction, cleansing, and conversion to facilitate staff and Board analysis; 3) Preparation activities for Board-Staff Strategic Workshop; 4) ERP alternative vendor response solicitation and selection planning; and 5) Review of GoZone promotional fare policy alternatives.

### Exhibits

Exhibit 1: Accenture PMO Status Report

Submitted By: Chris Newport  
Chris Newport, Accenture



# PMO Board Update

Week Ending 01/21/2022

# Program Status Overview

Overall	Detailed – Task Order 2						Current Focus / Accomplishments	Risks/Issues/ Mitigations
	Revised Roadmap	GoZone Launch PMO	Board-Staff Strategic Planning	Service Analysis & Reporting	ERP Sourcing Strategy	Service & Fare Design Analysis		
G	C	C	G	G	G	G	<ul style="list-style-type: none"> <li>Service data analysis and reporting               <ul style="list-style-type: none"> <li>Updated GoZone data in the draft DCTA Performance Dashboard</li> <li>Developed initial draft of a Fixed Route dashboard</li> <li>Utilizing custom-built Excel macro to parse data in a format that can be blended with GoZone data for potential comparative analyses</li> <li>Review and refinement of Board ridership reporting formats, cadence, and granularity</li> <li>Discussed service and fare design alternatives approach and timeline with VIA per Board feedback in December</li> </ul> </li> <li>ERP Sourcing Strategy               <ul style="list-style-type: none"> <li>Supported solicitation of responses from short-listed alternative solution vendors</li> <li>Developing alternative solution selection timeline of activities and risk mitigation approaches</li> </ul> </li> <li>Strategic Workshop preparation               <ul style="list-style-type: none"> <li>Developing pre-workshop questions for Board and overall structure and focus areas of workshop</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>None at this time</li> </ul>

## Board of Directors Memo

January 27, 2022

SUBJECT: GoZone Update

### Recommendation

No Board action required at this time. This is an informational update.

### Background

DCTA and River North Transit (Via) launched GoZone service on Tuesday, September 7<sup>th</sup>, 2021. This report will serve as an update on the following topics:

- GoZone statistics
- The effect of GoZone efficiency and performance on FY22 budget.
- Related service performance information and other updates
- Additional challenges staff faces to support GoZone operations

### Previous Board Activity & Action

- **June 25, 2020** – Regular Agenda Item 3 – Mobility as a Service (MaaS) Task Order for Member City Services
- **July 31, 2020** – Specially Called Board Meeting – Transformation Initiative Workshop – Discussed as part of the future planning process
- **August 27, 2020** – Regular Agenda Item 8 – Discuss MaaS Task Order #2: On-Demand Service in Member Cities
- **September 24, 2020** – Regular Agenda Item 8 – Consider Approval of MaaS Task Order #2: On-Demand Services for Member Cities and Contracted Cities
- **November 12, 2020** – Regular Agenda Item 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 Item 6 - Discuss DCTA Priority Actions
- **January 28, 2021**
  - Regular Agenda Item 5 – Approval and Award of Mobility as a Service Contract
  - Joint Info Item 1 – DCTA Agency Priorities Update (memo and flowchart)
- **March 10, 2021** – Regular Agenda Item 7 – Review and Discuss MaaS Service Plan Update and Considerations
- **April 7, 2021**
  - Regular Agenda Item 1 – Presentation, Discussion and Approval of Via's Proposal #4
  - Regular Agenda Item 2 – Presentation and Discussion of Task Order with Via
- **May 27, 2021** – Regular Agenda Item 7 – Public Involvement Progress Report

- **June 24, 2021** – Regular Agenda Item 7 – Discuss GoZone Public Involvement Feedback and Potential Service Modifications to Proposed Plan
- **July 22, 2021** – Regular Agenda Item 4 - Discuss and Consider Approval of GoZone Service Plan for Launch on September 7, 2021
- **August 26, 2021** – Regular Agenda Item 6 - Update and Discussion of the September 7, 2021 GoZone Launch and Fixed Route Services
- **September 23, 2021** – Regular Agenda Item 3 - Update on Mobility Services, GoZone and Fixed Route
- **October 28, 2021** – Regular Agenda Item 6 – Provide a Report on GoZone Service Performance
- **December 2, 2021** – Regular Agenda Item 5 – GoZone Update

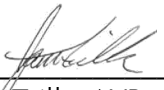
#### Financial Impact

The DCTA board approved budget for FY21 and proposed FY22 budget to support GoZone service at the July 22, 2021 board meeting.

#### Exhibits

None.

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

  
Javier Trilla, AVP of Innovation and Information Technology

## Board of Directors Memo

January 27, 2022

SUBJECT: Consider Approval of Task Order #3 with Accenture, LLP and Consider Approval of Resolution R22-01 Approving FY22 Budget Revision 2022-05

### Recommendation

Staff recommends the Board approve Task Order #3 with Accenture, LLP (“Accenture”) for Transformation Initiative priority project implementation services and approve Resolution R22-01 FY22 Budget Revision 2022-05.

### Background

Effective February 1, 2021, Accenture began a 12-month engagement to deliver Agency Transformation Initiative Implementation Program Management Office (PMO) services to provide general support of DCTA’s implementation of several workstreams. Accenture Task Order #2 expires on January 31, 2022.

The CEO and staff have determined the following specific projects as the priorities to include in Task Order #3 scope of work:

- Board-Staff Strategic Planning Workshop Preparation and Facilitation
- ERP Alternative Selection
- Service Network and Fare Design Research, Data Analysis & Visualization

The CEO’s intent is to issue Task Order #3 to ensure continuity of DCTA’s engagement with Accenture in support of Agency Transformation Initiatives. Exhibit 1 depicts the scope of work (SOW) for Task Order #3 with Accenture.

### Previous Board Activity & Action

- June 25, 2020 – Board approved Task Order #1 with Accenture for Transformation Initiative Agency Assessment and Roadmap services
- January 28, 2021 – Board approved Task Order #2 with Accenture and associated budget amendment for Transformation Initiative PMO services
- December 2, 2021 – Discussion of Task Order #3 with Accenture for Transformation Initiative Priority Project Implementation Services

### Financial Impact

The total budget impact of Budget Revision 2022-05 is a decrease to Net Position of \$447k.

### Exhibits

Exhibit 1: Accenture SOW Task Order 3

Exhibit 2: Resolution R22-01 with the following Exhibits:

“A”: Budget Revision 2022-05

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

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

Exhibit 3: Year-to-Date FY22 Budget Revisions



Submitted By:

A handwritten signature in black ink, appearing to read "J. Trilla", is written over a horizontal line.

Javier Trilla, AVP of Innovation and Information Technology

**STATEMENT OF WORK (SOW)**  
**Task Order Three**  
**Accenture, LLP**

**Denton County Transportation Authority**

January 17, 2022

**Regular Agenda Item 7 – Exhibit 1**



## STATEMENT OF WORK

The scope of this Statement of Work (“SOW”) is to provide professional services for specific workstreams that support DCTA’s implementation of Transformation Roadmap initiatives. Expected outcomes of Task Order Three include a document synthesizing Board of Directors consensus for strategically important Agency activities over the next 3-5 years, selection of an alternative ERP technology solution, and service plans informed by data analysis and service operator collaboration.

## SCOPE & APPROACH

Accenture proposes that Task Order Three scope be dedicated to facilitation of a Board-Staff Strategic Planning Workshop, ERP Alternative Selection, and Data Analysis & Visualization to support service design and fare structure recommendations to the Board at its June 2022 meeting.

The scope summarized above is intended to provide DCTA with dedicated resources that will work with DCTA leadership and staff to achieve the goals of the Transformation Initiative while maintaining ongoing operations.

### **Board-Staff Strategic Planning Workshop Preparation and Facilitation:**

- Activities:
  - Preparation, distribution and analysis of a workshop participant pre-event survey and briefing document
  - Development of a detailed agenda for the February 18<sup>th</sup> Workshop, document summarizing key themes from participant pre-event survey responses, and Workshop facilitation presentation
  - Provide two facilitators for the day-long Workshop on February 18<sup>th</sup>, which will include full-group discussions, short presentations by Accenture and DCTA staff, and potentially small-group activities. All aspects of the Workshop will be organized and facilitated in a manner that is compliant with the Texas Open Meetings Act; it is not expected that the DCTA Board will take any formal votes during the Workshop
  - Identification of where consensus exists among the DCTA Board regarding agency priorities for the next 3-5 years
- Deliverables:
  - Workshop Agenda: A written outline describing the different components/activities of the Workshop, the purpose and objective of those components, and the expected amount of time to be spent on them during the Workshop
  - Pre-Workshop Summary: A PowerPoint presentation of the themes collected during the pre-event survey
  - Post-Workshop Report: A PowerPoint presentation that documents the work completed at the Workshop and outlines any consensus agreements or priority items
- Workstream Duration: February 1<sup>st</sup> to February 28<sup>th</sup>, 2022 or four weeks as schedule finalized by staff and Board.

## ERP Alternative Selection

- Activities:
  - Support solicitation of up to four vendor responses to DCTA requests for information, product pricing, and product demonstrations

## R07 – Exhibit 1

Accenture Task Order Three  
Denton County Transportation Authority

- Develop ERP selection alternative scoring methodology; associated template for use by ERP Selection Committee; template to summarize alternative products' relative scoring, qualitative factors critical to assessment of alternatives, and recommendation of ERP Selection Committee
  - Develop ERP Selection timeline and facilitation of ERP Selection Committee meetings to complete activities to select an ERP alternative solution
  - Review submitted proposals and provide non-scored feedback regarding completeness, key risks or issues, and strengths/weaknesses of proposed solution as described in responses
- Deliverables:
- ERP Alternative Selection Scoring Templates: a set of PowerPoint documents enabling members of the ERP Selection Committee to evaluate vendors' products and services along relevant product function and technical categories for the following stages of the evaluation of alternatives:
    - Vendor initial responses to DCTA's ERP Solution Differentiating Functional Scenarios information request
    - Up to two rounds of ERP vendor/implementation partner product demonstrations and proposals
    - Best-and-Final Offer proposals
  - Document synthesizing the methodology, results of the ERP alternative selection process, and recommendation of the ERP Selection Committee
- Workstream Duration: 12 weeks from final receipt of up to four responses for separate products or platforms to that DCTA ERP Solution Differentiating Functional Scenarios information request document

### Service Network and Fare Design Research, Data Analysis & Visualization

- Activities:
- Facilitation and Synthesis of GoZone Service Partner Input: Support or own scheduling and conduct of meetings with GoZone Service Partner to understand, synthesize, and project recommended service pricing scenarios and potential impacts of up to four scenarios on service utilization. Such scenarios shall include:
    - GoZone service operating alongside an optimized fixed route network utilizing designs for service hubs, circulators, express connectors, etc.
    - GoZone service replacing all existing Connect service except for Connect Route 7
    - GoZone service replacing all existing Connect service, per request from DCTA Board
  - Data Analysis & Visualization:
    - Transform (as required) agency raw data, develop monthly agency service ridership analysis for agency service modes, and produce and maintain up to five (5) service performance dashboards
    - Develop data transformation, analysis, and visualization dashboard tools for agency reporting and potential staff utilization

## **R07 – Exhibit 1**

Accenture Task Order Three  
Denton County Transportation Authority

- Document data transformation, analysis, and visualization methodologies and conduct Knowledge Transfer sessions with up to 8 technology, operations, mobility and/or finance staff members to enable staff to perform these activities internally
- Service Fare Design Research: Review, document, and synthesize fare design approaches of up to ten agencies with respect to steady-state operational fare design for service comparable to DCTA GoZone micro transit service; inter-modal and multi-modal fare design strategies deployed; policy implications of fare design scenario options
- Develop summary report of service data analysis & visualization and fare design findings for agency staff and Board review and decision making
- Deliverables:
  - Monthly PowerPoint reports summarizing results of service ridership data transformation, analysis, and visualization, to include up to five (5) service performance dashboards
  - Excel, PowerBI, and PowerPoint or Word Knowledge Transfer files detailing data transformation, analysis, and visualization methodologies and execution instructions
  - PowerPoint document summarizing service design data analysis & visualization and fare design findings for presentation to agency staff and Board of Directors
- Out of Scope:
  - Activities related to the marketing, promotion, direct engagement or surveying of the public involved in a Public Engagement Process associated with proposed Fare or Service changes
- Workstream Duration: February 1, 2022 to July 3, 2022

### **PERIOD OF PERFORMANCE**

Accenture proposes a contract term for Task Order Three of twenty-two (22) weeks, with services commencing on the later date of either February 1, 2022 or the date of Task Order Three execution.

### **KEY ASSUMPTIONS**

The following are the key assumptions and principles upon which Accenture's scope of Services and pricing are based:

- Pricing relies on staffing to provide all activities, deliverables and associated milestones described herein; disaggregation of the workstreams will require re-estimation of quoted pricing
- Accenture staff will perform all Services on a remote basis and will attend Program meetings by telephone or video conference
- The Accenture Team will perform Services during the DCTA's regular business hours.
- DCTA will commit the necessary resources and management involvement to support Accenture's services.
- DCTA shall set overall direction for the engagement and make choices on direction, options and priorities. Decisions to be made by DCTA will be made promptly and without delay.
- DCTA shall be responsible for obtaining, at no cost to Accenture, consents for Accenture's use of any third-party products provided by DCTA to Accenture under this SOW.
- DCTA shall be responsible for the performance of any third parties engaged by DCTA in connection with this SOW and ensuring that they cooperate with Accenture.

## R07 – Exhibit 1

Accenture Task Order Three  
Denton County Transportation Authority

- DCTA will be responsible for its operation and use of Accenture's services and deliverables, subject to applicable warranties and indemnities, and for determining whether the services and deliverables provided by Accenture under this SOW, including any revised business processes, meet DCTA's business requirements and applicable internal guidelines.
- Accenture shall provide up to 5 Agency Performance Dashboards in Microsoft PowerBI format files
- Accenture shall have no access to the DCTA's personal data.
- Accenture and its personnel do not provide and will not be required to provide any legal, regulatory, audit, medical, insurance or tax advice. DCTA will be responsible for obtaining such advice from its own legal counsel or other licensed professionals.
- By its performance of these Services, Accenture shall not be precluded from performing any related or follow-on services for DCTA, either as a prime contractor or a subcontractor to another vendor.
- The fixed price for this SOW is based on the scope and deliverables described herein. Requested changes by either party to project goals or deliverables will be discussed with DCTA for impact on scope/time/cost. Changes will require written approval by both Parties

### PROFESSIONAL FEES:

Accenture will provide the professional services described in this document for a fixed price of \$447,000. Accenture proposes to invoice DCTA pursuant to a milestone-based schedule tied to critical activities or deliverables associated with Workstreams One, Two and Three.

Milestone	Deliverables	Description	Expected Date	Amount
1	Strategic Planning Workshop	Workshop final agenda, presentation document, event facilitation, and post-workshop report	2/25/2022	\$47,050
2	February Service Data Analysis, Visualization, and Reporting	Monthly PowerPoint Board report summarizing results of service ridership data transformation, analysis, and visualization	2/25/2022	\$47,050
3	ERP Evaluation Toolkit 1	PowerPoint or Word document template to evaluate vendor responses to request for information and product Demo 1	3/4/2022	\$35,290
4	Data Analysis & Visualization Knowledge Transfer	Excel, PowerBI, and PowerPoint or Word Knowledge Transfer files detailing data transformation, analysis, and visualization methodologies and execution instructions	3/11/2022	\$23,525
5	March Service Data Analysis, Visualization, and Reporting	Monthly PowerPoint Board report summarizing results of service ridership data transformation, analysis, and visualization	3/24/2022	23,525

**R07 – Exhibit 1**

Accenture Task Order Three  
Denton County Transportation Authority

6	ERP Evaluation Toolkit 2	PowerPoint or Word document template to evaluate vendor/implementation partner Demo 2, proposals, and BAFO	3/25/2022	\$35,290
7	April Service Data Analysis, Visualization, and Reporting	Monthly PowerPoint Board report summarizing results of service ridership data transformation, analysis, and visualization	4/28/2022	\$58,815
8	ERP Selection Process and Decision Summary	PowerPoint or Word document summarizing the approach, activities, and recommended ERP solution alternative	4/29/2022	\$70,580
9	May Service Data Analysis, Visualization, and Reporting	Monthly PowerPoint Board report summarizing results of service ridership data transformation, analysis, and visualization	5/26/2022	\$47,050
10	Service & Fare Design Data Analysis and Recommendations	PowerPoint document summarizing service design data analysis & visualization and fare design findings for presentation to agency staff and Board of Directors	6/23/2022	\$58,825

Accenture assumes, for milestones completed within the same month, that it will submit a consolidated invoice to DCTA Accounts Payable for the amounts corresponding to the milestones completed in that month no later than the 5th day of the following month. DCTA may alternatively direct Accenture to submit invoices as milestones are completed.

**DENTON COUNTY TRANSPORTATION AUTHORITY  
RESOLUTION NO. R22-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPROVING FISCAL YEAR 2022 BUDGET REVISION NUMBER 2022-05 REVISED OPERATING BUDGET, ATTACHED HERETO AS EXHIBITS “A” AND “B”, RESPECTIVELY; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

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

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

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

**WHEREAS**, the Board of Directors of the DCTA desires to amend the fiscal year 2022 Operating Budget as set forth in Exhibits “A” and “B”, respectively.

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

**SECTION 1.** The Operating Budget Revision attached hereto as Exhibits “A” and “B”, respectively, be, and the same is hereby adopted and which shall amend the original budget adopted September 23, 2021, from and after the effective date of this Resolution.

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

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

**DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 27<sup>TH</sup> DAY OF JANUARY, 2022.**

**APPROVED:**

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Cesar Molina, Chair

**ATTEST:**

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Secretary  
(01-18-2022:TM 127157)

**Exhibit “A”**  
**Budget Revision 2022-05**  
**(to be attached)**



DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA)  
BUDGET TRANSFER / REVISION REQUEST

TRANSACTION TYPE:      Transfer    ☐  
    Revision    ☒

Number: 2022-05

Current Budget Amount	Budget Revision Amount	Adjusted Budget Amount
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ADDITIONS TO EXISTING BUDGET

OPERATING EXPENSE:	Professional Services (110.50309)	\$	302,668	\$	447,000	\$	749,668
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*Net Position Impact*    \$    (447,000)

EXPLANATION: Budget revision 2022-05 is for Task Order #3 for Accenture. The CEO and staff have determined the following specific projects as the priorities to include in Task Order #3 scope of work:

- Board-Staff Strategic Planning Workshop Preparation and Facilitation
- ERP Alternative Selection
- Service Network and Fare Design Research, Data Analysis & Visualization

The CEO's intent is to issue Task Order #3 to ensure continuity of DCTA's engagement with Accenture in support of Agency Transformation Initiatives.

DATE:            1.18.2022

REQUESTED BY:

*Amanda Biddle*

DATE:            01/18/22

REVIEWED BY:

*Walter J. Ruff*

DATE:

CEO:

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

# DENTON COUNTY TRANSPORTATION AUTHORITY

## Change in Net Position

Description	DCTA FY 2022 Adopted Budget	DCTA Completed Budget Revisions	DCTA Proposed Budget Revision 2022-05	DCTA FY 2022 Working Budget
<b>OPERATING REVENUE</b>				
Passenger Revenues (Bus Farebox)	\$ 326,995	\$ 52,667	\$ -	\$ 379,662
Passenger Revenues (Rail Farebox)	262,917	-	-	262,917
Contract Service Revenue	3,915,759	-	-	3,915,759
<b>Total Operating Revenue</b>	<b>4,505,671</b>	<b>52,667</b>	<b>-</b>	<b>4,558,338</b>
<b>OPERATING EXPENSES</b>				
Salary, Wages & Benefits	5,103,643	-	-	5,103,643
Outsourced Services & Charges	4,610,662	25,650	447,000	5,083,312
Materials & Supplies	2,650,094	220,500	-	2,870,594
Utilities	526,281	-	-	526,281
Insurance	1,635,812	70,240	-	1,706,052
Purchased Transportation Services	16,680,162	150,094	-	16,830,256
Employee Development	235,385	-	-	235,385
Leases & Rentals	139,772	-	-	139,772
Depreciation	10,899,464	-	-	10,899,464
<b>Total Operating Expenses</b>	<b>42,481,275</b>	<b>466,484</b>	<b>447,000</b>	<b>43,394,759</b>
Operating Income / (Loss)	(37,975,604)	(413,817)	(447,000)	(38,836,421)
<b>NON-OPERATING REVENUE / (EXPENSE)</b>				
Investment Income	12,000	-	-	12,000
Misc. Revenues	-	-	-	-
Sales Tax Revenue	32,088,804	575,093	-	32,663,897
Federal Grants & Reimbursements	26,390,897	-	-	26,390,897
State Grants & Reimbursements	-	-	-	-
Long Term Debt Interest/Expense	(237,800)	-	-	(237,800)
<b>Total Non-Operating Revenue / (Expense)</b>	<b>58,253,901</b>	<b>575,093</b>	<b>-</b>	<b>58,828,994</b>
Income (Loss) Before Transfers	20,278,297	161,276	(447,000)	19,992,573
Transfers Out	(6,364,715)	(828,352)	-	(7,193,067)
Transfers In	-	-	-	-
<b>Total Transfers</b>	<b>(6,364,715)</b>	<b>(828,352)</b>	<b>-</b>	<b>(7,193,067)</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 13,913,582</b>	<b>\$ (667,076)</b>	<b>\$ (447,000)</b>	<b>\$ 12,799,506</b>

**DENTON COUNTY TRANSPORTATION AUTHORITY**  
Change in Net Position

Description	DCTA FY 2022 Adopted Budget	DCTA Completed Budget Revisions	DCTA Proposed Budget Revision 2022-05	DCTA FY 2022 Working Budget	NTMC FY 2022 Adopted Budget	NTMC Proposed Budget Revision 2022-N001	NTMC FY 2022 Working Budget	FY 2022 Adopted Budget	FY 2022 Working Budget
<b>OPERATING REVENUE</b>									
Passenger Revenues (Bus Farebox)	\$ 326,995	\$ 52,667	\$ -	\$ 379,662	\$ -	\$ -	\$ -	\$ 326,995	\$ 379,662
Passenger Revenues (Rail Farebox)	262,917	-	-	262,917	-	-	-	262,917	262,917
Contract Service Revenue	3,915,759	-	-	3,915,759	-	-	-	3,915,759	3,915,759
<b>Total Operating Revenue</b>	<b>4,505,671</b>	<b>52,667</b>	<b>-</b>	<b>4,558,338</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,505,671</b>	<b>4,558,338</b>
<b>OPERATING EXPENSES</b>									
Salary, Wages & Benefits	5,103,643	-	-	5,103,643	5,787,307	802,935	6,590,242	10,890,950	11,693,885
Outsourced Services & Charges	4,610,662	25,650	447,000	5,083,312	450,970	1,922	452,892	5,061,632	5,536,204
Materials & Supplies	2,650,094	220,500	-	2,870,594	1,936	-	1,936	2,652,030	2,872,530
Utilities	526,281	-	-	526,281	-	-	-	526,281	526,281
Insurance	1,635,812	70,240	-	1,706,052	65,842	23,495	89,337	1,701,654	1,795,389
Purchased Transportation Services	16,680,162	150,094	-	16,830,256	-	-	-	16,680,162	16,830,256
Employee Development	235,385	-	-	235,385	58,660	-	58,660	294,045	294,045
Leases & Rentals	139,772	-	-	139,772	-	-	-	139,772	139,772
Depreciation	10,899,464	-	-	10,899,464	-	-	-	10,899,464	10,899,464
<b>Total Operating Expenses</b>	<b>42,481,275</b>	<b>466,484</b>	<b>447,000</b>	<b>43,394,759</b>	<b>6,364,715</b>	<b>828,352</b>	<b>7,193,067</b>	<b>48,845,990</b>	<b>50,587,826</b>
Operating Income / (Loss)	(37,975,604)	(413,817)	(447,000)	(38,836,421)	(6,364,715)	(828,352)	(7,193,067)	(44,340,319)	(46,029,488)
<b>NON-OPERATING REVENUE / (EXPENSE)</b>									
Investment Income	12,000	-	-	12,000	-	-	-	12,000	12,000
Misc. Revenues	-	-	-	-	-	-	-	-	-
Sales Tax Revenue	32,088,804	575,093	-	32,663,897	-	-	-	32,088,804	32,663,897
Federal Grants & Reimbursements	26,390,897	-	-	26,390,897	-	-	-	26,390,897	26,390,897
State Grants & Reimbursements	-	-	-	-	-	-	-	-	-
Long Term Debt Interest/Expense	(237,800)	-	-	(237,800)	-	-	-	(237,800)	(237,800)
<b>Total Non-Operating Revenue / (Expense)</b>	<b>58,253,901</b>	<b>575,093</b>	<b>-</b>	<b>58,828,994</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58,253,901</b>	<b>58,828,994</b>
Income (Loss) Before Transfers	20,278,297	161,276	(447,000)	19,992,573	(6,364,715)	(828,352)	(7,193,067)	13,913,582	12,799,506
Transfers Out	(6,364,715)	(828,352)	-	(7,193,067)	-	-	-	(6,364,715)	(7,193,067)
Transfers In	-	-	-	-	6,364,715	828,352	7,193,067	6,364,715	7,193,067
<b>Total Transfers</b>	<b>(6,364,715)</b>	<b>(828,352)</b>	<b>-</b>	<b>(7,193,067)</b>	<b>6,364,715</b>	<b>828,352</b>	<b>7,193,067</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 13,913,582</b>	<b>\$ (667,076)</b>	<b>\$ (447,000)</b>	<b>\$ 12,799,506</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,913,582</b>	<b>\$ 12,799,506</b>

## YEAR-TO-DATE FY22 BUDGET REVISIONS

DCTA 2022-01 (Presented to DCTA Board October 28, 2021)					
<i>*Approved by DCTA Board in October; Completed*</i>					
			Adopted Budget	Revision	Revised Budget
<u>OPERATING REVENUES:</u>					
<i>Bus Operations</i>	537.40100	Passenger Revenues	\$ 71,399	\$ 1,565	\$ 72,964
<u>OPERATING EXPENSES:</u>					
	G&A 180.50309	Professional Services	194,000	25,650	219,650
	180.50440	Computer Materials & Supplies	40,000	48,700	88,700
<i>Bus Operations</i>	537.50810	Purchased Transportation	1,934,580	150,094	2,084,674
<i>Net Position Impact</i>			\$	(222,879)	

DCTA 2022-02 (Presented to DCTA Board December 2, 2021)					
<i>*Approved by DCTA Board in December; Completed*</i>					
			Adopted Budget	Revision	Revised Budget
<u>NON-OPERATING REVENUES:</u>					
	900.40300	Sales Tax Revenue	\$ 32,088,804	\$ 575,093	\$ 32,663,897
<i>Net Position Impact</i>			\$	575,093	

DCTA 2022-03 (Presented to DCTA Board December 2, 2021)					
<i>*Approved by DCTA Board in December; Completed*</i>					
			Adopted Budget	Revision	Revised Budget
<u>OPERATING REVENUES:</u>					
<i>Bus Operations</i>	511.40100	Passenger Revenues	\$ 62,763	\$ 51,102	\$ 113,865
<u>OPERATING EXPENSES:</u>					
<i>Bus Operations</i>	511.50410	Fuel	108,684	171,800	280,484
	511.50635	Auto Liability Insurance	40,601	70,240	110,841
<u>DCTA TRANSFER OUT TO NTMC OPERATING BUDGET:</u>					
<i>Bus Operations</i>	711.501/502	Salaries & Benefits	502,676	802,935	1,305,611
	711.50306	Uniforms	2,219	1,922	4,141
	711.50630	Workers Compensation Insurance	6,390	23,495	29,885
<i>Net Position Impact</i>			\$	(1,019,290)	

DCTA 2022-04 (Presented to DCTA Board December 2, 2021)					
<i>*Budget Transfer - No Approval Necessary; Completed*</i>					
			Adopted Budget	Revision	Revised Budget
<u>CAPITAL:</u>					
		TRiP Program - FY22 (10703)	\$ 7,119,429	\$ (7,019,429)	\$ 100,000
		TRiP Program FY22 - Denton (10703.1)	-	3,074,578	3,074,578
		TRiP Program FY22 - Highland Village (10703.2)	-	324,900	324,900
		TRiP Program FY22 - Lewisville (10703.3)	-	3,619,951	3,619,951
<i>Net Position Impact</i>			\$	-	



## Board of Directors Memo

January 27, 2021

SUBJECT: Discuss Amendment #4 to Via Task Order #1 for Via to Provide Customer Service for GoZone

### Recommendation

This item is for discussion only.

### Background

Shortly after service launch, Via assumed the responsibility of both phone and E-mail customer support of GoZone operations beyond after-hours support. Beginning on October 1, 2021, Via began to provide this support at no charge to DCTA to ensure riders of the GoZone service received dedicated support without overwhelming DCTA customer service operations. Via extended this level of free support until March 1, 2022, and staff is proposing Amendment #4 for Via to extend support for GoZone until the end of Fiscal Year 2022.

### Previous Board Activity & Action

There has been no previous Board activity or action on this item.

### Identified Need

Customer service for all transit modes is currently provided by NTMC call center employees. Support for all modes of transit by customer service staff would be negatively impacted by the additional load that GoZone calls would create without Via's current support level.

### Financial Impact

Via's customer service proposal presents an incremental cost of \$232,500 to continue supporting GoZone operations to the end of FY22. A budget amendment would be presented to the Board of Directors for approval during the February 2022 meeting.

### Exhibits

Exhibit 1: DCTA Rider Support Proposal\_12\_2021

Submitted By:

Javier Trilla, AVP of Innovation and Information Technology



# DCTA GoZone: Rider Support

December 2021

# Customer Support Summary

## Where we've been...

- DCTA originally maintained GoZone rider support in-house providing both phone and email support at launch of service in September. Via provides late night and weekend rider support to provide supplemental coverage for the DCTA team.
- In October, Via absorbed rider call support to better coordinate driver and rider issues to stabilize launch.

## ... and what we propose for the future.

- Based on our experience in other markets, and the increased stability in rider/driver coordination over the past 2 months, we believe having one team provide both rider and driver support coordinates support efforts and provides a better customer experience
- Via handling day to day will allow the DCTA team to focus on support issues related to fixed route network changes launching in January.
- Via agents will be specifically training on GoZone service and microtransit related issues.
- Via has been able to scale quickly and maintain a high level of service.



# Rider Support Insights

3

8,320

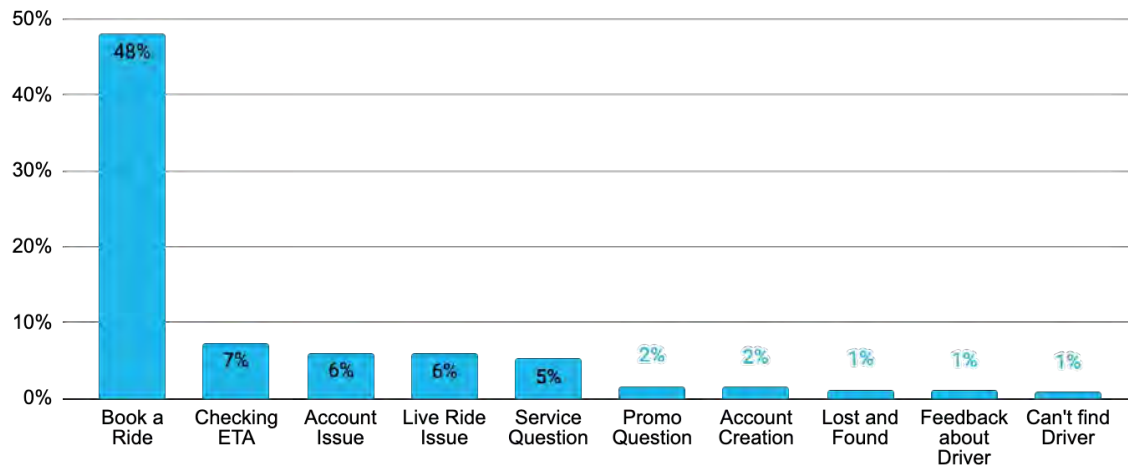
Total Calls

Book a Ride  
Checking ETA  
Account Issue

Main Issues for Calling In

48

Average wait  
time (sec)



121

# Rider Support - Pricing Proposal

**Contract length:** 12-months

<b>Proposed Monthly Fee for All Support (Incl. Late Night + Weekend)</b> March '22 - September '22	<b>\$35,000</b>
<b>Proposed Total Support Cost</b> March '22 - September '22	<b>\$245,000</b>
<b>Credit: Existing Monthly Fee for Late Night + Weekend Support</b> March '22 (already contracted)	<b>(\$12,500)</b>
<b>Proposed 2022 Incremental Cost to DCTA</b> January '22 - December '22	<b>\$232,500</b>

## Details:

- DCTA is currently paying Via for late night and weekend support through March of 2022 (\$75k for 6 months). The proposed \$35k monthly fee is inclusive of late night + weekend support, which will be credited on March invoice.
- Assuming contract for late night + weekend support is extended beyond Mar-22, effective incremental cost is \$17.5k/mo or \$210k/year for Via to continue to provide the additional services that began in October
- Pricing includes both phone and email support for rider and drivers
- Phone and email support is available during standard GoZone hours
- Pricing reflects current GoZone service parameters and will need to be revisited if we add other types of service (Access/ADA paratransit service, etc.)
- Maximum number of monthly rides: 50,000

## Board of Directors Memo

January 27, 2022

SUBJECT: Consider Approval of Monthly Financial Statements for November 2021

### Recommendation

Staff recommends approval.

### Background

The financial statements are presented monthly to the Board of Directors for acceptance. The reports for the period ending November 30, 2021 include the Statement of Change in Net Position, Statement of Net Position, and Capital Projects Budget Report. These reports provide a comparison of year-to-date budget vs. actual as of the current month.

### 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

The following are major variances between year-to-date budget and year-to-date actuals, which are annotated on the Statement of Change in Net Position.

- Note A:** Passenger Revenues – YTD favorable by \$34k due primarily to rail ridership of 34k which was 37% higher than budgeted rail ridership of 25k (\$20k increased revenue) as well as Connect and GoZone ridership of 102k which was 20% higher than budgeted ridership of 85k (\$10k increased revenue).

		YTD FY22 Actual Ridership	YTD FY22 Budgeted Ridership	% Variance, Actual to Budget	YTD FY21 Actual Ridership	% Variance, Actual to Prior Yr
Total Rail Ridership		33,768	24,638	37%	16,837	101%
Connect		34,600	34,498	0%	35,617	-3%
Access & Zone Service	(A)	3,483	3,497	0%	3,073	13%
GoZone		67,732	50,558	34%	-	N/A
Frisco	(B)	1,024	318	222%	400	156%
Collin County Transit (CCT)	(B)	2,173	302	620%	1,662	31%
North Texas Xpress	(C)	471	88	435%	868	-46%
University of North Texas	(D)	264,928	387,062	-32%	60,434	338%
Special Movements	(D)	-	-	N/A	-	N/A
Total Bus Ridership		374,411	476,323	-21%	102,054	267%
Vanpool	(D)	36,998	-	N/A	31,871	16%
Total System Ridership		445,177	500,961	-11%	150,762	195%

(A) FY21 ridership includes Lewisville Lakeway On-Demand and Downtown Denton Transit Center (DDTC) Evening On-Demand which ended September 6, 2021.

(B) Includes Demand Response service and Taxi service.

(C) FY21 ridership includes North Texas Xpress operated jointly with Trinity Metro through September 6, 2021. Beginning September 7, 2021, DCTA operates an abbreviated portion of the route with two trips each weekday.

(D) These ridership numbers are not linked to passenger revenues and are shown for information purposes only to present system-wide ridership.

- **Note B:** Contract Service Revenue – YTD unfavorable by \$41k primarily due to lower than budgeted revenue hours (\$34k decreased revenue) and billable fuel costs (\$15k decreased revenue). Average pass-through fuel cost was \$2.67/gallon compared to budgeted \$3.00/gallon and usage of 21k gallons was 11% lower than budgeted usage of 23k gallons. Revenue from Lyft and Taxi services were over budgeted revenue (\$8k increased revenue) due to higher than anticipated usage of Alliance ZipZone services billed to Trinity Metro.
- **Note C:** Sales Tax Revenue – November sales tax revenue was not yet received as of month-end close and is accrued for the month based on budget. Sales tax generated in November will be received in January.
- **Note D:** Federal/State Grants - Capital – Due to the timing of grant-funded capital projects, no drawdowns were budgeted year to date nor have any revenues been received for the period.
- **Note E:** Federal/State Grants - Operating – YTD unfavorable by \$733k mainly due to timing differences of drawdowns for funding. Reimbursement requests will be made in the next few weeks once drawdown calculations are finalized.

	YTD FY22 Actual Revenue	YTD FY22 Budgeted Revenue	Variance, Actual to Budget
Bus Preventive Maintenance	\$ -	\$ 310,000	\$ (310,000)
Rail Preventive Maintenance	379,935	770,702	(390,767)
ADA Assistance	47,710	50,000	(2,290)
Vanpool	-	29,785	(29,785)
	<u>\$ 427,645</u>	<u>\$ 1,160,487</u>	<u>\$ (732,842)</u>

- **Note F:** Purchased Transportation Services Expense – YTD unfavorable by \$118k primarily due to higher than anticipated GoZone service costs. The FY22 YTD budget anticipated 22k service hours; actual GoZone billed hours were 24k (\$90k increased expense).
- **Note G:** Depreciation Expense – YTD unfavorable by \$300k due to capitalization of the Positive Train Control (PTC) project in FY2021 ahead of the budgeted completion date of 12/31/21, as the project was deemed materially complete for recognition. A budget amendment for this adjustment will be brought to the Board in February.

#### Exhibits

Exhibit 1(a): Monthly Financial Statements – November 2021

Exhibit 1(b): Capital Projects Budget Report – November 2021

Submitted By:



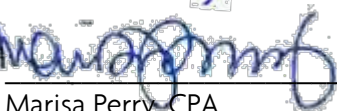
Khoa Nguyen, Accounting Manager

Reviewed By:



Amber Karkauskas, Controller/AVP of Finance

Final Review:



Marisa Perry, CPA  
Chief Financial Officer/VP of Finance



# DENTON COUNTY TRANSPORTATION AUTHORITY

## CHANGE IN NET POSITION

MONTH AND YEAR TO DATE AS OF NOVEMBER 30, 2021

(UNAUDITED)

Regular Agenda 9, Exhibit 1(a)

	Month Ended November 30, 2021			Year to Date November 30, 2021				
Description	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget	
Revenue and Other Income								
Passenger Revenues	\$ 71,229	\$ 53,738	\$ 17,491	\$ 147,702	\$ 114,041	\$ 33,661	\$ 642,579	Note A
Contract Service Revenues	384,251	380,618	3,633	737,553	778,384	(40,831)	3,915,759	Note B
Sales Tax Revenues	2,588,747	2,696,417	(107,670)	5,621,658	5,729,328	(107,670)	32,663,897	Note C
Federal/State Grants - Capital	-	-	-	-	-	-	4,609,056	Note D
Federal/State Grants - Operating	427,645	580,401	(152,756)	427,645	1,160,487	(732,842)	21,781,841	Note E
Total Revenues and Other Income	3,471,872	3,711,174	(239,302)	6,934,557	7,782,240	(847,683)	63,613,132	
Operating Expenses								
Salary, Wages and Benefits	317,074	411,035	93,961	628,519	864,614	236,095	5,103,643	
Outsourced Services and Charges	183,012	426,163	243,151	423,299	1,066,309	643,010	4,636,312	
Materials and Supplies	169,573	257,033	87,460	292,773	546,151	253,378	2,870,594	
Utilities	24,755	43,858	19,103	27,544	87,711	60,167	526,281	
Insurance	-	142,107	142,107	60,335	284,214	223,879	1,706,052	
Purchased Transportation Services	1,536,573	1,398,396	(138,177)	2,915,307	2,797,349	(117,958)	16,830,256	Note F
Employee Development	3,339	10,039	6,700	3,554	64,221	60,667	235,385	
Leases and Rentals	10,375	11,546	1,171	21,571	23,092	1,521	139,772	
Depreciation	948,646	797,474	(151,172)	1,895,362	1,594,949	(300,413)	10,899,464	Note G
Total Operating Expenses	3,193,347	3,497,651	304,304	6,268,264	7,328,610	1,060,346	42,947,759	
Income Before Non-Operating Revenues and Expenses								
	278,525	213,523	65,002	666,293	453,630	212,663	20,665,373	
Non-Operating Revenues/(Expense)								
Investment Income	11,184	1,000	10,184	23,122	2,000	21,122	12,000	
Gain (Loss) on Disposal of Assets	-	-	-	(5,245)	-	(5,245)	-	
Other Income/(Expense) - Miscellaneous	10,754	-	10,754	16,213	-	16,213	-	
Long Term Debt Interest/Expense	(19,946)	(19,817)	(129)	(34,590)	(39,634)	5,044	(237,800)	
Total Non-Operating Revenues/(Expenses)	1,992	(18,817)	20,809	(501)	(37,634)	37,133	(225,800)	
Income (Loss) before Transfers								
	280,517	194,706	85,811	665,793	415,996	249,797	20,439,573	
Transfers Out	(489,878)	(752,940)	263,062	(1,017,496)	(1,479,386)	461,890	(6,364,715)	
Total Transfers	(489,878)	(752,940)	263,062	(1,017,496)	(1,479,386)	461,890	(6,364,715)	
Change in Net Position								
	\$ (209,361)	\$ (558,234)	\$ 348,873	\$ (351,703)	\$ (1,063,390)	\$ 711,687	\$ 14,074,858	



# DENTON COUNTY TRANSPORTATION AUTHORITY

Regular Agenda 9, Exhibit 1(a)

## STATEMENT OF NET POSITION AS OF NOVEMBER 30, 2021 (UNAUDITED)

	November 30, 2021	October 31, 2021	Change
<b>Assets</b>			
<b>Current Assets</b>			
Operating Cash & Cash Equivalents	\$ 59,179,461	\$ 55,486,699	\$ 3,692,762
Reserves: Cash & Cash Equivalents	4,111,345	4,111,310	34
Reserves: Investments	9,651,654	9,651,654	-
Accounts & Notes Receivable	7,524,108	9,746,343	(2,222,235)
Prepaid Expenses	108,204	134,904	(26,700)
Inventory	721,293	54,839	666,454
Restricted Asset-Cash and Equivalents	705,964	705,872	92
<b>Total Current Assets</b>	<b>82,002,029</b>	<b>79,891,621</b>	<b>2,110,408</b>
<b>Non-Current Assets</b>			
Land	17,394,147	17,394,147	-
Land Improvements	12,158,726	12,158,726	-
Machinery & Equipment	5,243,986	5,243,986	-
Vehicles	93,183,134	93,183,134	-
Computers & Software	1,791,431	1,791,431	-
Intangible Assets	16,997,155	16,997,155	-
Construction in Progress	3,521,597	3,426,854	94,743
Other Capital Assets, Net	251,986,070	251,986,070	-
Accumulated Depreciation	(98,195,596)	(97,246,950)	(948,646)
Net Pension Asset	25,989	25,989	-
<b>Total Non-Current Assets</b>	<b>304,106,639</b>	<b>304,960,542</b>	<b>(853,903)</b>
<b>Total Assets</b>	<b>386,108,668</b>	<b>384,852,163</b>	<b>1,256,505</b>
<b>Deferred Outflow of Resources</b>			
Deferred Outflows Related to Pensions	290,447	290,447	-
<b>Total Deferred Outflow of Resources</b>	<b>290,447</b>	<b>290,447</b>	<b>-</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable and Accrued Expenses	2,843,523	2,393,768	449,755
Deferred Revenues	50,876	53,337	(2,461)
Interest Payable	34,590	14,644	19,946
<b>Total Current Liabilities</b>	<b>2,928,989</b>	<b>2,461,750</b>	<b>467,239</b>
<b>Non-Current Liabilities</b>			
Rail Easement Payable	800,000	800,000	-
Bonds Payable	21,265,000	21,265,000	-
<b>Total Non-Current Liabilities</b>	<b>22,065,000</b>	<b>22,065,000</b>	<b>-</b>
<b>Total Liabilities</b>	<b>24,993,989</b>	<b>24,526,750</b>	<b>467,239</b>
<b>Deferred Inflow of Resources</b>			
Deferred Inflows Related to Pensions	70,096	70,096	-
<b>Total Deferred Inflow of Resources</b>	<b>70,096</b>	<b>70,096</b>	<b>-</b>
<b>Net Position</b>			
Net Investment in Capital Assets	283,862,326	283,892,124	(29,798)
Unrestricted	77,824,408	76,795,983	1,028,425
Change in Net Position	(351,703)	(142,342)	<b>(209,361)</b>
<b>Total Net Position</b>	<b>\$ 361,335,030</b>	<b>\$ 360,545,765</b>	<b>\$ 789,266</b>



# NORTH TEXAS MOBILITY CORPORATION

Regular Agenda 9, Exhibit 1(a)

CHANGE IN NET POSITION  
MONTH AND YEAR TO DATE AS OF NOVEMBER 30, 2021  
(UNAUDITED)

Description	Month Ended November 30, 2021			Year to Date November 30, 2021			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
<b>Operating Expenses</b>							
Salary, Wages and Benefits	\$ 475,423	\$ 701,932	\$ 226,509	\$ 1,002,944	\$ 1,377,516	\$ 374,572	\$ 5,787,307
Outsourced Services and Charges	14,172	37,636	23,464	14,172	76,572	62,400	450,970
Materials and Supplies	40	150	110	40	334	294	1,936
Insurance	-	6,097	6,097	-	12,194	12,194	65,842
Employee Development	243	7,125	6,882	340	12,770	12,430	58,660
<b>Total Operating Expenses</b>	<u>489,878</u>	<u>752,940</u>	<u>263,062</u>	<u>1,017,496</u>	<u>1,479,386</u>	<u>461,890</u>	<u>6,364,715</u>
<b>Income (Loss) before Transfers</b>	(489,878)	(752,940)	263,062	(1,017,496)	(1,479,386)	461,890	(6,364,715)
Transfers In	<u>489,878</u>	<u>752,940</u>	<u>(263,062)</u>	<u>1,017,496</u>	<u>1,479,386</u>	<u>(461,890)</u>	<u>6,364,715</u>
<b>Total Transfers</b>	<u>489,878</u>	<u>752,940</u>	<u>(263,062)</u>	<u>1,017,496</u>	<u>1,479,386</u>	<u>(461,890)</u>	<u>6,364,715</u>
<b>Change in Net Position</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



# NORTH TEXAS MOBILITY CORPORATION

Regular Agenda 9, Exhibit 1(a)

## STATEMENT OF NET POSITION AS OF NOVEMBER 30, 2021 (UNAUDITED)

	November 30, 2021	October 31, 2021	Change
<b>Assets</b>			
Operating Cash & Cash Equivalents	\$ 365,150	\$ 396,091	\$ (30,941)
Accounts & Notes Receivable	-	-	-
Prepaid Expenses	-	-	-
<b>Total Assets</b>	<u>365,150</u>	<u>396,091</u>	<u>(30,941)</u>
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	<u>365,150</u>	<u>396,091</u>	<u>(30,941)</u>
<b>Total Liabilities</b>	<u>365,150</u>	<u>396,091</u>	<u>(30,941)</u>
<b>Net Position</b>			
Change in Net Position	-	-	-
<b>Total Net Position</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



## DENTON COUNTY TRANSPORTATION AUTHORITY

## CAPITAL PROJECTS BUDGET REPORT

AS OF NOVEMBER 30, 2021

Capital Project Number/Name	Project Budget	November 2021 Actuals Booked	Actuals Life To Date	\$ Under/ (Over) Budget	% of Budget (As of November 2021 Close)
Construction Work in Progress					
G&A Capital Projects					
Total 10302 · Infrastructure Acquisition	\$ 3,251,990	\$ -	\$ 2,617,009	\$ 634,981	80%
Total 10404 · Backup Infrastructure Upgrade	45,000	-	-	45,000	0%
Total 10702 · Transportation Reinvestment Program - FY21	100,000	-	18,557	81,444	
<i>Close-Out to Operating Expense</i>	(18,557)	(18,557)	(18,557)		
Net Remaining · Transportation Reinvestment Program - FY21	81,444	(18,557)	-	81,444	19%
Total 10702.1 · Transportation Reinvestment Program FY21 - Denton	3,424,946	-	5,173	3,419,773	
<i>Close-Out to Operating Expense</i>	(5,173)	(5,173)	(5,173)		
Net Remaining · Transportation Reinvestment Program FY21 - Denton	3,419,773	(5,173)	-	3,419,773	0%
Total 10702.2 · Transportation Reinvestment Program FY21 - Highland Village	379,591	-	2,358	377,233	
<i>Close-Out to Operating Expense</i>	(2,358)	(2,358)	(2,358)		
Net Remaining · Transportation Reinvestment Program FY21 - Highland Village	377,233	(2,358)	-	377,233	1%
Total 10702.3 · Transportation Reinvestment Program FY21 - Lewisville	3,837,597	-	3,710	3,833,887	
<i>Close-Out to Operating Expense</i>	(3,710)	(3,710)	(3,710)		
Net Remaining · Transportation Reinvestment Program FY21 - Lewisville	3,833,887	(3,710)	-	3,833,887	0%
Total 10703 · Transportation Reinvestment Program - FY22	100,000	-	-	100,000	0%
Total 10703.1 · Transportation Reinvestment Program FY22 - Denton	3,074,578	-	-	3,074,578	0%
Total 10703.2 · Transportation Reinvestment Program FY22 - Highland Village	324,900	-	-	324,900	0%
Total 10703.3 · Transportation Reinvestment Program FY22 - Lewisville	3,619,951	-	-	3,619,951	0%
<b>Total G&amp;A Capital Projects</b>	<b>18,128,756</b>	<b>(29,798)</b>	<b>2,617,009</b>	<b>15,511,747</b>	<b>14%</b>
Bus Capital Projects					
Total 50307 · Major Maintenance - Bus 2022	179,530	-	-	179,530	0%
Total 50411 · Integrated Fare Payment	600,000	-	-	600,000	0%
Total 50412 · Bus OMF Network Video Recorder	26,000	-	-	26,000	0%
Total 50413 · DDTC Rail Fiber Extension	125,000	-	-	125,000	0%
<b>Total Bus Capital Projects</b>	<b>930,530</b>	<b>-</b>	<b>-</b>	<b>930,530</b>	<b>0%</b>
Rail Capital Projects					
Total 61406.1 · Positive Train Control Implementation	16,720,141	70,366	16,110,392	609,749	
<i>Close-Out to Capitalized Assets</i>	(16,022,566)	-	(16,022,566)		
Net Remaining · Positive Train Control Implementation	697,575	70,366	87,826	609,749	96%
Total 61406.2 · Positive Train Control Enhancements	5,000,000	-	148,180	4,851,820	3%
Total 61605 · Brownfield Remediation	405,000	-	366,448	38,552	
<i>Close-Out to Operating Expenses</i>	(366,448)	-	(366,448)		
Net Remaining · Brownfield Remediation	38,552	-	-	38,552	90%
Total 61723.1 · Canopy Repairs 2021	486,127	54,174	175,476	310,651	
<i>Close-Out to Operating Expenses</i>	(65,055)	-	(65,055)		
Net Remaining · Canopy Repairs 2021	421,072	54,174	110,421	310,651	36%
Total 61724 · Major Maintenance-Rail 2022	1,836,442	-	558,162	1,278,280	30%
<b>Total Rail Capital Projects</b>	<b>7,993,641</b>	<b>124,541</b>	<b>904,588</b>	<b>7,089,052</b>	<b>11%</b>
<b>Total Construction Work in Progress</b>	<b>\$ 27,052,926</b>	<b>\$ 94,743</b>	<b>\$ 3,521,597</b>	<b>\$ 23,531,329</b>	<b>13%</b>

## Board of Directors Memo

January 27, 2022

SUBJECT: Consider Approval of Monthly Financial Statements for December 2021

### Recommendation

Staff recommends approval.

### Background

The financial statements are presented monthly to the Board of Directors for acceptance. The reports for the period ending December 31, 2021 include the Statement of Change in Net Position, Statement of Net Position, and Capital Projects Budget Report. These reports provide a comparison of year-to-date budget vs. actual as of the current month.

### 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

The following are major variances between year-to-date budget and year-to-date actuals, which are annotated on the Statement of Change in Net Position.

- Note A:** Passenger Revenues – YTD favorable by \$48k due primarily to rail ridership of 46k which was 44% higher than budgeted rail ridership of 32k (\$26k increased revenue) as well as Access and GoZone ridership of 112k which was 46% higher than budgeted ridership of 76k (\$14k increased revenue).

		YTD FY22 Actual Ridership	YTD FY22 Budgeted Ridership	% Variance, Actual to Budget	YTD FY21 Actual Ridership	% Variance, Actual to Prior Yr
Total Rail Ridership		46,447	32,312	44%	24,401	90%
Connect		47,589	53,889	-12%	52,303	-9%
Access & Zone Service	(A)	5,172	4,978	4%	4,614	12%
GoZone		106,802	71,485	49%	-	N/A
Frisco	(B)	1,499	1,000	50%	559	168%
Collin County Transit (CCT)	(B)	3,371	4,096	-18%	2,548	32%
North Texas Xpress	(C)	536	120	347%	1,189	-55%
University of North Texas	(D)	293,623	450,553	-35%	61,576	377%
Special Movements	(D)	165	-	N/A	-	N/A
Total Bus Ridership		458,757	586,121	-22%	122,789	274%
Vanpool	(D)	49,713	-	N/A	47,683	4%
Total System Ridership		554,917	618,433	-10%	194,873	185%

(A) FY21 ridership includes Lewisville Lakeway On-Demand and Downtown Denton Transit Center (DDTC) Evening On-Demand which ended September 6, 2021.

(B) Includes Demand Response service and Taxi service.

(C) FY21 ridership includes North Texas Xpress operated jointly with Trinity Metro through September 6, 2021. Beginning September 7, 2021, DCTA operates an abbreviated portion of the route with two trips each weekday.

(D) These ridership numbers are not linked to passenger revenues and are shown for information purposes only to present system-wide ridership.

- **Note B:** Contract Service Revenue – YTD unfavorable by \$81k primarily due to lower than budgeted revenue hours (\$23k decreased revenue) and billable fuel costs (\$19k decreased revenue). Average pass-through fuel cost was \$2.68/gallon compared to budgeted \$3.00/gallon and usage of 25k gallons was 12% lower than budgeted usage of 29k gallons. Additionally, Lyft and Taxi services were under budget (\$39k decreased revenue).
- **Note C:** Sales Tax Revenue – December sales tax revenue was not yet received as of month-end close and is accrued for the month based on budget. Sales tax generated in December will be received in February.
- **Note D:** Federal/State Grants - Capital – YTD favorable by \$56k due to reimbursements for the Positive Train Control (PTC) project being received earlier than anticipated in the budget.

	YTD FY22 Actual Revenue	YTD FY22 Budgeted Revenue	Variance, Actual to Budget
PTC Implementation & Enhancements	\$ 56,293	\$ -	\$ 56,293
	<u>\$ 56,293</u>	<u>\$ -</u>	<u>\$ 56,293</u>

- **Note E:** Federal/State Grants - Operating – YTD unfavorable by \$851k mainly due to timing differences of drawdowns for funding primarily in bus and rail preventive maintenance. Reimbursement requests will be made in the next few weeks once drawdown calculations are finalized.

	YTD FY22 Actual Revenue	YTD FY22 Budgeted Revenue	Variance, Actual to Budget
Bus Preventive Maintenance	\$ -	\$ 465,000	\$ (465,000)
Rail Preventive Maintenance	759,870	1,156,053	(396,183)
ADA Assistance	88,781	75,000	13,781
Vanpool	41,075	45,133	(4,058)
	<u>\$ 889,726</u>	<u>\$ 1,741,186</u>	<u>\$ (851,460)</u>

- **Note F:** Purchased Transportation Services Expense – YTD unfavorable by \$263k due to higher than anticipated GoZone service costs. The FY22 YTD budget anticipated 32k GoZone service hours; actual YTD GoZone billed hours were 36k (\$156k increased expense). Additionally, \$47k for after hours customer service support charges was not anticipated in the budget and \$15k was billed for bike rack installations that were planned in the FY2021 budget.
- **Note G:** Depreciation Expense – YTD unfavorable by \$448k due to capitalization of the Positive Train Control (PTC) project in FY2021 ahead of the budgeted completion date of 12/31/21, as the project was deemed materially complete for recognition. A budget amendment for this adjustment will be brought to the Board in February.

#### Exhibits

Exhibit 2(a): Monthly Financial Statements – December 2021

Exhibit 2(b): Capital Projects Budget Report – December 2021

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



## DENTON COUNTY TRANSPORTATION AUTHORITY

## CHANGE IN NET POSITION

MONTH AND YEAR TO DATE AS OF DECEMBER 31, 2021

(UNAUDITED)

Description	Month Ended December 31, 2021			Year to Date December 31, 2021			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
<b>Revenue and Other Income</b>							
Passenger Revenues	\$ 62,614	\$ 48,079	\$ 14,535	\$ 210,315	\$ 162,120	\$ 48,195	\$ 642,579 <b>Note A</b>
Contract Service Revenues	187,755	228,251	(40,496)	925,308	1,006,635	(81,327)	3,915,759 <b>Note B</b>
Sales Tax Revenues	3,858,860	3,457,647	401,213	9,480,517	9,186,975	293,542	32,663,897 <b>Note C</b>
Federal/State Grants - Capital	56,293	-	56,293	56,293	-	56,293	4,609,056 <b>Note D</b>
Federal/State Grants - Operating	462,081	580,699	(118,618)	889,726	1,741,186	(851,460)	21,781,841 <b>Note E</b>
<b>Total Revenues and Other Income</b>	<b>4,627,603</b>	<b>4,314,676</b>	<b>312,927</b>	<b>11,562,160</b>	<b>12,096,916</b>	<b>(534,756)</b>	<b>63,613,132</b>
<b>Operating Expenses</b>							
Salary, Wages and Benefits	342,664	411,035	68,371	971,184	1,275,649	304,465	5,103,643
Outsourced Services and Charges	267,492	390,237	122,745	690,791	1,456,546	765,755	4,636,312
Materials and Supplies	143,540	235,530	91,990	436,312	781,681	345,369	2,870,594
Utilities	48,100	43,859	(4,241)	75,643	131,570	55,927	526,281
Insurance	214,038	149,131	(64,907)	274,373	433,345	158,972	1,706,052
Purchased Transportation Services	1,543,704	1,398,626	(145,078)	4,459,010	4,195,975	(263,035)	16,830,256 <b>Note F</b>
Employee Development	9,020	8,923	(97)	12,575	73,144	60,569	235,385
Leases and Rentals	1,742	11,671	9,929	23,313	34,763	11,450	139,772
Depreciation	944,786	797,495	(147,291)	2,840,149	2,392,444	(447,705)	10,899,464 <b>Note G</b>
<b>Total Operating Expenses</b>	<b>3,515,086</b>	<b>3,446,507</b>	<b>(68,579)</b>	<b>9,783,350</b>	<b>10,775,117</b>	<b>991,767</b>	<b>42,947,759</b>
<b>Income Before Non-Operating Revenues and Expenses</b>	<b>1,112,517</b>	<b>868,169</b>	<b>244,348</b>	<b>1,778,810</b>	<b>1,321,799</b>	<b>457,011</b>	<b>20,665,373</b>
<b>Non-Operating Revenues/(Expense)</b>							
Investment Income	(25,173)	1,000	(26,173)	(2,051)	3,000	(5,051)	12,000
Gain (Loss) on Disposal of Assets	-	-	-	(5,245)	-	(5,245)	-
Other Income/(Expense) - Miscellaneous	6,584	-	6,584	22,797	-	22,797	-
Long Term Debt Interest/Expense	(19,946)	(19,817)	(129)	(54,536)	(59,451)	4,915	(237,800)
<b>Total Non-Operating Revenues/(Expenses)</b>	<b>(38,535)</b>	<b>(18,817)</b>	<b>(19,718)</b>	<b>(39,035)</b>	<b>(56,451)</b>	<b>17,416</b>	<b>(225,800)</b>
<b>Income (Loss) before Transfers</b>	<b>1,073,982</b>	<b>849,352</b>	<b>224,630</b>	<b>1,739,774</b>	<b>1,265,348</b>	<b>474,426</b>	<b>20,439,573</b>
Transfers Out	(654,387)	(706,909)	52,522	(1,671,884)	(2,186,295)	514,411	(7,193,067)
<b>Total Transfers</b>	<b>(654,387)</b>	<b>(706,909)</b>	<b>52,522</b>	<b>(1,671,884)</b>	<b>(2,186,295)</b>	<b>514,411</b>	<b>(7,193,067)</b>
<b>Change in Net Position</b>	<b>\$ 419,594</b>	<b>\$ 142,443</b>	<b>\$ 277,151</b>	<b>\$ 67,891</b>	<b>\$ (920,947)</b>	<b>\$ 988,838</b>	<b>\$ 13,246,506</b>



# DENTON COUNTY TRANSPORTATION AUTHORITY

## STATEMENT OF NET POSITION

AS OF DECEMBER 31, 2021

(UNAUDITED)

	December 31, 2021	November 30, 2021	Change
<b>Assets</b>			
<b>Current Assets</b>			
Operating Cash & Cash Equivalents	\$ 59,530,779	\$ 59,179,461	\$ 351,317
Reserves: Cash & Cash Equivalents	4,111,393	4,111,345	49
Reserves: Investments	9,614,889	9,651,654	(36,764)
Accounts & Notes Receivable	8,736,698	7,524,108	1,212,590
Prepaid Expenses	733,244	108,204	625,040
Inventory	725,205	721,293	3,912
Restricted Asset-Cash and Equivalents	1,376,059	705,964	670,095
<b>Total Current Assets</b>	<b>84,828,267</b>	<b>82,002,029</b>	<b>2,826,238</b>
<b>Non-Current Assets</b>			
Land	17,394,147	17,394,147	-
Land Improvements	12,158,726	12,158,726	-
Machinery & Equipment	5,243,986	5,243,986	-
Vehicles	93,183,134	93,183,134	-
Computers & Software	1,791,431	1,791,431	-
Intangible Assets	16,997,155	16,997,155	-
Construction in Progress	3,539,230	3,521,597	17,632
Other Capital Assets, Net	251,986,070	251,986,070	-
Accumulated Depreciation	(99,140,383)	(98,195,596)	(944,786)
Net Pension Asset	65,492	25,989	39,503
<b>Total Non-Current Assets</b>	<b>303,218,988</b>	<b>304,106,639</b>	<b>(887,651)</b>
<b>Total Assets</b>	<b>388,047,256</b>	<b>386,108,668</b>	<b>1,938,587</b>
<b>Deferred Outflow of Resources</b>			
Deferred Outflows Related to Pensions	421,130	290,447	130,683
<b>Total Deferred Outflow of Resources</b>	<b>421,130</b>	<b>290,447</b>	<b>130,683</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable and Accrued Expenses	4,303,037	2,843,523	1,459,514
Deferred Revenues	50,906	50,876	30
Interest Payable	54,536	34,590	19,946
<b>Total Current Liabilities</b>	<b>4,408,479</b>	<b>2,928,989</b>	<b>1,479,490</b>
<b>Non-Current Liabilities</b>			
Rail Easement Payable	800,000	800,000	-
Bonds Payable	21,265,000	21,265,000	-
<b>Total Non-Current Liabilities</b>	<b>22,065,000</b>	<b>22,065,000</b>	<b>-</b>
<b>Total Liabilities</b>	<b>26,473,479</b>	<b>24,993,989</b>	<b>1,479,490</b>
<b>Deferred Inflow of Resources</b>			
Deferred Inflows Related to Pensions	152,490	70,096	82,394
<b>Total Deferred Inflow of Resources</b>	<b>152,490</b>	<b>70,096</b>	<b>82,394</b>
<b>Net Position</b>			
Net Investment in Capital Assets	283,862,326	283,862,326	-
Unrestricted	77,781,216	77,824,408	(43,192)
Change in Net Position	67,891	(351,703)	<b>419,594</b>
<b>Total Net Position</b>	<b>\$ 361,711,433</b>	<b>\$ 361,335,030</b>	<b>\$ 376,402</b>



## NORTH TEXAS MOBILITY CORPORATION

## CHANGE IN NET POSITION

MONTH AND YEAR TO DATE AS OF DECEMBER 31, 2021

(UNAUDITED)

Description	Month Ended December 31, 2021			Year to Date December 31, 2021			
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
<b>Operating Expenses</b>							
Salary, Wages and Benefits	\$ 553,875	\$ 655,851	\$ 101,976	\$ 1,556,819	\$ 2,033,367	\$ 476,548	\$ 6,590,242
Outsourced Services and Charges	79,349	38,316	(41,033)	93,521	114,888	21,367	452,892
Materials and Supplies	-	150	150	40	484	444	1,936
Insurance	20,945	8,447	(12,498)	20,945	20,641	(304)	89,337
Employee Development	219	4,145	3,926	559	16,915	16,356	58,660
<b>Total Operating Expenses</b>	<u>654,387</u>	<u>706,909</u>	<u>52,522</u>	<u>1,671,884</u>	<u>2,186,295</u>	<u>514,411</u>	<u>7,193,067</u>
<b>Income (Loss) before Transfers</b>	(654,387)	(706,909)	52,522	(1,671,884)	(2,186,295)	514,411	(7,193,067)
Transfers In	<u>654,387</u>	<u>706,909</u>	<u>(52,522)</u>	<u>1,671,884</u>	<u>2,186,295</u>	<u>(514,411)</u>	<u>7,193,067</u>
<b>Total Transfers</b>	<u>654,387</u>	<u>706,909</u>	<u>(52,522)</u>	<u>1,671,884</u>	<u>2,186,295</u>	<u>(514,411)</u>	<u>7,193,067</u>
<b>Change in Net Position</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



# NORTH TEXAS MOBILITY CORPORATION

## STATEMENT OF NET POSITION

AS OF DECEMBER 31, 2021

(UNAUDITED)

	December 31, 2021	November 30, 2021	Change
<b>Assets</b>			
Operating Cash & Cash Equivalents	\$ 241,462	\$ 365,150	\$ (123,687)
Accounts & Notes Receivable	-	-	-
Prepaid Expenses	62,835	-	62,835
<b>Total Assets</b>	<u>304,297</u>	<u>365,150</u>	<u>(60,853)</u>
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	<u>304,297</u>	<u>365,150</u>	<u>(60,853)</u>
<b>Total Liabilities</b>	<u>304,297</u>	<u>365,150</u>	<u>(60,853)</u>
<b>Net Position</b>			
Change in Net Position	-	-	-
<b>Total Net Position</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## DENTON COUNTY TRANSPORTATION AUTHORITY

## CAPITAL PROJECTS BUDGET REPORT

AS OF DECEMBER 31, 2021

Capital Project Number/Name	Project Budget	December 2021 Actuals Booked	Actuals Life To Date	\$ Under/ (Over) Budget	% of Budget (As of December 2021 Close)
Construction Work in Progress					
G&A Capital Projects					
Total 10302 · Infrastructure Acquisition	\$ 3,251,990	\$ -	\$ 2,617,009	\$ 634,981	80%
Total 10404 · Backup Infrastructure Upgrade	45,000	-	-	45,000	0%
Total 10702 · Transportation Reinvestment Program - FY21	100,000	17,216	35,773	64,228	
<i>Close-Out to Operating Expense</i>	(18,557)		(18,557)		
Net Remaining · Transportation Reinvestment Program - FY21	81,444	17,216	17,216	64,228	36%
Total 10702.1 · Transportation Reinvestment Program FY21 - Denton	3,424,946	-	5,173	3,419,773	
<i>Close-Out to Operating Expense</i>	(5,173)		(5,173)		
Net Remaining · Transportation Reinvestment Program FY21 - Denton	3,419,773	-	-	3,419,773	0%
Total 10702.2 · Transportation Reinvestment Program FY21 - Highland Village	379,591	-	2,358	377,233	
<i>Close-Out to Operating Expense</i>	(2,358)		(2,358)		
Net Remaining · Transportation Reinvestment Program FY21 - Highland Village	377,233	-	-	377,233	1%
Total 10702.3 · Transportation Reinvestment Program FY21 - Lewisville	3,837,597	-	3,710	3,833,887	
<i>Close-Out to Operating Expense</i>	(3,710)		(3,710)		
Net Remaining · Transportation Reinvestment Program FY21 - Lewisville	3,833,887	-	-	3,833,887	0%
Total 10703 · Transportation Reinvestment Program - FY22	100,000	-	-	100,000	0%
Total 10703.1 · Transportation Reinvestment Program FY22 - Denton	3,074,578	416	416	3,074,162	0%
Total 10703.2 · Transportation Reinvestment Program FY22 - Highland Village	324,900	-	-	324,900	0%
Total 10703.3 · Transportation Reinvestment Program FY22 - Lewisville	3,619,951	-	-	3,619,951	0%
<b>Total G&amp;A Capital Projects</b>	<b>18,128,756</b>	<b>17,632</b>	<b>2,634,641</b>	<b>15,494,114</b>	<b>15%</b>
Bus Capital Projects					
Total 50307 · Major Maintenance - Bus 2022	179,530	-	-	179,530	0%
Total 50411 · Integrated Fare Payment	600,000	-	-	600,000	0%
Total 50412 · Bus OMF Network Video Recorder	26,000	-	-	26,000	0%
Total 50413 · DDTC Rail Fiber Extension	125,000	-	-	125,000	0%
<b>Total Bus Capital Projects</b>	<b>930,530</b>	<b>-</b>	<b>-</b>	<b>930,530</b>	<b>0%</b>
Rail Capital Projects					
Total 61406.1 · Positive Train Control Implementation	16,720,141	-	16,110,392	609,749	
<i>Close-Out to Capitalized Assets</i>	(16,022,566)	-	(16,022,566)		
Net Remaining · Positive Train Control Implementation	697,575	-	87,826	609,749	96%
Total 61406.2 · Positive Train Control Enhancements	5,000,000	-	148,180	4,851,820	3%
Total 61605 · Brownfield Remediation	405,000	-	366,448	38,552	
<i>Close-Out to Operating Expenses</i>	(366,448)	-	(366,448)		
Net Remaining · Brownfield Remediation	38,552	-	-	38,552	90%
Total 61723.1 · Canopy Repairs 2021	486,127	-	175,476	310,651	
<i>Close-Out to Operating Expenses</i>	(65,055)	-	(65,055)		
Net Remaining · Canopy Repairs 2021	421,072	-	110,421	310,651	36%
Total 61724 · Major Maintenance-Rail 2022	1,836,442	-	558,162	1,278,280	30%
<b>Total Rail Capital Projects</b>	<b>7,993,641</b>	<b>-</b>	<b>904,588</b>	<b>7,089,052</b>	<b>11%</b>
<b>Total Construction Work in Progress</b>	<b>\$ 27,052,926</b>	<b>\$ 17,632</b>	<b>\$ 3,539,230</b>	<b>\$ 23,513,697</b>	<b>13%</b>





## Board of Directors Memo

January 27, 2022

SUBJECT: Quarterly Investment Report Q1 FY2022

### Recommendation

Staff recommends approval of the quarterly investment report for Q1 FY2022.

### Background

The Texas Public Funds Investment Act and DCTA's investment policy require a quarterly investment report signed by DCTA's Investment Officers be presented to the DCTA Board of Directors. The report must include a detail of DCTA's investment position, beginning and ending book and market value of each investment for the quarter, a comparison of the performance of DCTA's portfolio compared to other benchmarks, and a statement of compliance of the investment portfolio with DCTA Investment Policy, Investment Strategy, and the Public Funds Investment Act.

### Previous Board Activity & Action

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

### Identified Need

Provides the Board of Directors a quarterly status of DCTA's investment position.

### Financial Impact

This item is included for informational purposes only; there is no financial impact associated with this item.


### Exhibits

Exhibit 3(a): Quarterly Investment Report Q1 FY22

Submitted By:

  
Amber Karkauskas, Controller/AVP of Finance

Final Review:

  
Marisa Perry, CPA  
Chief Financial Officer/VP of Finance



## Investment Portfolio Summary

### Denton County Transportation Authority



For the Quarter Ended

December 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 - DECEMBER 2021:

The month of December was a headscratcher. Omicron cases absolutely exploded, becoming the dominant strain within three weeks of detection, while new daily COVID cases smashed the previous high from last January and quickly climbed toward the one million new cases per day mark. Fortunately, hospitalizations and fatalities haven't followed the same trajectory as prior strains, which supports the belief that the latest variant isn't nearly as severe. The front-loaded holiday spending season appeared to be solid, and GDP growth improved significantly from the previous quarter as indicated by the Atlanta's Fed's GDPNow measure of +7.4% as of January 4th. Usually, hiring is well correlated with economic growth, but the November employment report was a disappointment as only 210k jobs were added to company payrolls. Some of the miss can be blamed on faulty seasonal adjustment factors, but it's becoming clear that the labor market is very tight, which means continued pressure on wages.

As growth accelerated in the final quarter of another uneven year, and employers paid higher wages to attract and retain workers, inflation climbed higher. Both the Consumer Price Index (CPI) and Personal Consumption Expenditures (PCE) climbed to levels not seen since the early 80's, and Fed officials finally acknowledged that inflationary pressure would not be retreating any time soon. At the December FOMC meeting, committee members announced a doubling of the taper pace, which would effectively end asset purchases in mid-March. Fed officials also released an updated "dot plot" that was significantly more hawkish than the previous rate outlook. September's dot plot showed committee members were equally split on whether the first 25 bps hike would take place at the end of 2022 or the beginning of 2023. The updated December outlook clearly indicated three 25 bps hikes in 2022, with liftoff occurring as early as the second quarter. The most recent Bloomberg survey showed forecasts by U.S. economists mirrored Fed expectations. Yields climbed throughout month as the bond market adjusted to the dramatic shift in the outlook. The two-year Treasury note, trading at a yield of 0.26% in early October, ended December at 0.73% and would drift higher in the initial days of 2022.

The bond market ended the month of December having priced-in all three expected rate increases for the year 2022. Although at this point it would be a surprise if the Fed did not begin the tightening process in May or June, the past two years have introduced quite a few surprises. If inflation were to rise further in 2022, the Fed could hike more aggressively, but if prices retreat, the Fed would be afforded patience. Both the FOMC and the nation's economists expect inflationary pressure to fall; what's far from clear, with CPI at a 40-year high, is when this price moderation will start.

**Denton County Transportation Authority**  
**Investment Officers' Certification****For the Quarter Ended**  
**December 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

### Account Summary

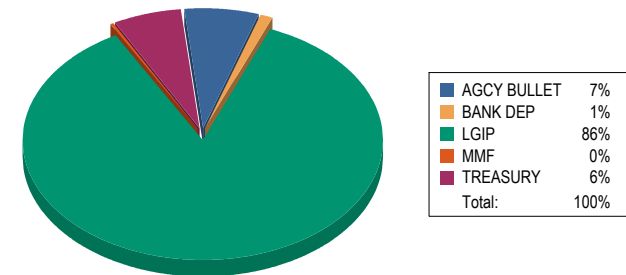
### Allocation by Security Type

Beginning Values as of 09/30/21

Ending Values as of 12/31/21

Par Value	69,470,313.39	74,932,350.76
Market Value	69,507,498.09	74,977,240.16
Book Value	69,500,589.61	74,981,132.86
Unrealized Gain/(Loss)	6,908.48	(3,892.70)
<b>Market Value %</b>	<b>100.01%</b>	<b>99.99%</b>

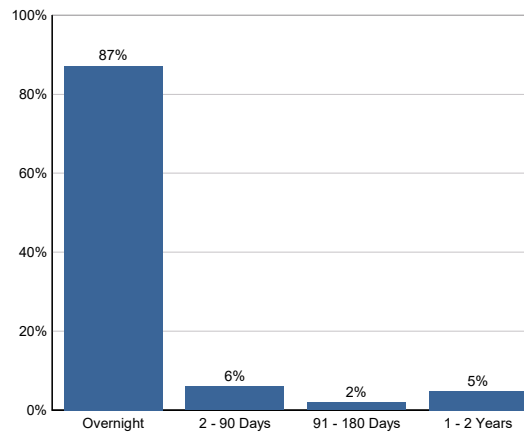
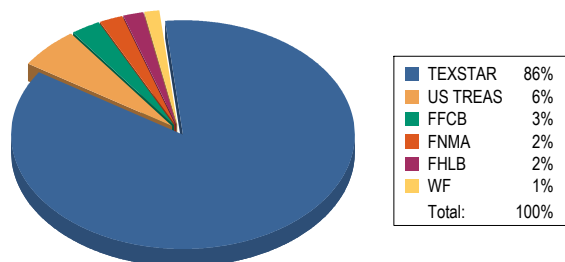
Weighted Avg. YTW	0.043%	0.044%
Weighted Avg. YTM	0.043%	0.044%



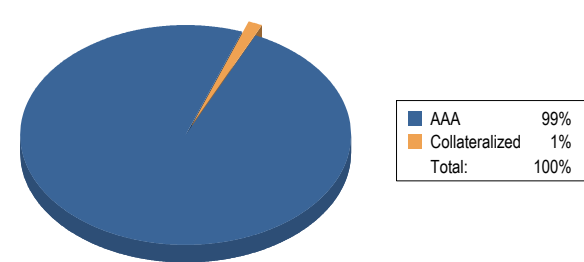
### Allocation by Issuer

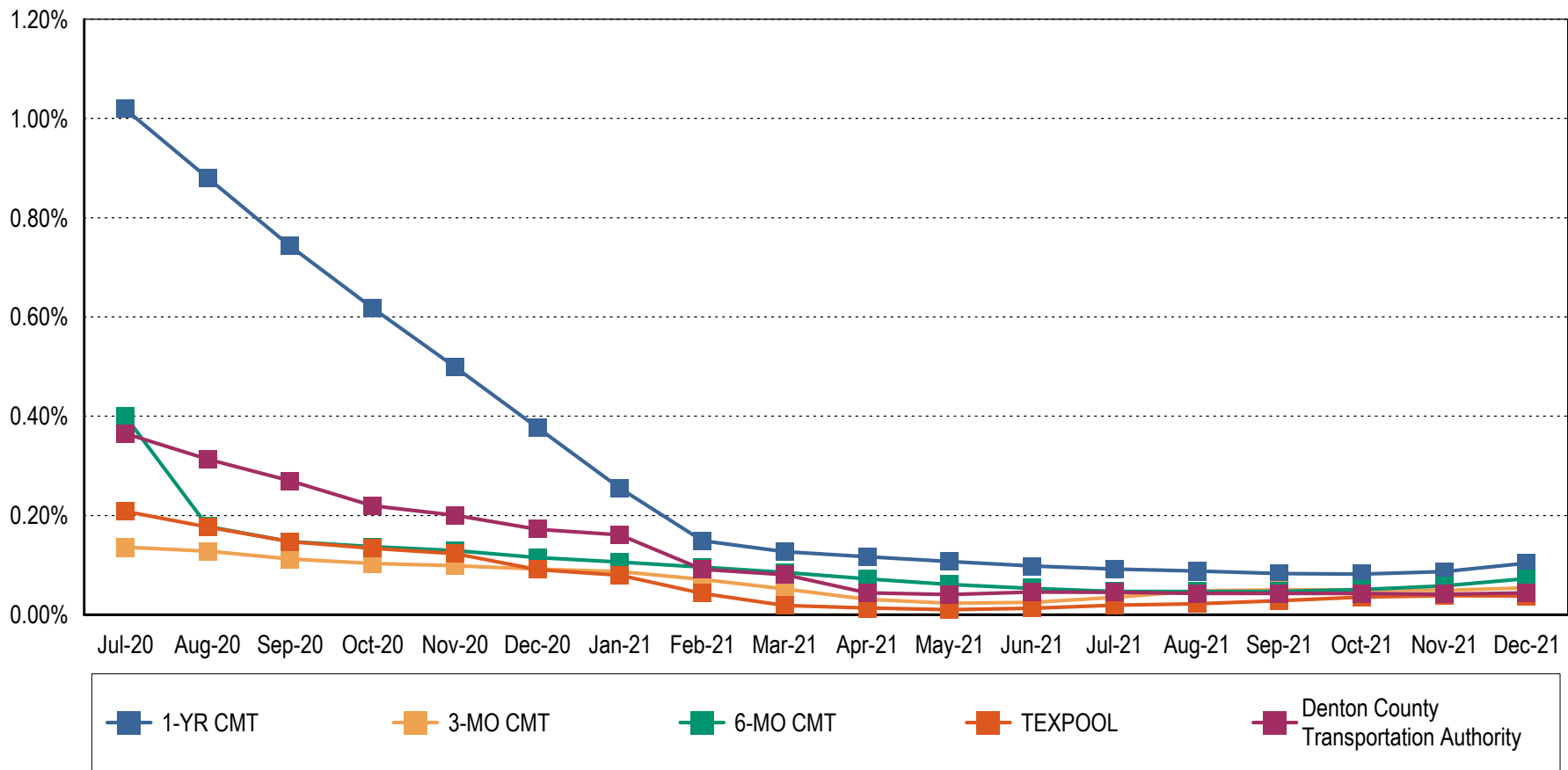
### Maturity Distribution %

### Credit Quality



Weighted Average Days to Maturity: 30





**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.



Regular Agenda 9, Exhibit 3(a)

## Denton County Transportation Authority

### Detail of Security Holdings

As of 12/31/2021

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					698,003.95	100.000	698,003.95	698,003.95	100.000	698,003.95	1		0.160	0.160
<b>Total for 2011 Bond Fund</b>								<b>698,003.95</b>	<b>100.000</b>	<b>698,003.95</b>	<b>698,003.95</b>	<b>100.000</b>	<b>698,003.95</b>	<b>1</b>		<b>0.160</b>	<b>0.160</b>
<b>Additional Reserve Fund</b>																	
TEXSTAR		LGIP	TexSTAR					1,014,823.08	100.000	1,014,823.08	1,014,823.08	100.000	1,014,823.08	1		0.014	0.014
<b>Total for Additional Reserve Fund</b>								<b>1,014,823.08</b>	<b>100.000</b>	<b>1,014,823.08</b>	<b>1,014,823.08</b>	<b>100.000</b>	<b>1,014,823.08</b>	<b>1</b>		<b>0.014</b>	<b>0.014</b>
<b>Bond Fund</b>																	
TEXSTAR		LGIP	TexSTAR					678,055.22	100.000	678,055.22	678,055.22	100.000	678,055.22	1		0.014	0.014
<b>Total for Bond Fund</b>								<b>678,055.22</b>	<b>100.000</b>	<b>678,055.22</b>	<b>678,055.22</b>	<b>100.000</b>	<b>678,055.22</b>	<b>1</b>		<b>0.014</b>	<b>0.014</b>
<b>Operating Fund</b>																	
WF-SWEEP		MMF	Wells Fargo Sweep					374,008.95	100.000	374,008.95	374,008.95	100.000	374,008.95	1		0.000	0.000
<b>Total for Operating Fund</b>								<b>374,008.95</b>	<b>100.000</b>	<b>374,008.95</b>	<b>374,008.95</b>	<b>100.000</b>	<b>374,008.95</b>	<b>1</b>		<b>0.000</b>	<b>0.000</b>
<b>Reserve Fund</b>																	
TEXSTAR		LGIP	TexSTAR					3,096,570.08	100.000	3,096,570.08	3,096,570.08	100.000	3,096,570.08	1		0.014	0.014
912828H86	02/12/21	TREAS NOTE	U.S. Treasury	1.500	01/31/22			1,500,000.00	101.367	1,520,507.81	1,501,729.52	100.110	1,501,648.50	31		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	1,504,571.09	100.406	1,506,083.10	70		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	1,501,092.66	100.068	1,501,017.00	90		0.077	0.077
912828XR6	04/20/21	TREAS NOTE	U.S. Treasury	1.750	05/31/22			1,500,000.00	101.852	1,527,773.44	1,510,289.31	100.652	1,509,784.50	151		0.085	0.085
3135G0T94	10/14/21	AGCY BULET	FNMA	2.375	01/19/23			1,570,000.00	102.713	1,612,594.10	1,605,395.60	102.054	1,602,246.70	384		0.224	0.224
3133EMH96	06/25/21	AGCY BULET	FFCB	0.125	06/14/23			2,000,000.00	99.709	1,994,180.00	1,995,703.92	99.705	1,994,109.60	530		0.273	0.273
<b>Total for Reserve Fund</b>								<b>12,666,570.08</b>	<b>101.085</b>	<b>12,803,197.31</b>	<b>12,715,352.18</b>	<b>100.360</b>	<b>12,711,459.48</b>	<b>172</b>		<b>0.184</b>	<b>0.184</b>



**Denton County Transportation Authority**  
**Detail of Security Holdings**  
*As of 12/31/2021*

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					59,500,889.48	100.000	59,500,889.48	59,500,889.48	100.000	59,500,889.48	1		0.014	0.014
<b>Total for Sales Tax Fund</b>								<b>59,500,889.48</b>	<b>100.000</b>	<b>59,500,889.48</b>	<b>59,500,889.48</b>	<b>100.000</b>	<b>59,500,889.48</b>	<b>1</b>		<b>0.014</b>	<b>0.014</b>
<b>Total for Denton County Transportation Authority</b>								<b>74,932,350.76</b>	<b>100.184</b>	<b>75,068,977.99</b>	<b>74,981,132.86</b>	<b>100.061</b>	<b>74,977,240.16</b>	<b>30</b>		<b>0.044</b>	<b>0.044</b>





Regular Agenda 9, Exhibit 3(a)

## Denton County Transportation Authority

### Change in Value

From 09/30/2021 to 12/31/2021

CUSIP	Security Type	Security Description	09/30/21 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	12/31/21 Book Value	09/30/21 Market Value	12/31/21 Market Value	Change in Mkt Value
<b>2011 Bond Fund</b>											
WF-MANA	BANK DEP	Wells Fargo Managed Rate	697,722.51	281.44	0.00	0.00	0.00	698,003.95	697,722.51	698,003.95	281.44
<b>Total for 2011 Bond Fund</b>			<b>697,722.51</b>	<b>281.44</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>698,003.95</b>	<b>697,722.51</b>	<b>698,003.95</b>	<b>281.44</b>
<b>Additional Reserve Fund</b>											
TEXSTAR	LGIP	TexSTAR	1,014,793.97	29.11	0.00	0.00	0.00	1,014,823.08	1,014,793.97	1,014,823.08	29.11
<b>Total for Additional Reserve Fund</b>			<b>1,014,793.97</b>	<b>29.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,014,823.08</b>	<b>1,014,793.97</b>	<b>1,014,823.08</b>	<b>29.11</b>
<b>Bond Fund</b>											
TEXSTAR	LGIP	TexSTAR	8,054.90	670,000.32	0.00	0.00	0.00	678,055.22	8,054.90	678,055.22	670,000.32
<b>Total for Bond Fund</b>			<b>8,054.90</b>	<b>670,000.32</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>678,055.22</b>	<b>8,054.90</b>	<b>678,055.22</b>	<b>670,000.32</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	724,243.28	84,506.87	(434,741.20)	0.00	0.00	374,008.95	724,243.28	374,008.95	(350,234.33)
<b>Total for Operating Fund</b>			<b>724,243.28</b>	<b>84,506.87</b>	<b>(434,741.20)</b>	<b>0.00</b>	<b>0.00</b>	<b>374,008.95</b>	<b>724,243.28</b>	<b>374,008.95</b>	<b>(350,234.33)</b>
<b>Reserve Fund</b>											
TEXSTAR	LGIP	TexSTAR	3,216,679.36	62.47	(120,171.75)	0.00	0.00	3,096,570.08	3,216,679.36	3,096,570.08	(120,109.28)
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
912828H86	TREAS NOTE	U.S. Treasury 1.500 01/31/22	1,507,033.34	0.00	0.00	(5,303.82)	0.00	1,501,729.52	1,507,218.75	1,501,648.50	(5,570.25)
313378CR0	AGCY BULET	FHLB 2.250 03/11/22	1,510,448.21	0.00	0.00	(5,877.12)	0.00	1,504,571.09	1,514,404.95	1,506,083.10	(8,321.85)
912828ZG8	TREAS NOTE	U.S. Treasury 0.375 03/31/22	1,502,222.15	0.00	0.00	(1,129.49)	0.00	1,501,092.66	1,502,343.75	1,501,017.00	(1,326.75)
912828XR6	TREAS NOTE	U.S. Treasury 1.750 05/31/22	1,516,575.86	0.00	0.00	(6,286.55)	0.00	1,510,289.31	1,516,757.85	1,509,784.50	(6,973.35)
3133EMCH3	AGCY CALL	FFCB 0.160 10/13/22	1,499,030.22	0.00	(1,500,000.00)	31.23	938.55	0.00	1,499,961.00	0.00	(1,499,961.00)
3135G0T94	AGCY BULET	FNMA 2.375 01/19/23	0.00	1,612,594.10	0.00	(7,198.50)	0.00	1,605,395.60	0.00	1,602,246.70	1,602,246.70
3133EMH96	AGCY BULET	FFCB 0.125 06/14/23	1,994,966.44	0.00	0.00	737.48	0.00	1,995,703.92	1,996,498.40	1,994,109.60	(2,388.80)
<b>Total for Reserve Fund</b>			<b>12,746,955.58</b>	<b>1,612,656.57</b>	<b>(1,620,171.75)</b>	<b>(25,026.77)</b>	<b>938.55</b>	<b>12,715,352.18</b>	<b>12,753,864.06</b>	<b>12,711,459.48</b>	<b>(42,404.58)</b>



Regular Agenda 9, Exhibit 3(a)

## Denton County Transportation Authority

### Change in Value

From 09/30/2021 to 12/31/2021

CUSIP	Security Type	Security Description	09/30/21 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	12/31/21 Book Value	09/30/21 Market Value	12/31/21 Market Value	Change in Mkt Value
<b>Sales Tax Fund</b>											
TEXSTAR	LGIP	TexSTAR	54,308,819.37	5,192,070.11	0.00	0.00	0.00	59,500,889.48	54,308,819.37	59,500,889.48	5,192,070.11
<b>Total for Sales Tax Fund</b>			<b>54,308,819.37</b>	<b>5,192,070.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>59,500,889.48</b>	<b>54,308,819.37</b>	<b>59,500,889.48</b>	<b>5,192,070.11</b>
<b>Total for Denton County Transportation Authority</b>											
			<b>69,500,589.61</b>	<b>7,559,544.42</b>	<b>(2,054,912.95)</b>	<b>(25,026.77)</b>	<b>938.55</b>	<b>74,981,132.86</b>	<b>69,507,498.09</b>	<b>74,977,240.16</b>	<b>5,469,742.07</b>



Regular Agenda 9, Exhibit 3(a)

## Denton County Transportation Authority

### Earned Income

From 09/30/2021 to 12/31/2021

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	281.44	281.44	0.00	0.00	0.00	281.44
<b>Total for 2011 Bond Fund</b>			<b>0.00</b>	<b>281.44</b>	<b>281.44</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>281.44</b>
<b>Additional Reserve Fund</b>									
TEXSTAR	LGIP	TexSTAR	0.00	29.11	29.11	0.00	0.00	0.00	29.11
<b>Total for Additional Reserve Fund</b>			<b>0.00</b>	<b>29.11</b>	<b>29.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>29.11</b>
<b>Bond Fund</b>									
TEXSTAR	LGIP	TexSTAR	0.00	0.32	0.32	0.00	0.00	0.00	0.32
<b>Total for Bond Fund</b>			<b>0.00</b>	<b>0.32</b>	<b>0.32</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.32</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	88.81	88.81	0.00	0.00	0.00	88.81
912828H86	TREAS NOTE	U.S. Treasury 1.500 01/31/22	3,790.76	5,625.00	0.00	0.00	9,415.76	(5,303.82)	321.18
313378CR0	AGCY BULET	FHLB 2.250 03/11/22	1,875.00	8,437.50	0.00	0.00	10,312.50	(5,877.12)	2,560.38
912828ZG8	TREAS NOTE	U.S. Treasury 0.375 03/31/22	15.45	1,421.71	0.00	0.00	1,437.16	(1,129.49)	292.22
912828XR6	TREAS NOTE	U.S. Treasury 1.750 05/31/22	8,821.72	6,610.97	13,125.00	0.00	2,307.69	(6,286.55)	324.42
3133EMCH3	AGCY CALL	FFCB 0.160 10/13/22	1,120.00	80.00	1,200.00	0.00	0.00	31.23	111.23
3135G0T94	AGCY BULET	FNMA 2.375 01/19/23	0.00	7,975.39	0.00	(8,803.99)	16,779.38	(7,198.50)	776.89
3133EMH96	AGCY BULET	FFCB 0.125 06/14/23	743.06	625.00	1,250.00	0.00	118.06	737.48	1,362.48
<b>Total for Reserve Fund</b>			<b>16,365.99</b>	<b>30,864.38</b>	<b>15,663.81</b>	<b>(8,803.99)</b>	<b>40,370.55</b>	<b>(25,026.77)</b>	<b>5,837.61</b>

**Denton County Transportation Authority****Earned Income***From 09/30/2021 to 12/31/2021*

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	1,662.85	1,662.85	0.00	0.00	0.00	1,662.85
<b>Total for Sales Tax Fund</b>			<b>0.00</b>	<b>1,662.85</b>	<b>1,662.85</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,662.85</b>
<b>Total for Denton County Transportation Authority</b>			<b>16,365.99</b>	<b>32,838.10</b>	<b>17,637.53</b>	<b>(8,803.99)</b>	<b>40,370.55</b>	<b>(25,026.77)</b>	<b>7,811.33</b>



**Denton County Transportation Authority**  
**Investment Transactions**  
**From 10/01/2021 to 12/31/2021**

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>Calls</b>															
10/12/21	10/13/21	3133EMCH3	AGCY CALL	FFCB	0.160	10/13/22	10/13/21	1,500,000.00	100.000	1,500,000.00	0.00	1,500,000.00	938.55	0.223	0.160
<b>Total for: Calls</b>								<b>1,500,000.00</b>		<b>1,500,000.00</b>	<b>0.00</b>	<b>1,500,000.00</b>	<b>938.55</b>	<b>0.223</b>	<b>0.160</b>
<b>Purchases</b>															
10/13/21	10/14/21	3135G0T94	AGCY BULET	FNMA	2.375	01/19/23		1,570,000.00	102.713	1,612,594.10	8,803.99	1,621,398.09		0.224	0.224
<b>Total for: Purchases</b>								<b>1,570,000.00</b>		<b>1,612,594.10</b>	<b>8,803.99</b>	<b>1,621,398.09</b>		<b>0.224</b>	<b>0.224</b>
<b>Income Payments</b>															
10/13/21	10/13/21	3133EMCH3	AGCY CALL	FFCB	0.160	10/13/22				0.00	1,200.00	1,200.00			
11/30/21	11/30/21	912828XR6	TREAS NOTE	U.S. Treasury	1.750	05/31/22				0.00	13,125.00	13,125.00			
12/14/21	12/14/21	3133EMH96	AGCY BULET	FFCB	0.125	06/14/23				0.00	1,250.00	1,250.00			
<b>Total for: Income Payments</b>										<b>0.00</b>	<b>15,575.00</b>	<b>15,575.00</b>			



**Denton County Transportation Authority**  
**Investment Transactions**  
*From 10/01/2021 to 12/31/2021*

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 Calls	1,500,000.00	1,500,000.00	938.55	0.223	0.160
Total Purchases	1,570,000.00	1,621,398.09		0.224	0.224
Total Income Payments	0.00	15,575.00			



Regular Agenda 9, Exhibit 3(a)

## Denton County Transportation Authority

### Amortization and Accretion

From 09/30/2021 to 12/31/2021

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>											
912828H86	02/12/21	TREAS NOTE	U.S. Treasury 1.500 01/31/22		1,500,000.00	101.367	1,520,507.81	(5,303.82)	(18,778.29)	(1,729.52)	1,501,729.52
313378CR0	03/13/20	AGCY BULET	FHLB 2.250 03/11/22		1,500,000.00	103.110	1,546,650.00	(5,877.12)	(42,078.91)	(4,571.09)	1,504,571.09
912828ZG8	02/22/21	TREAS NOTE	U.S. Treasury 0.375 03/31/22		1,500,000.00	100.328	1,504,921.88	(1,129.49)	(3,829.22)	(1,092.66)	1,501,092.66
912828XR6	04/20/21	TREAS NOTE	U.S. Treasury 1.750 05/31/22		1,500,000.00	101.852	1,527,773.44	(6,286.55)	(17,484.13)	(10,289.31)	1,510,289.31
3133EMCH3	10/13/20	AGCY CALL	FFCB 0.160 10/13/22	10/13/21	0.00	99.875	0.00	31.23	0.00	0.00	0.00
3135G0T94	10/14/21	AGCY BULET	FNMA 2.375 01/19/23		1,570,000.00	102.713	1,612,594.10	(7,198.50)	(7,198.50)	(35,395.60)	1,605,395.60
3133EMH96	06/25/21	AGCY BULET	FFCB 0.125 06/14/23		2,000,000.00	99.709	1,994,180.00	737.48	1,523.92	4,296.08	1,995,703.92
<b>Total for Reserve Fund</b>					<b>9,570,000.00</b>		<b>9,706,627.23</b>	<b>(25,026.77)</b>	<b>(87,845.13)</b>	<b>(48,782.10)</b>	<b>9,618,782.10</b>
<b>Total for Denton County Transportation Authority</b>					<b>9,570,000.00</b>		<b>9,706,627.23</b>	<b>(25,026.77)</b>	<b>(87,845.13)</b>	<b>(48,782.10)</b>	<b>9,618,782.10</b>



## Denton County Transportation Authority

### Projected Cash Flows

Cash Flows for next 180 days from 12/31/2021

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
<b>Reserve Fund</b>						
3135G0T94	AGCY BULET	FNMA 2.375 01/19/23	01/19/22	18,643.75	0.00	18,643.75
912828H86	TREAS NOTE	U.S. Treasury 1.500 01/31/22	01/31/22	11,250.00	1,500,000.00	1,511,250.00
313378CR0	AGCY BULET	FHLB 2.250 03/11/22	03/11/22	16,875.00	1,500,000.00	1,516,875.00
912828ZG8	TREAS NOTE	U.S. Treasury 0.375 03/31/22	03/31/22	2,812.50	1,500,000.00	1,502,812.50
912828XR6	TREAS NOTE	U.S. Treasury 1.750 05/31/22	05/31/22	13,125.00	1,500,000.00	1,513,125.00
3133EMH96	AGCY BULET	FFCB 0.125 06/14/23	06/14/22	1,250.00	0.00	1,250.00
<b>Total for Reserve Fund</b>				<b>63,956.25</b>	<b>6,000,000.00</b>	<b>6,063,956.25</b>





## Denton County Transportation Authority

### Projected Cash Flows

Cash Flows for next 180 days from 12/31/2021

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

January 2022	29,893.75	1,500,000.00	1,529,893.75
March 2022	19,687.50	3,000,000.00	3,019,687.50
May 2022	13,125.00	1,500,000.00	1,513,125.00
June 2022	1,250.00	0.00	1,250.00
<b>Total Projected Cash Flows for Denton County Transportation Authority</b>	<b>63,956.25</b>	<b>6,000,000.00</b>	<b>6,063,956.25</b>

## Board of Directors Memo

January 27, 2022

SUBJECT: Quarterly Grants Report Q1 FY2022

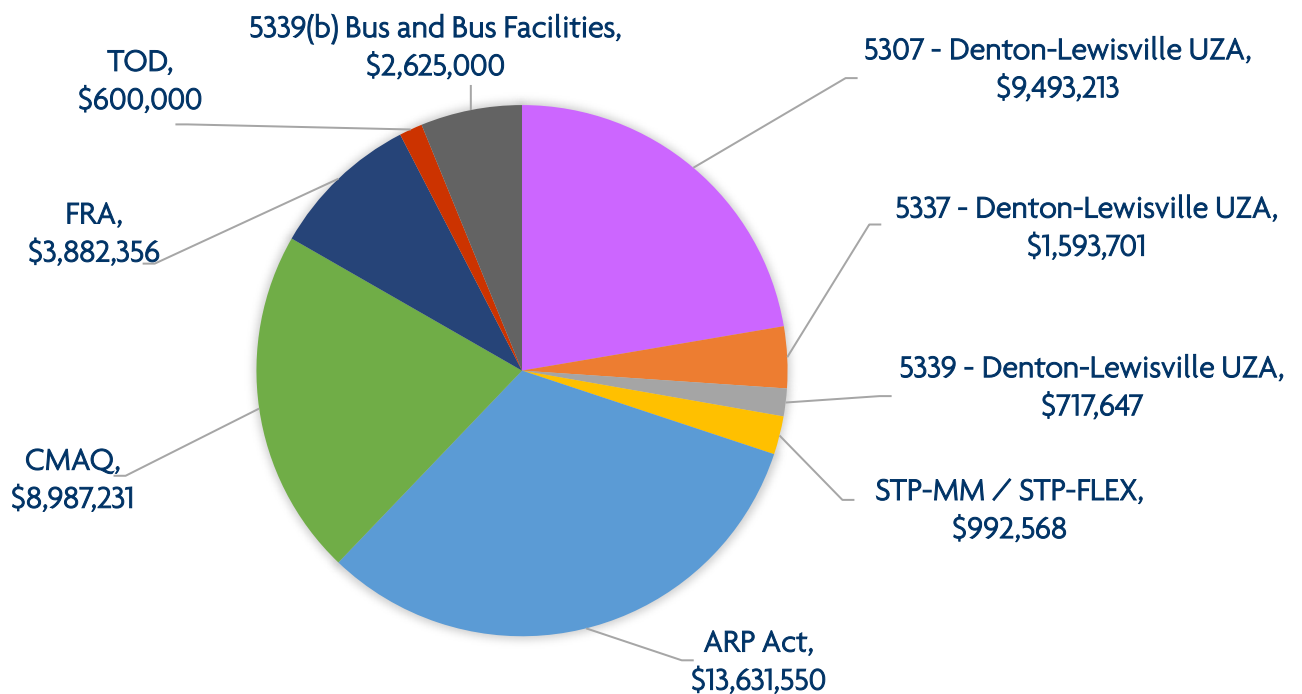
### Recommendation

Staff recommends approval of the quarterly grants report for Q1 FY2022.

### Background

DCTA currently has 16 open, fully executed grants that provide reimbursements for various capital projects, rail and bus preventive maintenance, operating assistance, and ADA paratransit service. The grant funding sources include Federal Transit Administration (FTA) and Federal Railroad Administration (FRA). The total grant balance was \$42.5 million as of 12/31/2021. Of this total, \$4.5 million is obligated for Positive Train Control (PTC), \$11.8 million is obligated for the FY17-20 Program of Projects, \$13.6 million is obligated for the American Rescue Plan (ARP) Act, \$9.0 million is obligated for the Congestion, Mitigation & Quality (CMAQ) program, and \$2.6 million is obligated for the Bus and Bus Facilities program.

### GRANTS FUNDING LEVELS \$42.5 MILLION AS OF 12/31/2021



Program	Q4 FY21 Balance	Q1 FY22 Balance	Grant Activity
Denton-Lewisville UZA (5307)	\$ 9,733,057	\$ 9,493,213	Operating Assistance, Fleet Replacement, Bus Preventive Maintenance, Safety & Security, ADA Paratransit
Bus and Bus Facilities (5339)	717,647	717,647	Fleet Replacement, Automated Fare Collection
Fixed Guideway (5337)	1,972,516	1,593,701	Rail Preventive Maintenance
STP-MM / STP-FLEX	1,013,504	992,568	PTC Implementation & Vanpool
CARES Act Relief Funding	3,121,464	-	Operating Assistance, Rail Preventive Maintenance
ARP Act Relief Funding	14,073,192	13,631,550	Operating Assistance
Congestion Mitigation & Air	8,987,231	8,987,231	Land Acquisition & Construction (Old Town)
Consolidated Rail Infrastructure and Safety Improvements (CRISI)	3,882,356	3,882,356	PTC Enhancements
Transit Oriented Development	600,000	600,000	Kansas City Southern (KCS) Rail Corridor study
Bus and Bus Facilities (5339b)	2,625,000	2,625,000	Bus Lite Maintenance Facility
<b>Total</b>	<b>\$ 46,725,967</b>	<b>\$ 42,523,266</b>	

#### Pending Funding and Other Grant Activity

DCTA's FY21 formula funding apportionment of \$9 million was delayed in the required Transportation Improvement Program (TIP) modification process with NCTCOG due to TxDOT cancelling the August cycle. Staff expects the funds to be available for execution in early 2022. Funds will be used for operating assistance, ADA paratransit, preventive maintenance, safety & security, and bus facility rehabilitation.

On November 15, 2021, President Biden signed the Bipartisan Infrastructure Law providing up to \$108 billion for public transit over five years and provided new and increased funding for State of Good Repair, Low or No Emission, and Capital Investment Grants. It also created four new grant programs, such as Rail Vehicle Replacement. Staff is researching the various program areas that were changed by this law to be prepared for future formula programming and Notice of Funding Opportunities (NOFO).

On November 29, 2021, staff received communication regarding its upcoming Triennial Review. The review helps FTA determine whether its recipients are administering FTA-funded programs in accordance with Federal transit law provisions. Staff has been diligently working to compile a host of requested documents for this review ahead of a January 21<sup>st</sup> deadline. The site visit will be conducted virtually and is tentatively scheduled for the week of May 30<sup>th</sup> with a final report expected in July. This review spans four years rather than the typical three years due to FTA postponing oversight reviews in 2021 in response to COVID-19.

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

Program	Amount	Grant Activity	Funding Status
FY19 5339 Formula	\$ 530,768	Fleet Replacement, Enhanced ADA Access	Development; pending project planning by DCTA
FY20 5339 Formula	538,298	Fleet Replacement	Development; pending project planning by DCTA
FY21 POP Formula	9,008,301	Operating Assistance, ADA Paratransit, Preventive Maintenance, Safety & Security	Development; pending project planning by DCTA
<b>TOTAL</b>	<b>\$ 10,077,367</b>		

#### Previous Board Activity & Action

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


#### Identified Need

Provides the Board of Directors a quarterly status on grant balances and significant grant activity.

#### Financial Impact

This item is included for informational purposes only; there is no financial impact associated with this item. Grant revenues were adopted as part of the FY2022 budget.

Submitted By:   
Whitney Traylor, Grants Manager

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

## Board of Directors Memo

January 27, 2022

SUBJECT: Discuss and Consider Approval of Dallas Area Rapid Transit (DART) Short Term Lease Agreement for use of Denton County Transportation Authority (DCTA) Operations and Maintenance Facility

### Recommendation

Staff recommends the Board of Directors approve Option 2, enabling DCTA to accept DART's counterproposal for lease and operating expense compensation (Exhibit 1) and requiring Staff to bring final form of Lease Agreement to the Board for final approval once all terms and conditions are resolved.

### Background

DCTA operates passenger rail service on a rail corridor owned by the Dallas Area Rapid Transit (DART) pursuant to a Transportation Access and Easement Agreement executed between the parties dated May 25, 2010, which sets forth the terms and conditions of DCTA's use of the DART Corridor. Additionally, DCTA and DART have maintained an Interlocal Agreement for Shared Services which mutually benefits the residents of the respective service areas and enables the parties to collaborate in providing passenger rail service. This agreement was amended and approved by the DCTA Board of Directors at the November 2020 Board meeting.

DCTA Board and staff have made a concerted effort to cultivate a constructive, cooperative relationship with DART while identifying new partnership opportunities to enhance the "regionalism" approach. At the November 2020 Board Meeting, Staff provided the Board an overview of potential collaboration for a regional Joint Rail Operations Facility (JROF) at the site of the DCTA Rail Operations Maintenance Facility (ROMF) to support equipment for DART's new Silver Line service.

The DART and DCTA boards approved the form of an Interlocal Agreement (ILA) between DCTA and DART at the October 2021 Board Meeting to proceed with the arrangement and the ILA was executed on November 18, 2021 (Exhibit 2). The ILA stipulates that a short-term lease will be negotiated by the agencies within 60 days of the execution date.

DART requested an appraisal be completed to determine a fair market value of the DCTA ROMF and the southernmost portion of the A-train rail line to be shared. The appraisal was completed, and a calculated lease rate and Lease Agreement template was provided to DART for review on November 23, 2021 (Exhibit 3). DART provided a counterproposal on the lease rate on January 7, 2021. Exhibit 1 identifies the DCTA calculated lease rate and DART's counterproposal.

### Previous Board Activity

The Board received a briefing in the December 2021 meeting regarding the financial terms of the proposed short-term Lease Agreement as proposed by DCTA to DART.

**Identified Need**

The Lease Agreement requires Board approval. While an offer of financial compensation has been made by DART, the Lease Terms and Conditions have not been reviewed by DART Legal. Therefore, DART and DCTA Legal Counsel have not arrived on the final form of the Lease Agreement. Staff presents the following options to the Board for consideration:

OPTION 1 – Approve the compensation structure offered by DART in their counterproposal and direct Staff and Board Attorney to execute the Lease Agreement following satisfactory resolution of the non-financial terms and conditions of the Agreement between DCTA's and DART's respective staffs and Legal Counsel.

OPTION 2 – Approve only the compensation structure offered by DART in their counterproposal and direct Staff to bring the final form of the Lease Agreement to the Board for approval once all terms and conditions are finalized between DCTA's and DART's respective staffs and Legal Counsel.

OPTION 3 – Reject the compensation structure offered by DART in their counterproposal and direct Staff to continue negotiations.

**Exhibits**

1. Lease Rate and Operating Expense Calculation and DART Counterproposal
2. DCTA – DART Interlocal Agreement
3. Draft Lease Agreement (Currently Under Review by DART)

Submitted By:

  
Paul Cristina, Deputy CEO



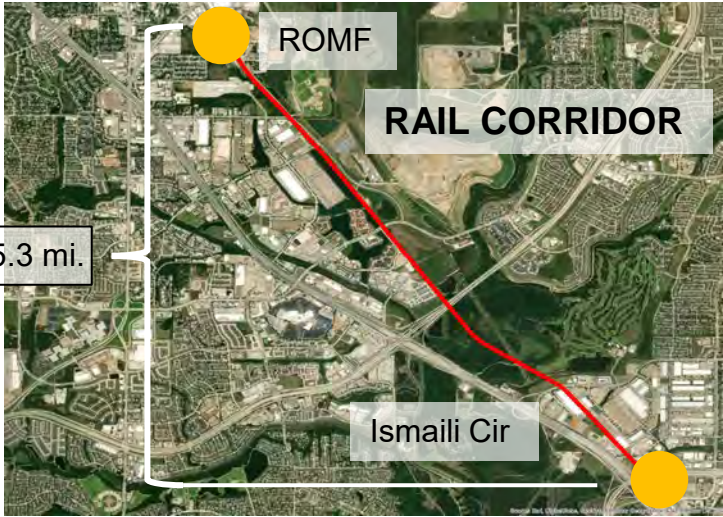
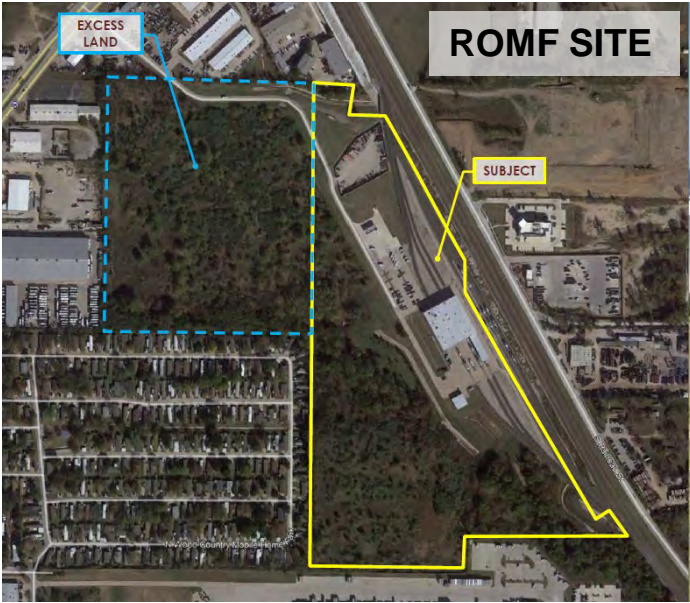
# DCTA / DART Joint Rail Operations Facility: Interlocal Agreement

Review from  
December 2021

## TIMELINE

November 2020	Staff provides overview of potential collaboration for regional joint rail operations facility between DCTA and DART.
Spring 2021	DCTA / DART contemplate Interlocal Agreement (ILA) for colocation of Silver Line Equipment maintenance at DCTA Rail Operations Maintenance Facility (ROMF).
Summer 2021	DCTA begins appraisal to identify valuation of ROMF facility and railroad lease.
October 2021	DCTA / DART boards approve ILA.
November 2021	Appraisal finalized. ILA executed.

ILA Phases		Milestone
Phase 1	May 2022 – Dec 2022	Silver Line Equipment Delivery & Testing. Delivery anticipated 5/2022.
Phase 2	Jan 2023 – Dec 2023	Facility Expansion in Service. Target date: 5/2023.
Phase 3	2023 – 2043	Long Term O&M.



# Appraisal Methodology and Value

Review from  
December 2021

- DCTA contracted with Stateside Real Estate for appraisal and drafting of lease agreement. Stateside subcontracted with Lowery Property Advisors to perform the work.
- Lowery provides appraisals for rail operators including TRE, DART, and Trinity Metro. Three components considered:

## 1. LAND

	Primary Site	Secondary Site <sup>1</sup>	Valuation <sup>2</sup>
Acreage	47.5	30.0	\$9,310,000

- Excess land not included in valuation.
- Based on concluded unit value of \$4.50 / SF, derived from five local comparable properties with commercial / light industrial / tech center use.

## 2. FACILITY

	Office	Shop	Total
Area (SF)	13,288	33,000	46,288

VALUATION – Facility <sup>1</sup>	
Structure	\$26,958,067
Gate	\$30,009
Fencing	\$14,535
Total	\$27,002,611

- Based on 2010 actual costs, inflated by 25.3% per US Bureau of Labor and Statistics.

## 3. RAILROAD & SUPPORT SYSTEMS<sup>1</sup>

	Mileage	Limits	Value
Total Miles	21.2	Ismaili Cir – DDTC	\$241.9M <sup>2</sup>
Lease Miles	5.3	Ismaili Cir – ROMF	\$59.5M <sup>2,3</sup>

- Underlying land owned by DART. Valuation includes only surface track and related improvements.
- Based on 2010 actual costs, inflated by 25.3% per US Bureau of Labor and Statistics.
- Comprised of track and support systems.

Valuation – Railway Track <sup>2</sup>	
Track	\$52,063,290
Professional Services	\$146,398
MedPark Extension	\$315,756
FY09 - 11 Capitalized Interest	\$682,695
Rail Grinding & Drainage	\$229,548
Valley Ridge Crossing	\$71,286
Total	\$53,508,973

Valuation – Railway Support Systems <sup>2</sup>	
RR Signal Systems and Xings	\$3,716,650
Communication Systems	\$1,446,151
Traffic Signals	\$868,456
Total	\$6,031,257

**TOTAL FACILITY, RAILWAY AND SUPPORT SYSTEMS VALUATION (5.3 Lease Miles): \$86.5M**

## APPRAISED VALUE

Facility Direct Construction Costs & Site Improvements	\$27,002,611
Railway and Support Systems	\$59,540,230
<i>Subtotal</i>	<i>\$86,542,841</i>
(+) Indirect Costs (15%)	\$12,981,426
<i>Subtotal : Replacement Cost (New)</i>	<i>\$99,524,267</i>
(-) Depreciation, Short-Life Items (HVAC, roof, etc.)	(\$108,696)
(-) Depreciation, Long Life Items	(\$19,760,608)
<i>Subtotal : Depreciated Replacement Cost</i>	<i>\$79,654,963</i>
(+) Land Value	\$9,310,000
Value Indication	\$88,964,963
<b>Concluded Value</b>	<b>\$88,950,000</b>



# Lease Rate and Operating Expense Calculation and DART Counterproposal: Years 1 – 2

## FACILITY & RAIL LEASE – DCTA PROPOSAL

Appraised Value (ROMF Building & Rail)		\$88,950,000
Capitalization Rate <sup>1</sup>		6.0%
Annual Net Operating Income		\$5,337,000
Operating Income – Proportionate Share		
Maintenance Facility	31.2% <sup>1</sup>	\$1,662,476
Rail Systems	68.8% <sup>2</sup>	\$3,674,524
Total	100%	\$5,337,000

- \$27M of \$86.5M rail and facility valuation.
- \$59.5M of \$86.5M rail and facility valuation.
- Initial estimates, subject to revision following Phase 1.

1. Surveyed range of Cap. Rates, average: 5 - 8%

DART Share <sup>3</sup>		Estimated Annual Lease Payment	
Y1	Y2	Y1	Y2
10%	30%	\$166,248	\$498,743
5%	13%	\$183,726	\$477,688
		\$349,974	\$976,431
ANNUAL LEASE + OPEX			
		\$526,364	\$1,270,890

## FACILITY & RAIL LEASE – DART COUNTERPROPOSAL

Appraised Value (ROMF Building & Rail)		\$88,950,000
Capitalization Rate		3.0%
Annual Net Operating Income		\$2,668,500
Operating Income – Proportionate Share		
Maintenance Facility	31.2%	\$831,237
Rail Systems	68.8%	\$1,837,262
Total	100%	\$2,668,500

DART Share		Estimated Annual Lease Payment	
Y1	Y2	Y1	Y2
10%	30%	\$83,123	\$249,371
0%	13%	\$0	\$183,726
		\$83,123	\$433,097

	Y1	Y2
Monthly Lease	\$6,927	\$36,091
Monthly Operating Expenses	\$14,699	\$24,538
Total Monthly Charge (Lease + Operating Expenses)	\$21,625	\$60,629
ANNUAL LEASE + OPEX	\$259,500	\$727,548

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## OPERATING EXPENSE<sup>1</sup>

DART did not make a counterproposal on OPEX calculation or share.

Expenses	Maintenance Facility	Rail Systems
Facility Mgt, Permits & Fees	\$38,610	\$0
Printing (leasing and use)	\$19,000	\$0
Other Communications	\$505	\$0
HVAC / BAS	\$2,500	\$0
Water & Electricity	\$88,682	\$25,052
Property Insurance	\$16,414	\$12,951
ROW Maintenance	\$0	\$98,399
Rail Maintenance	\$0	\$925,181
Total Estimated Expenses	\$165,711	\$1,061,583

1. FY 2022, projected.

	DART Share		Estimated Annual OPEX	
	Y1	Y2	Y1	Y2
Maintenance Facility	10%	30%	\$16,571	\$49,713
Rail Systems	5%	13%	\$53,079	\$138,006
Administrative Fee <sup>1</sup>	2%	2%	\$106,740	\$106,740
			\$176,390	\$294,459

1. 0.02 x Annual NOI

**RESOLUTION**

of the

**DALLAS AREA RAPID TRANSIT BOARD**

(Executive Committee)

**RESOLUTION**

**Approval of the Interlocal Agreement (ILA) with Denton County Transportation Authority (DCTA) for Construction, Operation, and Maintenance of the Joint Rail Operations Facility (JROF) for the Silver Line Regional Rail Project**

WHEREAS, the Denton County Transportation Authority (DCTA) operates and maintains a passenger rail system known as the A-train between DART's Trinity Mills Station and downtown Denton; and

WHEREAS, the Silver Line Regional Rail Project (the "Silver Line") extends DART's commuter rail services from the Dallas-Fort Worth International Airport (DFWIA) to Shiloh Road in Plano, Texas; and

WHEREAS, the Silver Line will operate eight Stadler Diesel Multiple Unit (DMU) trains on a 30-minute peak schedule; and

WHEREAS, DART has identified the need for the development of an equipment maintenance facility to receive, test, commission, and perform ongoing maintenance on the DMUs; and

WHEREAS, DART staff has identified the existing DCTA A-train Operations and Maintenance Facility (OMF) as a location that offers the greatest advantage to the operations of the Silver Line for the accomplishment of these purposes; and

WHEREAS, the Parties desire to facilitate cooperation by entering into this Agreement for joint usage of a JROF at the OMF for the A-train and Silver Line to the benefit of both DART and DCTA; and


WHEREAS, the Interlocal Cooperation Act, Texas Government Code Chapter 791, hereinafter "the Act," provides authorization for a local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act, and the Parties hereby mutually agree to be subject to the provisions of the Act; and

WHEREAS, the Parties are eligible entities under the Act and want to enter into an Interlocal Agreement on the terms described herein; and

WHEREAS, the agreement provides for the manner in which DART and DCTA will jointly participate in the capital expansion and how costs will be shared, and the manner in which DART will compensate DCTA for the use of the JROF for the first two phases and includes the provision to negotiate a long-term lease agreement mutually beneficial to both parties.

NOW THEREFORE, be it resolved by the Dallas Area Rapid Transit Board of Directors that the President & Chief Executive Officer or her designee is authorized to execute an Interlocal Agreement with Denton County Transportation Authority (DCTA), substantially in the form shown in Exhibit 1 to the Resolution and subject to legal review, for Construction, Operation, and Maintenance of the Joint Rail Operations Facility (JROF) for the Silver Line Regional Rail Project.

**Approval of the Interlocal Agreement (ILA) with Denton County Transportation Authority (DCTA) for Construction, Operation, and Maintenance of the Joint Rail Operations Facility (JROF) for the Silver Line Regional Rail Project**

  
Rodney L. Schlosser  
Secretary

  
Michele Wong Krause  
Chair

APPROVED AS TO FORM:

  
Gene Gamez  
General Counsel

ATTEST

  
Nadine S. Lee  
President & Chief Executive Officer

October 26, 2021  
Date

**INTERLOCAL AGREEMENT  
BETWEEN  
DALLAS AREA RAPID TRANSIT  
AND  
DENTON COUNTY TRANSPORTATION AUTHORITY  
FOR CONSTRUCTION, OPERATION, AND MAINTENANCE  
OF  
JOINT RAIL OPERATIONS FACILITY (JROF)**

THIS INTERLOCAL AGREEMENT FOR THE CONSTRUCTION, OPERATION, AND MAINTENANCE OF A JOINT RAIL OPERATIONS FACILITY (this "Agreement"), by and between Dallas Area Rapid Transit, a regional transportation authority established 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 1955 Lakeway Drive, Ste. 260, Lewisville, Texas, 75067 (DCTA) (individually a "Party" and collectively "Parties").

**RECITALS:**

**WHEREAS**, the Silver Line regional commuter rail project (the "Silver Line") extends DART's commuter rail services from the Dallas-Fort Worth International Airport (DFWIA) to Shiloh Road in Plano, Texas; and,

**WHEREAS**, the Silver Line extends along the historic Cotton Belt Regional Rail Corridor and traverses seven cities: Grapevine, Coppell, Dallas, Carrollton, Addison, Richardson and Plano, providing passenger rail connections and service that will improve mobility, accessibility, and system linkages to major employment, population, and activity centers as well as connections to the DFWIA, three DART Rail lines, the DCTA A-train, and Trinity Metro's TEXRail in the northern part of the DART Service Area; and

**WHEREAS**, the Silver Line will operate eight (8) Stadler Fast Light Innovative Regional Train (FLIRT) Diesel Multiple Unit (DMU) trains ("Silver Line DMUs") on a 30-minute peak schedule; and,

**WHEREAS**, DART has identified the need for the development of an equipment maintenance facility to receive, test, commission, and perform ongoing maintenance on the DMUs; and,

**WHEREAS**, DART staff has identified the existing DCTA A-train Operations and Maintenance Facility (OMF) as a location that offers the greatest advantage to the operations of the Silver Line for the accomplishment of these purposes; and,

**WHEREAS**, DCTA's OMF is located in Lewisville, Texas, approximately seven (7) miles north of the Silver Line connection in Carrollton, Texas, along the DART-owned MKT freight rail alignment, which provides a direct connection to the Silver Line; and,

**WHEREAS**, the DCTA OMF, constructed in 2012, currently operates and maintains eleven (11) Stadler Gelenktriebwagen (GTW) DMU's and was planned strategically to expand and accommodate the future Silver Line; and,

**WHEREAS**, the location, design, and construction of the DCTA OMF was closely coordinated between DART and DCTA staff to ensure the possibility that a future JROF facility could be easily achieved to the benefit of both agencies; and

**WHEREAS**, the Parties desire to facilitate cooperation by entering into this Agreement for joint usage of a JROF at the OMF for the A-train and Silver Line to the benefit of both DART and DCTA; and

**WHEREAS**, the Interlocal Cooperation Act, Texas Government Code Chapter 791, hereinafter "the Act," provides authorization for a local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act, and the Parties hereby mutually agree to be subject to the provisions of the Act; and

**WHEREAS**, the Parties are eligible entities under the Act and want to enter into an Interlocal Agreement on the terms described herein; and

**NOW THEREFORE**, in consideration of the mutual promises and benefits contained herein, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

## **Article I Term of Agreement**

1.1 **Term.** This Agreement shall commence and become effective on the Agreement Commencement Date, \_\_\_\_\_, 2021 ("Effective Date"), and terminate on the Agreement Termination Date, \_\_\_\_\_, 2025, unless the Term of this Agreement is terminated earlier in accordance with Article 9 below.

1.2 **Phases.** This Agreement shall include three (3) phases, including:

- (a) Phase 1: DMU delivery, testing, and commissioning (May 2022 – December 2024);
- (b) Phase 2: JROF Capital Expansion (October 2021 – May 2023); and
- (c) Phase 3: Long Term Operations and Maintenance (May 2023 – May 2043).

## **Article II Phase 1 Scope of Services**

2.1 DART and DCTA agree to work together to support the common goals of increasing service to their respective areas through expansion and capital improvements to the existing OMF for the purpose of developing a JROF that will provide service to both DART and DCTA.

2.2 DART will coordinate with Stadler to develop a plan for the receiving, testing, and commissioning of eight (8) FLIRT DMUs, subject to DCTA's approval, which shall not be unreasonably withheld. The plan will include:

- (a) a defined space within the DCTA OMF for temporary facilities for the delivery, commissioning, and testing of the Silver Line DMUs;
- (b) mobilization of temporary storage and office space;
- (c) a re-assembly plan for the Silver Line DMUs and an area in which to perform static testing in the DCTA OMF yard;
- (d) use of the DCTA corridor for dynamic testing and burn-in with defined and agreed-upon windows of time;
- (e) an operator agreement for testing on the DCTA corridor; and,
- (f) a safety plan.

2.3 DCTA will coordinate with Stadler to accommodate the Silver Line DMU delivery dates scheduled to begin in September 2022 as outlined in Exhibit 1, attached hereto and incorporated for all purposes herein.

2.4 DCTA will provide DART yard storage capacity at the OMF for the delivery of Silver Line DMUs beginning in September 2022.

2.5 Within 60 days of the Effective Date, DART and DCTA will negotiate a Phase 1 lease for the use of the OMF consistent with the above-referenced receiving, testing, and commissioning plan.

2.6 DART will provide proof of insurance naming DCTA as an additional insured or named insured to address all Phase 1 activities as set forth in Article 8 below.

### **Article III Phase 2 Scope of Services**

3.1 DART and DCTA agree to work together to develop a plan to expand the existing OMF by 22,500 square feet (estimated) to accommodate the long-term operations and maintenance of both the A-train and Silver Line DMU fleets, resulting in the JROF.

3.2 DCTA will procure the design and construction for the OMF expansion (the "Design Contract").

3.3 DCTA will provide project management and project oversight for the OMF expansion.

3.4 DCTA will provide project accounting for the OMF expansion.

3.5 DART will participate in the design review and comment process for the OMF expansion in accordance with the design milestones set forth in the Design Contract.



3.6 DART's and DCTA's contract rail services operators (CRSO) will also participate in the space planning process for the OMF expansion during the preliminary engineering and design phase and the parties will jointly agree on the space planning to support both operations.

3.7 DCTA will deliver the OMF expansion no later than May 2023.

3.8 DART will fund the OMF capital expansion and agrees to pay DCTA all fair and reasonable expenses incurred by DCTA to deliver the capital expansion. DART is providing DCTA an initial estimate, which is attached to this Agreement as Exhibit 2 and incorporated for all purposes herein. DCTA will take reasonable commercial efforts to manage project expenses to those within the estimate in Exhibit 2. However, if the costs of the capital expansion exceed those outlined in Exhibit 2, DART will fund the full cost incurred by DCTA so that DCTA does not incur additional financial liability for project expenses beyond the estimate in Exhibit 2. DCTA shall first request approval of any expenses over the estimate in Exhibit 2.

3.9 To facilitate the long-term regional rail expansion by DCTA to Carrollton, Texas, DART and DCTA will develop capital improvement cost estimates to include: 1) Track upgrades from FRA Class 2 to FRA Class 4 track from Trinity Mills to the Downtown Carrollton Station, said estimates to include the track and track bed only. The initial estimate shall be determined by DART; 2) DCTA will develop cost estimates for the addition of interoperable Positive Train Control (PTC); 3) DCTA will develop initial cost estimate for the addition of Centralized Traffic Control (CTC) from the Trinity Mills Station to the Downtown Carrollton. DART and DCTA shall jointly determine cost sharing allocations and when each upgrade will be done to support each phase of the project by amendment to this ILA.

#### **Article IV Phase 3 Scope of Services**

4.1 DART will provide, at its sole expense, insurance required for the operation and maintenance of the Silver Line DMUs as set forth in Article 8 below.

4.2 DART and DCTA will negotiate a Phase 3 long term joint use lease for the ongoing use of the JROF. The monthly lease rate should be inclusive of the costs associated with the joint use of the facility consistent with the approved Joint Rail Operations Plan including areas of shared resources to the benefit of both parties.

4.3 DART and DCTA agree the Phase 3 lease will supersede the Phase 1 lease.

4.5 DART and DCTA will direct the Silver Line and A-train CRSO's to develop a Joint Rail Operations Plan to ensure safe and reliable operations of both regional rail systems.

## Article V Payment Provisions

- 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 this Project that will impact each other.
- 5.2 Cost Sharing. DART and DCTA agree to share the cost of the JROF operating expenses and expenses associated with testing, commissioning, dispatching, and other related shared expenses with the terms set forth in the then-current JROF lease agreement.
- 5.3 Right to Audit. Each Party, at its own expense, shall have the right to audit the other Party regarding any costs incurred or services provided under this Agreement.

## Article VI Extension of DCTA A-train Service to Carrollton

- 6.1 At such time as DCTA is ready to expand A-train service to downtown Carrollton, DART and DCTA will negotiate trackage rights and an access agreement from Trinity Mills to Downtown Carrollton to include:
- (a) DCTA design and construction of a Station in Downtown Carrollton. Attached as Exhibit 3, is a preliminary schematic and drawing indicating the proposed location of the DCTA Station Platform station in Downtown Carrollton. The location may be changed upon agreement of DART, DCTA and any other parties or entities necessary to facilitate such change;
  - (b) Corridor planning and coordination between the Parties to facilitate necessary upgrades to the track to enable DCTA to provide A-train service to Downtown Carrollton;
  - (c) Coordination between the Parties on DCTA-funded capital improvements necessary to facilitate future operations of the A-train service to Carrollton; and,
  - (d) Negotiated right-of-way lease inclusive of costs associated with the joint use of the corridor between Trinity Mills and Carrollton consistent with the approved Joint Rail Operations Plan including areas of shared resources to the benefit of both parties.

## Article VII Indemnification

- 7.1 Generally. TO THE EXTENT ALLOWED BY LAW, EACH PARTY AGREES TO RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE OTHER (AND ITS OFFICERS, AGENTS, AND EMPLOYEES) FROM AND AGAINST ALL CLAIMS OR CAUSES OF ACTION FOR INJURIES (INCLUDING DEATH), PROPERTY DAMAGES (INCLUDING LOSS OF USE), AND ANY OTHER LOSSES, DEMANDS, SUITS, JUDGMENTS, AND COSTS, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES, IN ANY WAY ARISING OUT OF, RELATED TO, OR RESULTING FROM



**ITS PERFORMANCE UNDER THIS AGREEMENT, OR CAUSED BY ITS NEGLIGENT ACTS OR OMISSIONS (OR THOSE OF ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR ANY OTHER THIRD PARTIES FOR WHOM IT IS LEGALLY RESPONSIBLE) IN CONNECTION WITH PERFORMING THIS AGREEMENT. THIS AGREEMENT AND THE INDEMNITY PROVIDED HEREIN IS NOT INTENDED TO AND SHALL NOT CREATE ANY CAUSE OF ACTION FOR THE BENEFIT OF THIRD PARTIES OR ANY PERSON NOT A PARTY TO THIS AGREEMENT.**

**7.2 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 TEX.CIV.PRAC.REM. CODE as amended 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 regards to any claim or lawsuit that allege 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. 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.

**7.3 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 Article 7 are solely for the benefit of the Parties and are not intended to confer or convey any interest to any third party.

## **Article VIII Insurance**

**8.1 Commercial General Liability.** DART and DCTA represent and warrant that they are covered by a self-insurance program, an insured program, emergency funds or any combination of programs and/or emergency funds that provides sufficient coverage against liabilities that may arise in connection with or related to the services provided under this agreement. All liabilities policies shall name the other Agency as additional insured.

DART and DCTA also represent and warrant that they shall provide worker's compensation coverage for the benefits of their employees. All insurance policies shall be endorsed with a waiver of subrogation in favor of DCTA and DART.

**Article IX  
Miscellaneous Provisions**

**9.1 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 or enforce specific performance of the same 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. The Parties may terminate this Agreement prior to the Agreement Termination Date by mutual written agreement with 36 months' notice.

**9.2 Resolution of Disputes.**

- (a) 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 mutual agreement, the matter will be submitted to non-binding mediation. Accordingly, in regard to disputed issues, the Parties agree that:
  - (1) 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 acknowledge the start of the mediation process and 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 hereto, 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.

9.3 Force Majeure. It is expressly understood and agreed by the Parties that if the performance of any provision of this Agreement is delayed by reason of war, civil commotion, act of God, governmental restrictions, regulations or interferences, 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.

9.4 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.

9.5 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 all of the Parties.

9.6 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.

9.7 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 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 Denton County, Texas.

9.8 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.

9.9 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 instrument.

9.10 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.

9.11 Survival. All of the terms, conditions, warranties, representations and indemnities contained in this Agreement shall survive, in accordance with their terms, the execution hereof.

9.12 Reference. 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.

9.13 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.

9.14 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/Executive Director  
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  
1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75057

With a copy to:

Joseph J. Gorfida  
General Counsel  
Denton County Transportation Authority  
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.  
1800 Lincoln Plaza  
500 North Akard  
Dallas, Texas 75201

## Exhibit 1

9.15 Execution Date. Notwithstanding Article 2 of this Agreement, this Agreement shall not be binding on the Parties until signed by authorized representatives of each Party.

9.16 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.

9.17 Recitals. The recitals to this Agreement constitute a part of this Agreement.

9.18 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.

Executed on the dates indicated below, pursuant to the authority of:

Resolution No. \_\_\_\_\_ of the Dallas Area Rapid Transit Board of Directors, adopted  
\_\_\_\_\_, 2021;

Resolution No. \_\_\_\_\_ of the Denton County Transportation Authority Board of Directors, adopted  
\_\_\_\_\_, 2021, and

*(signature pages to follow)*

EXECUTED this 18<sup>th</sup> day of November, 2021.

Dallas Area Rapid Transit

By:



Nadine S. Lee  
President & Chief Executive Officer

Approved as to form:

By:



Gene Gamez  
General Counsel

Denton County Transportation Authority

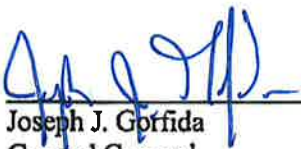
By:



Raymond Suarez  
Chief Executive Officer

Approved as to form:

By:



Joseph J. Goffida  
General Counsel  
(10-07-2021:TM 125279)

# Silver Line Vehicle Delivery Schedule

Car	Delivery
DMU 1	JUN 2022
DMU 2	JUN 2022
DMU 3	JUL 2022
DMU 4	SEP 2022
DMU 5	NOV 2022
DMU 6	DEC 2022
DMU 7	MAR 2023
DMU 8	APR 2023



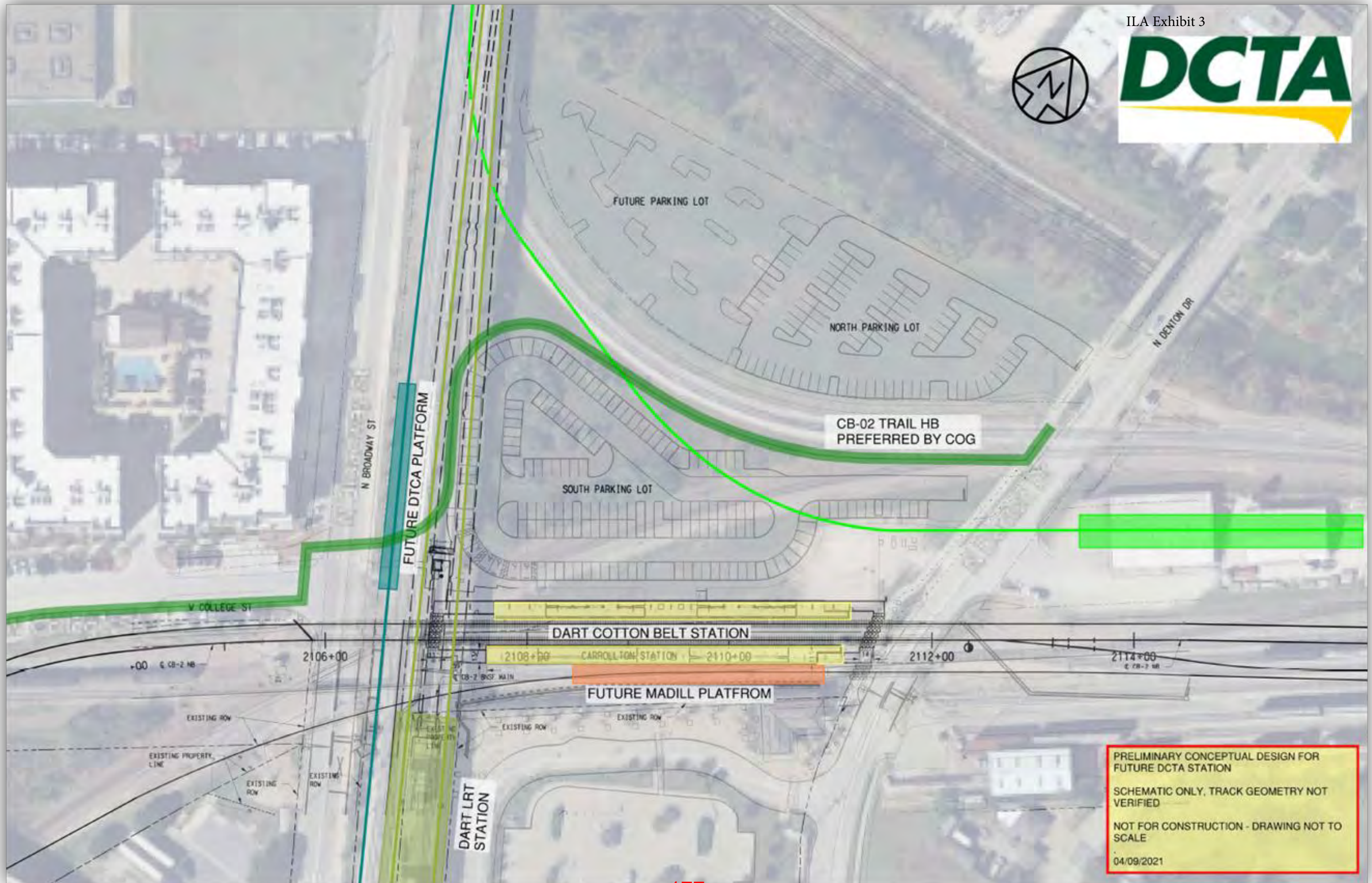
**JROF PROPOSED PROJECT BASELINE BUDGET**

		<b>Budget Estimate</b>	
<b>Construction</b>			
Facilities Construction Phase I		\$	-
Facilities Construction Phase II		\$	8,000,000.00
FRA Track Class II Upgrade (Tinity Mills - Carrollton)		\$	-
Crossing Upgrades and Quiet Zones (Tinity Mills - Carrollton)		\$	-
<b>Sub-Total Construction</b>		\$	8,000,000.00
<b>Escalation/Contingency</b>			
Escalated Sub-Total Construction		\$	8,560,000.00 1.07
Design/Construction Contingency		\$	513,600.00 6.0%
<b>Construction Total</b>		\$	9,073,600.00
<b>Soft Costs</b>			
100 Procurement		\$	171,200.00 2.0%
111 Quality Compliance		\$	171,200.00 2.0%
113 Safety Certification & Compliance		\$	171,200.00 2.0%
120 Project/Construction Management		\$	856,000.00 10.0%
395 Insurance		\$	171,200.00 2.0%
4XX Design Services		\$	1,027,200.00 12.0%
<b>Total Soft Costs</b>		\$	2,568,000.00 30.0%
<b>Utility Relocations</b>		\$	- 0.0%
<b>Flagging</b>		\$	181,472.00 2.00%
<b>Environmental</b>			
Assessment		\$	45,368.00 0.5%
Remediation		\$	181,472.00 2.0%
<b>Total Environmental</b>		\$	226,840.00 2.5%
<b>Real Estate</b>			
Acquisition		\$	- 0.0%
Real Estate Consultant Staff		\$	- 0.0%
<b>Project Reserve</b>		\$	- 0.0%
<b>Subtotal</b>		\$	<b>12,049,912.00</b>
FRA Track Class IV Upgrade (Tinity Mills - Carrollton)		\$	(2,511,332.16)
<b>Total</b>		\$	<b>9,538,579.84</b>

**Notes/Assumptions:**

- 1 Construction schedule of 12 - 18 months is assumed
- 2 Assumes construction to begin in 2022
- 3 Assumes design services to begin in 2021
- 4 Phase 1 costs for Temporary for receipt, testing and commissioning DART responsible under Stadler vehicle contract.
- 5 Assumes D-B-B delivery methodology
- 6 Assume Capital JROF expansion costs at DCTA OMF DART responsibility
- 7 Assume Utility Relocations are included in construction contract
- 8 Assumes no planning costs as DCTA is environmentally cleared
- 9 Assumes soft costs are as stated % of Escalated Construction Costs before Contingency
- 10 Assumes systems design included in design services contract and systems construction in the construction contract.
- 11 Design Consultant - Incl. Environmental, Final Design, DSDC, Survey, Geotechnical, PM, Fee, and ODC's
- 12 Assumes any environmental remediation included in construction.
- 13 Assumes FRA Class II upgrades by DART under separate contract
- 14 Assumes Optional FRA Class IV upgrades paid for by DCTA - TRACK ONLY
- 15 Assumes real estate cost not included for capital expansion
- 16 Assumes 7% escalation
- 17 Assumes construction price/sqft expansion of \$412.44/sqft including contingency
- 18 Subtotal without FRA Class IV upgrade
- 19 Total with DCTA funding FRA Class IV upgrade delta





PRELIMINARY CONCEPTUAL DESIGN FOR  
FUTURE DCTA STATION

SCHEMATIC ONLY, TRACK GEOMETRY NOT  
VERIFIED

NOT FOR CONSTRUCTION - DRAWING NOT TO  
SCALE

04/09/2021



**THIS DOCUMENT IS A DRAFT DOCUMENT FOR DISCUSSION PURPOSES ONLY AND SHALL NOT BE DEEMED TO BE CONTRACTUALLY BINDING IN ANY WAY ON ANY PERSON (AN "APPLICABLE PERSON") UNTIL FULLY EXECUTED. THIS DOCUMENT DOES NOT OBLIGATE ANY APPLICABLE PERSON TO NEGOTIATE IN GOOD FAITH OR TO PROCEED TO COMPLETION AND EXECUTION OF A FINAL AGREEMENT. NO APPLICABLE PERSON HAS OR SHALL HAVE ANY CLAIM AGAINST ANY OTHER APPLICABLE PERSON IN CONNECTION WITH THIS DOCUMENT OR THE NEGOTIATION THEREOF.**

**LEASE AGREEMENT BETWEEN  
DENTON COUNTY TRANSPORTATION AUTHORITY,  
AS LANDLORD, AND  
DALLAS AREA RAPID TRANSIT,  
AS TENANT  
DATED \_\_\_\_\_, 2021**

**LEWISVILLE, TEXAS**

## **BASIC LEASE INFORMATION**

Effective Date: \_\_\_\_\_, 2021

Landlord: DENTON COUNTY TRANSPORTATION AUTHORITY, a regional transportation authority, organized and existing pursuant to Chapter 460 of the Texas Transportation Code

Tenant: DALLAS AREA RAPID TRANSIT, a regional transportation authority, organized and existing pursuant to Chapter 452 of the Texas Transportation Code

Premises: The Premises shall be comprised of (i) certain office space and shop space designated by Landlord in the building whose street address is 640 TX-121, Lewisville, TX 75067 (the "**Building**"), (ii) the Outdoor Storage Area (hereinafter defined), (iii) the Tandem Lift Area (hereinafter defined), (iv) the Receiving Track Area and Yard Track Area (hereinafter defined), and (v) the Mainline Track (hereinafter defined). The Premises are approximately depicted on the space plan attached to the Lease as Exhibit A. The land on which the Building is located (the "**Land**") is depicted on Exhibit B-1 and described on Exhibit B-2. The term "**Project**" shall collectively refer to the Building, the Land and the driveways, parking facilities, and rail lines with the Building and similar improvements and easements associated with the foregoing or the operation thereof.

Initial Term: Twenty-four (24) full calendar months, plus any partial month from the Commencement Date to the end of the month in which the Commencement Date falls, starting on the Commencement Date and ending at 5:00 p.m. local time on the last day of the twenty-fourth (24th) full calendar month following the Commencement Date, subject to adjustment and earlier termination as provided in the Lease.

Extension Term: One (1) period of twelve (12) full calendar months as set forth on and subject to Exhibit G attached hereto and incorporated herein. The Initial Term and any Extension Term shall be collectively be referred to as the "**Term**."

Commencement Date: The later of (i) [REDACTED], and (ii) [REDACTED], provided in no event shall the Commencement Date be later than [REDACTED]. **[NOTE: To be determined.]**

Basic Rent:

Basic Rent shall be the following amounts for the following periods of time: [JW COMMENT: Please confirm rental amounts.]

Lease Month	Annual Basic Rent	Monthly Basic Rent
1-12	\$349,974.00	\$29,165.00
13-24	\$976,431.00	\$81,369.00

As used herein, the term "**Lease Month**" means each calendar month from and after the Commencement Date (and if the Commencement Date does not occur on the first day of a calendar month, the period from the Commencement Date to the first day of the next calendar month shall be included in the first Lease Month for which Basic Rent is payable for purposes of determining the duration of the Term and the monthly Basic Rent rate applicable for such partial month).

Additional Rent:

Tenant's Proportionate Share of Operating Costs and Insurance Costs.

Tenant's Proportionate Share of Operating Costs:

As set forth in Section 4(b). Landlord estimates that Tenant's Proportionate Share of Operating Costs for the first full calendar year of the Term will be \$14,699 per Lease Month, in Lease Months 1 – 12 and \$24,538 per Lease Month in Lease Months 13 – 24.

Tenant's Proportionate Share of Taxes:

N/A.

Tenant's Proportionate Share of Insurance Costs:

As set forth in Section 12(e). Landlord estimates that Tenant's Proportionate Share of Insurance Costs for the first full calendar year of the Term will be \$[REDACTED] per Lease Month.

Security Deposit:

None.

Rent:

Basic Rent, Additional Rent, and all other sums that Tenant may owe to Landlord or otherwise be required to pay under the Lease.

Permitted Use:

Tenant may use the Premises for receiving, testing and commissioning of Tenant's FLIRT Vehicles and related activities associated with operations and maintenance of the vehicles and related equipment and for no other use.

Tenant's Proportionate Share: Tenant's Proportionate Share for the first Lease Year shall be XX%.  
Tenant's Proportionate Share for all subsequent Lease Years shall be XX%.

Tenant's Address:	For all Notices: President/Executive Director Denton County Transportation Authority 1955 Lakeway Drive, Suite 260 Lewisville, Texas 75057	With a copy to: Peter G. Smith, Esq. General Counsel Denton County Transportation Authority Nichols, Jackson, Dillard, Hager & Smith, L.L.P. 1800 Lincoln Plaza 500 North Akard Dallas, Texas 75201
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Landlord's Address:	For all Notices: Denton County Transportation Authority 1955 Lakeway Drive, Suite 260 Lewisville, Texas 75057 Attention: Raymond Suarez Email: <a href="mailto:rsuarez@dcta.net">rsuarez@dcta.net</a>	With a copy to: Jackson Walker LLP 2323 Ross Avenue, Suite 600 Dallas, Texas 75201 Attention: Brad Lowry Telephone: (214) 953-5694 Email: <a href="mailto:blowry@jw.com">blowry@jw.com</a>
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And to:  
Stateside Right of Way Services  
3010 Lyndon B. Johnson Fwy,  
Suite 1490  
Dallas, Texas 75234  
Attention: Diane Valek

The foregoing Basic Lease Information is incorporated into and made a part of the Lease identified above. If any conflict exists between any Basic Lease Information and the Lease, then the Lease shall control.

## **LEASE**

This Lease Agreement (this "**Lease**") is entered into as of \_\_\_\_\_, 2021, between DENTON COUNTY TRANSPORTATION AUTHORITY, a regional transportation authority, organized and existing pursuant to Chapter 460 of the Texas Transportation Code ("**Landlord**"), and DALLAS AREA RAPID TRANSIT, a regional transportation authority, organized and existing pursuant to Chapter 452 of the Texas Transportation Code ("**Tenant**").

**1. Definitions and Certain Provisions.** The definitions and basic provisions set forth in the Basic Lease Information (the "**Basic Lease Information**") set forth above are incorporated herein by reference for all purposes. Additionally, the following terms shall have the following meanings when used in this Lease:

(a) "**Affiliate**" means any person or entity which, directly or indirectly controls, is controlled by, or is under common control with the party in question;

(b) "**Building's Structure**" means the Building's exterior walls, roof, footings, foundations, structural portions of load-bearing walls, structural floors and subfloors, and structural columns and beams;

(c) "**Building's Systems**" means the Building's life-safety, plumbing, electrical, HVAC, and mechanical systems;

(d) "**Mainline Track**" shall mean the territory from mile marker [ ] south of the Trinity Mills Station to Mile Marker [ ] with terminus at the Downtown Denton Transit Center including Right of Ways, Turnouts, Crossings, Signal Systems, Fiber and IT infrastructure;

(e) "**Yard Track**" shall mean the rail track designated by Landlord as "in-yard" facility adjacent to the DCTA A-train Rail Operations and Maintenance facility;

(f) "**including**" means including, without limitation;

(g) "**Laws**" means all federal, state, and local laws, ordinances, rules and regulations, all court orders, governmental directives, and governmental orders, and all interpretations of the foregoing, and all restrictive covenants affecting this Lease or the Project, and "**Law**" means any of the foregoing;

(h) "**RTC Plan**" means the Approved RTC Plan as set forth in Section 2(e);

(i) "**Temporary Storage Area**" means the area of the Project designated on Exhibit B-1 for Tenant's Temporary Storage Containers (defined below);

(j) "**Storage Containers**" means \_\_\_\_ ( ) [ ]. **[NOTE: Please describe number and type of storage containers.]**

(k) **"Tenant's Outdoor Equipment"** shall mean [REDACTED]. **[NOTE: Please describe the equipment to be stored in the Storage Containers.]**

(l) **"Tandem Lift Area"** means the area designated on Exhibit B-1 for the installation and operation of Tenant's tandem lift and cranes;

(m) **"Receiving Track Area"** means that portion of the Yard Track designated on Exhibit B-1;

(n) **"Receiving and Assembly Activities"** shall mean those activities approved in the Approved RTC Plan;

(o) **"FLIRT Vehicles"** shall mean eight (8) FLIRT diesel multiple unit passenger rail cars as provided in the Approved RTC Plan; and

(p) **"Tenant Party"** means any of the following persons: Tenant; any assignees claiming by, through, or under Tenant; any subtenants claiming by, through, or under Tenant; and any of their respective agents, contractors, employees, licensees, guests and invitees.

## **2. Lease.**

(a) **Lease Grant.** Subject to the terms of this Lease, Landlord leases to Tenant, and Tenant leases from Landlord, joint use together with Landlord of the Premises. Additionally, subject to the terms of this Lease and the Rules and Regulations (hereinafter defined), Tenant and its employees and invitees shall have a non-exclusive right to use in common with Landlord all driveways, roadways, and other similar improvements designated by Landlord from time to time as common areas for the common use and enjoyment of all tenants and occupants of the Project (the **"Common Areas"**). THE PREMISES ARE BEING LEASED TO TENANT IN THEIR PRESENT "AS-IS" CONDITION, WITH TENANT ACCEPTING ALL DEFECTS, IF ANY. LANDLORD MAKES NO WARRANTY, AND TENANT IS NOT RELYING ON ANY WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE DEMISED PREMISES (WITHOUT LIMITATION, LANDLORD MAKES NO WARRANTY, AND TENANT IS NOT RELYING ON ANY WARRANTY AS TO THE HABITABILITY, FITNESS OR SUITABILITY OF THE DEMISED PREMISES FOR A PARTICULAR PURPOSE NOR AS TO THE ABSENCE OF ANY TOXIC OR OTHERWISE HAZARDOUS SUBSTANCES).

(b) **Use of Temporary Storage Area.** Subject to the terms and conditions set forth in this Lease, Tenant shall have the right to install and maintain the Storage Containers for the storage of only Tenant's Outdoor Equipment in the Temporary Storage Area. Tenant shall install, operate and maintain the Storage Containers in the Temporary Storage Area in accordance with (i) the Approved RTC Plan (defined below), (ii) this Lease, the Rules and Regulations and all Laws, and (iii) in a manner so as to avoid any material interference with Landlord's operations at the Project.

(c) **Use of Tandem Lift Area.** Subject to the terms and conditions set forth in this Lease, Tenant shall have the right to install, maintain and operate a tandem lift (the **"Tandem**

**Lift**") in the Tandem Lift Area. Tenant shall install, operate and maintain the Tandem Lift in accordance with (i) the Approved RTC Plan (defined below), (ii) this Lease, the Rules and Regulations and all Laws, and (iii) in a manner so as to avoid any material interference with Landlord's operations at the Project. Upon the completion of Tenant's Receiving and Assembly Activities, Tenant shall remove the Tandem Lift and restore the Tandem Lift Area to substantially the condition existing prior to Tenant's installation of the Tandem Lift.

(d) Use of Receiving Track Area. Subject to the terms and conditions set forth in this Lease, commencing on **May 1, 2022 [TBD]**, Tenant shall have the non-exclusive right to use the Receiving Track Area for the Receiving and Assembly Activities. Tenant's use of the Receiving Track Area and its performance of the Receiving and Assembly Activities shall be in accordance with (i) the Approved RTC Plan (defined below), (ii) this Lease, the Rules and Regulations and all Laws, and (iii) in a manner so as to avoid any material interference with Landlord's operations at the Project.

(e) Use of Yard Track. Subject to the terms and conditions set forth in this Lease, Tenant shall have the non-exclusive right to use the Yard Track jointly with Landlord. Tenant's use of the Yard Track shall be in accordance with (i) the Approved RTC Plan (defined below), (ii) this Lease, the Rules and Regulations and all Laws, and (iii) in a manner so as to avoid any material interference with Landlord's operations at the Project.

(f) Use of Mainline Track. Subject to the terms and conditions set forth in this Lease, Tenant shall have the non-exclusive right to use the Mainline Track jointly with Landlord and others entitled to use the Mainline Track. Prior to accessing and using the Mainline Track, Tenant shall obtain the prior written approval of Landlord's operator of the Mainline Track (the "**Track Operator**"), and Tenant's use of the Mainline Track shall be in accordance with (i) any rules, regulations and conditions provided by Landlord and/or the Track Operator, (ii) this Lease, the Rules and Regulations and all Laws, and (iii) in a manner so as to avoid any material interference with Landlord's operations at the Project or on the Mainline Track.

(g) Approval of Proposed RTC Plan. Within ten (10) days after the Effective Date, Tenant will cause a proposed plan for the receiving, testing and commissioning of the FLIRT Vehicles (the "**Proposed RTC Plan**") to be provided to Landlord for approval in Landlord's sole discretion. Within fifteen (15) days after receipt of the Proposed RTC Plan, Landlord shall deliver to Tenant its written approval or disapproval (together with comments thereto in the case of disapproval) of the Proposed RTC Plan. In the event Landlord approves the Proposed RTC Plan, it shall thereafter be referred to as the "**Approved RTC Plan**." In the event Landlord disapproves of the Proposed RTC Plan, then within fifteen (15) days after Tenant's receipt of Landlord's disapproval, Tenant shall revise the Proposed RTC Plan to accommodate Landlord's comments and resubmit. This process shall continue until Landlord has approved the Proposed RTC Plan, and unless and until such time as Landlord has approved the Proposed RTC Plan, Tenant shall not use the Receiving Track Area or the Yard Track.



### **3. Tender of Joint Possession.**

(a) Tender of Joint Possession. Landlord anticipates that joint possession of the Premises will be tendered to Tenant on or about **April 1, 2022 [TBD]** (the "**Estimated Delivery Date**"). If Landlord is unable to tender joint possession of the Premises to Tenant by the Estimated Delivery Date, then (1) the validity of this Lease shall not be affected or impaired thereby, (2) Landlord shall not be in default hereunder or be liable for damages therefor, and (3) Tenant shall accept possession of the Premises when Landlord tenders joint possession thereof to Tenant. Within ten (10) days after written request by Landlord, Tenant shall execute and deliver to Landlord a letter substantially in the form of Exhibit E hereto confirming (1) the Commencement Date and the expiration date of the Initial Term, (2) that Tenant has accepted the Premises, and (3) that Landlord has performed all of its obligations with respect to the Premises, however, the failure of the parties to execute such letter shall not defer the Commencement Date or otherwise invalidate this Lease, except as otherwise provided herein. Occupancy of the Premises by Tenant prior to the Commencement Date shall be subject to all of the provisions of this Lease excepting only those requiring the payment of Basic Rent and Additional Rent. Tenant acknowledges and agrees that its right to use and possess the Premises is non-exclusive and subject to Landlord's right to use the Premises jointly with Tenant.

### **4. Rent.**

(a) Payment. Tenant shall timely pay to Landlord Rent, without notice, demand, deduction or set off (except as otherwise expressly provided herein), (i) by good and sufficient check drawn on a national banking association at Landlord's address provided for in this Lease, (ii) by Automated Clearing House (ACH) or similar system designated by Landlord, (iii) by wire transfer of immediately available funds to an account designated by Landlord in writing, or (iv) as otherwise specified by Landlord. The obligations of Tenant to pay Rent to Landlord and the obligations of Landlord under this Lease are independent obligations. Rent shall be payable monthly in advance. The first monthly installment of Basic Rent shall be payable on the Commencement Date; thereafter, Basic Rent shall be payable on the first day of each month after the Commencement Date. The monthly Rent for any partial month at the beginning of the Term shall equal the product of 1/365 of the annual Basic Rent (and Additional Rent) in effect during the partial month and the number of days in the partial month, and shall be due on the Commencement Date. Payments of Rent for any fractional calendar month at the end of the Term shall be similarly prorated.

#### **(b) Operating Costs.**

(1) Tenant shall pay to Landlord Tenant's Proportionate Share of the annual Operating Costs (defined below) on a monthly basis, in advance, without demand or setoff. Monthly installments of Tenant's Proportionate Share of Operating Costs shall be adjusted in accordance with the estimations based on prior monthly expenses so that, by the end of the calendar year in question, Tenant shall have paid all of Tenant's Proportionate Share of Operating Costs as estimated by Landlord. Any amounts paid based on such an

estimate shall be subject to adjustment as herein provided when actual Operating Costs are available.

(2) The term "**Operating Costs**" means all expenses and disbursements (subject to the limitations set forth below) that Landlord incurs in connection with the ownership, operation, and maintenance of the Project, determined in accordance with Landlord's normal and customary accounting practices consistently applied, including the following costs: (A) wages and salaries of all on-site employees at or below the grade of senior building manager, engaged in the operation, maintenance or security of the Project (together with Landlord's reasonable allocation of expenses of off-site employees at or below the grade of senior building manager who perform a portion of their services in connection with the operation, maintenance or security of the Project), including taxes, insurance and benefits related thereto; (B) all supplies and materials used in the operation, maintenance, repair, replacement, and security of the Project; (C) cost of all utilities (including fuel, gas, electricity, water, sewer, and other services) for the Common Areas and other areas of the Project not exclusively servicing Landlord or Tenant (e.g., mechanical, electrical and telecommunications rooms) as reasonably determined by Landlord; (D) repairs, replacements, and general maintenance of the Project including paving and parking areas, roads, rails, roof repairs, driveways, trash collection, sweeping and removal of trash for the Common Areas, mowing and snow removal, landscaping and exterior painting, the cost of maintaining utility lines, fire sprinklers and fire protection systems, exterior lighting, and mechanical and plumbing systems serving the Project; (E) expenses incurred by Landlord in maintaining the Mainline Track or fees or expenses paid by Landlord to any contractor or operator that maintains the Mainline Track; (F) service, maintenance and management contracts with independent contractors for the operation, maintenance, management, repair, replacement, and security of the Project (including alarm service, window cleaning, and elevator maintenance); (G) reasonable costs of professional services rendered for the general benefit of the Project; (H) environmental insurance or environmental management fees for the benefit of the Project; (I) the cost of any insurance deductibles for insurance required to be maintained by Landlord; (J) a management fee; (K) costs for improvements made to the Project which, although capital in nature, are expected to reduce the normal operating costs (including all utility costs) of the Project, as amortized using a commercially reasonable interest rate over the time period reasonably estimated by Landlord to recover the costs thereof taking into consideration the anticipated cost savings, as determined by Landlord in accordance with Landlord's normal and customary accounting practices using its good faith, commercially reasonable judgment, as well as capital improvements made in order to comply with any Law hereafter promulgated by any governmental authority or any new interpretations of any Law hereafter rendered with respect to any existing Law, as amortized using a commercially reasonable interest rate over the useful economic life of such improvements as determined by Landlord in its reasonable discretion; (L) the cost of Landlord's repair, maintenance and replacement obligations provided in Section 7; and (M) ***[NOTE: DCTA determining what additional operating costs should be shared between the parties.]***

(3) Landlord and Tenant acknowledge and agree that Landlord is a tax exempt entity and the Project is not subject to any taxes, assessments or other governmental charges or fees ("**Real Property Taxes**"). Notwithstanding the foregoing, in the event that the Project becomes subject to any Real Property Taxes, then Tenant agrees that it will pay to Landlord Tenant's Proportionate Share of any such Real Property Taxes on a monthly basis.

(4) By April 1 of each calendar year, or as soon thereafter as practicable, Landlord shall furnish to Tenant a statement of Operating Costs for the previous year (the "**Operating Costs**").

(5) If Tenant's estimated payments of Operating Costs 4(b) for the year covered by the Operating Costs exceed Tenant's Proportionate Share of such items as indicated in the final Operating Costs and Tax Statement, then Landlord shall promptly credit or reimburse Tenant for such excess; likewise, if Tenant's estimated payments of Operating Costs under this Section 4(b) for such year are less than Tenant's Proportionate Share of such items as indicated in the Operating Costs, then Tenant shall promptly pay Landlord such deficiency.

**5. Delinquent Payment; Handling Charges.** All payments required of Tenant hereunder not received within fifteen (15) business days of the date due shall bear interest from the date due until paid at the lesser of ten percent (5%) per annum (the "**Default Rate**"); additionally, Landlord, in addition to all other rights and remedies available to it, may charge Tenant a fee equal to the greater of (a) \$50.00 or (b) five percent (5%) of the delinquent payment to reimburse Landlord for its cost and inconvenience incurred as a consequence of Tenant's delinquency. In no event, however, shall the charges permitted under this Section 5 or elsewhere in this Lease, to the extent they are considered to be interest under applicable Law, exceed the maximum lawful rate of interest. Notwithstanding the foregoing, the late fee and interest referenced above shall not be charged with respect to the first occurrence (but not any subsequent occurrence) during any 12-month period that Tenant fails to make payment on the date due, until five days after Landlord delivers written notice of such delinquency to Tenant.

**6. Reserved.**

**7. Landlord's Maintenance Obligations.** Landlord shall maintain, repair, and replace, at Landlord's expense, the Building's Structure and the Project, including the roof and roof membrane, exterior walls, parking areas, private roads (including private access roads), driveways, alleys, drainage, landscaping, mowing, the fire sprinkler system serving the entire Building (but not any in-rack sprinklers), the structural soundness of the floor slab, and the structural soundness of the footings, the below slab water and sewer lines, utility lines that are not for the exclusive use of the Premises, and the exterior of the Building, including but not limited to exterior painting and exterior lighting, in good working order, excluding reasonable wear and tear. Notwithstanding the foregoing, in the event that any such repair or replacement is necessitated by the acts or omissions of Tenant, its employees, agents, contractors, invitees, subtenant's and assignees, Tenant shall reimburse Landlord within thirty (30) days after the later of the date that Landlord

completes such repairs and/or replacements and the date that Landlord delivers written notice to Tenant together with documentation of the costs of such repair and/or replacement. Additionally, Landlord shall maintain the parking areas, and other common areas of the Building, including driveways, landscape and grounds surrounding the Premises and utility lines in a good condition. Landlord shall be solely responsible for all repairs, replacement or improvements to the Building's Structure (other than the Premises) required to comply with Laws, including without limitation the American's with Disabilities Act of 1990 (the "**ADA**"). Notwithstanding the foregoing, in the event that, as a result Tenant's operations in the Premises, modifications to the Building or the Project are required to comply with the ADA, then the cost of any such modifications shall be the sole responsibility of Tenant. All costs incurred by Landlord in performing the work described in this paragraph shall be included in Operating Costs. Tenant shall promptly notify Landlord in writing of any work required to be performed under this Section 7, and Landlord shall not be responsible for performing such work until Tenant delivers to Landlord such notice. Notwithstanding anything to the contrary contained herein, Landlord shall, in its commercially reasonable discretion, determine the appropriate remedial action required of it to satisfy its maintenance obligations hereunder (e.g., Landlord shall, in its commercially reasonable discretion, determine whether, and to the extent, repairs or replacements are the appropriate remedial action).

## **8. Improvements; Alterations; Tenant's Maintenance and Repair Obligations.**

(a) **Improvements; Alterations.** No alterations or additions in or to the Premises or the Project may be made without Landlord's prior written consent, which shall not be unreasonably withheld or delayed; however, Landlord may withhold its consent to any alteration that would adversely affect (in the reasonable discretion of Landlord) (1) the Building's Structure or the Building's Systems (including the Building's restrooms or mechanical rooms), (2) the exterior appearance of the Building, (3) the appearance of the Building's Common Areas, (4) the provision of services to Landlord. Tenant shall not paint or install lighting or decorations, signs, window or door lettering, or advertising media of any type visible from the exterior of the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. All alterations, additions, and improvements shall be constructed, maintained, and used by Tenant, at its risk and expense, in accordance with all Laws and Tenant shall obtain all necessary governmental approvals and permits therefor at its sole cost and expense; Landlord's consent to or approval of any alterations, additions or improvements (or the plans therefor) shall not constitute a representation or warranty by Landlord, nor Landlord's acceptance, that the same comply with sound architectural and/or engineering practices or with all applicable Laws, and Tenant shall be solely responsible for ensuring all such compliance.

(b) **Repairs; Maintenance.** Tenant shall maintain the Premises, in a clean, safe, and operable condition, and shall not permit or allow to remain damage to any portion of the Premises that renders the same unclean, unsafe or in an inoperable condition. Additionally, Tenant, at its sole expense, shall repair, maintain in good condition in accordance with all Laws and the equipment manufacturer's suggested service programs and replace when necessary the Temporary Storage Area, the Tandem Lift Area and all of Tenant's FLIRT Vehicles and other personal property placed on the Premises.

(c) Performance of Work. All work performed by Tenant or its contractors and subcontractors must be approved in writing by Landlord, which approval will not be unreasonably withheld for contractors and subcontractors that maintain the insurance coverages required by Landlord. Tenant shall cause all contractors and subcontractors to procure and maintain insurance coverage naming Landlord as additional insureds against such risks, in such amounts, and with such companies as Landlord may reasonably require. Tenant shall provide Landlord with the identities, mailing addresses and telephone numbers of all persons performing work or supplying materials prior to beginning such construction and Landlord may post on and about the Premises notices of non-responsibility pursuant to applicable Laws. All work shall be performed in accordance with all Laws and in a good and workmanlike manner so as not to damage the Building (including the Premises, the Building's Structure and the Building's Systems). All such work which may affect the Building's Structure or the Building's Systems must be approved by the Building's engineer of record, at Tenant's expense and, at Landlord's election, must be performed by Landlord's usual contractor for such work. All work affecting the Building roof must be performed by Landlord's roofing contractor, and will not be permitted if it would void or reduce the warranty on the roof certificate.

(d) Mechanic's Liens. All work performed, materials furnished, or obligations incurred by or at the request of a Tenant Party shall be deemed authorized and ordered by Tenant only, and Tenant shall not permit any mechanic's liens to be filed against the Premises or the Project in connection therewith. Upon completion of any such work, Tenant shall deliver to Landlord final lien waivers from all contractors, subcontractors and materialmen who performed such work. If a lien is filed, then Tenant shall, within ten days after Landlord has delivered notice of the filing thereof to Tenant (or earlier, as necessary to prevent the forfeiture of the Premises, the Project or any interest of Landlord therein or the imposition of any fine with respect thereto), either (1) pay the amount of the lien and cause the lien to be released of record, or (2) diligently contest such lien and deliver to Landlord a bond or other security reasonably satisfactory to Landlord. If Tenant fails to timely take either such action, then Landlord may pay the lien claim, and any amounts so paid, including expenses and interest, shall be paid by Tenant to Landlord within ten days after Landlord has invoiced Tenant therefor. Landlord and Tenant acknowledge and agree that their relationship is and shall be solely that of "landlord-tenant" (thereby excluding a relationship of "owner-contractor," "owner-agent" or other similar relationships). Accordingly, all materialmen, contractors, artisans, mechanics, laborers and any other persons now or hereafter contracting with Tenant, any contractor or subcontractor of Tenant or any other Tenant Party for the furnishing of any labor, services, materials, supplies or equipment with respect to any portion of the Premises during the Term, are hereby charged with notice that they look exclusively to Tenant to obtain payment for same. Nothing herein shall be deemed a consent by Landlord to any liens being placed upon the Premises, the Project or Landlord's interest therein due to any work performed by or for Tenant or deemed to give any contractor or subcontractor or materialman any right or interest in any funds held by Landlord to reimburse Tenant for any portion of the cost of such work. Tenant shall defend, indemnify and hold harmless Landlord and its agents and representatives from and against all claims, demands, causes of action, suits, judgments, damages and expenses (including attorneys' fees) in any way arising from or relating to the failure by any Tenant Party to pay for any work performed, materials furnished, or obligations incurred by or at

the request of a Tenant Party. This indemnity provision shall survive termination or expiration of this Lease.

**9. Utilities.** Landlord shall provide water, gas, electricity, heat, sewer utilities and services to the Premises. Landlord shall, using its good-faith, reasonable judgment, allocate the expenses for utility services between the Landlord and Tenant of the Project based upon density, usage, and other factors in Landlord's reasonable judgment. If Landlord is unable to reasonably allocate shared expenses, Tenant shall be responsible for Tenant's Proportionate Share of all utility charges for the Project. Landlord shall not be liable for any interruption or failure of utility service to the Premises, and such interruption or failure of utility service shall not be a constructive eviction of Tenant, constitute a breach of any implied warranty, or, except as provided in the next sentence, entitle Tenant to any abatement of Tenant's obligations hereunder. If, however, Tenant is prevented from using the Premises for more than ten (10) consecutive business days because of the unavailability of any such service and such unavailability was caused by Landlord, its agents, employees or contractors, and restoration of such service is within the reasonable control of Landlord, then Tenant, as its exclusive remedy is entitled to a reasonable abatement of Rent for each consecutive day (after such 10 business-day period) that Tenant is so prevented from using the Premises. Rent shall not abate by reason of the interruption, insufficiency, unavailability or discontinuance of such service if such unavailability or discontinuance was not caused by Landlord, its agents, employees or contractors and restoration of such service is not within the reasonable control of Landlord.

**10. Use and Compliance with Law.**

(a) Use. Tenant shall use the Premises only for the Permitted Use and shall comply with all Laws and the Rules and Regulations relating to this Lease and/or the use, condition, access to, and occupancy of the Premises and will not commit waste. The Premises shall not be used for any use which creates extraordinary fire hazards, or results in an increased rate of insurance on the Building or its contents, or for the storage of any Hazardous Materials (except as provided in Section 27 hereto). Outside storage, including storage of trucks or other vehicles, except as expressly permitted by this Lease in the Temporary Storage Area, is prohibited without Landlord's prior written consent. If, because of a Tenant Party's acts or because Tenant vacates the Premises prior to the termination of this Lease (unless expressly permitted by this Lease—the rate of insurance on the Building or its contents increases, then Tenant shall pay to Landlord the amount of such increase on demand, and acceptance of such payment shall not waive any of Landlord's other rights. Tenant shall conduct its business and control each other Tenant Party so as not to create any nuisance or unreasonably interfere with other tenants or Landlord in its management of the Project.

(b) Compliance with Law. If, as a result of one or more Laws, it is necessary from time to time during the Lease Term to perform an alteration or modification to the Premises, the Building or the Project (a "**Code Modification**") that is made necessary as a result of the specific use being made by Tenant of the Premises or as a result of any alteration of the Premises by Tenant, such Code Modification shall be the sole and exclusive responsibility of Tenant in all respects; provided, however, that Tenant shall have the right to retract its request to perform a



proposed alteration in the event that the performance of such alteration would trigger the requirement for a Code Modification.

**11. Assignment and Subletting.** Neither Landlord nor Tenant may assign, sublet or otherwise transfer any interest in this Lease without the prior written consent of the other, which consent may be withheld in either party's sole discretion.

**12. Insurance; Waivers; Subrogation; Indemnity.** ***[NOTE: This section is under further review for compliance with insurance requirements.]***

(a) Tenant's Insurance. Effective as of the earlier of (1) the date Tenant enters or occupies the Premises, or (2) the Commencement Date, and continuing throughout the Term, Tenant shall maintain the following insurance policies: (A) commercial general liability insurance in amounts of \$3,000,000 per occurrence or, following the expiration of the initial Term, such other amounts as Landlord from time to time reasonably requires (and, if the use and occupancy of the Premises and/or the Project include any activity or matter that is or may be excluded from coverage under a commercial general liability policy [e.g., the sale, service or consumption of alcoholic beverages], Tenant shall obtain such endorsements to the commercial general liability policy or otherwise obtain insurance to insure all liability arising from such activity or matter in such amounts as Landlord may reasonably require), insuring Tenant, Landlord, against all liability for injury to or death of a person or persons or damage to property arising from the use and occupancy of the Premises and (without implying any consent by Landlord to the installation thereof) the installation, operation, maintenance, repair of the Temporary Storage Area, Tandem Lift Area or Receiving Track Area, (B) insurance covering the full replacement cost of all of Tenant's alterations and improvements and betterments in the Premises and the Project, naming Landlord as additional loss payees as their interests may appear, (C) insurance covering the full replacement cost of all furniture, trade fixtures and personal property (including property of Tenant or others) in the Premises or otherwise placed in the Project by or on behalf of a Tenant Party (D) contractual liability insurance sufficient to cover Tenant's indemnity obligations hereunder (but only if such contractual liability insurance is not already included in Tenant's commercial general liability insurance policy), (E) worker's compensation insurance, (F) business interruption insurance in an amount reasonably acceptable to Landlord, and (G) excess liability (umbrella) insurance in amounts of not less than \$2,000,000. The commercial general liability insurance to be maintained by Tenant may have a deductible of no more than \$5,000 per occurrence; the property insurance to be maintained by Tenant may have a deductible of no more than \$10,000 per occurrence; and, all other insurance to be maintained by Tenant shall have no deductible. Tenant's insurance shall provide primary coverage to Landlord when any policy issued to Landlord provides duplicate or similar coverage; Landlord's policy will be excess over Tenant's policy. Tenant shall furnish to Landlord certificates of such insurance least ten (10) days prior to the earlier of the Commencement Date or the date Tenant enters or occupies the Premises, and at least fifteen (15) days prior to each renewal of said insurance, and Tenant shall notify Landlord at least thirty (30) days before cancellation of any such insurance policies. All such insurance policies shall be in form reasonably satisfactory to Landlord and issued by companies with a Best's rating of A+:VII or better. If Tenant fails to comply with the foregoing insurance requirements or to deliver to Landlord the certificates or evidence of coverage required herein, and such failure continues for

more than two (2) business days after written notice from Landlord, Landlord, in addition to any other remedy available pursuant to this Lease or otherwise, may, but shall not be obligated to, obtain such insurance and Tenant shall pay to Landlord within thirty (30) days after written notice from Landlord, the premium costs thereof, plus an administrative fee of 15% of such cost.

(b) Landlord's Insurance. Throughout the Term of this Lease, Landlord shall maintain, as a minimum, the following insurance policies: (1) property insurance for the Building's replacement value (excluding property required to be insured by Tenant), less a commercially-reasonable deductible if Landlord so chooses, and (2) commercial general liability insurance in an amount of not less than \$1,000,000 per occurrence. Landlord may, but is not obligated to, maintain such other insurance and additional coverages as it may deem necessary. The cost of all insurance carried by Landlord with respect to the Project shall be included in Insurance Costs (defined below). The foregoing insurance policies and any other insurance carried by Landlord shall be for the sole benefit of Landlord and under Landlord's sole control, and Tenant shall have no right or claim to any proceeds thereof or any other rights thereunder.

(c) No Subrogation; Waiver of Property Claims. Landlord and Tenant each waives any claim it might have against the other for any damage to or theft, destruction, loss, or loss of use of any property, to the extent the same is insured against under any insurance policy of the types described in this Section 12 that covers the Project, the Premises, Landlord's or Tenant's fixtures, personal property, leasehold improvements, or business, or is required to be insured against under the terms hereof, **regardless of whether the negligence of the other party caused such Loss (defined below), but such waiver shall not apply to the extent that the gross negligence or intentional misconduct of the other party caused such Loss.** Additionally, Tenant waives any claim it may have against Landlord for any Loss to the extent such Loss is caused by a terrorist act. Each party shall cause its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise against the other party. Notwithstanding any provision in this Lease to the contrary, Landlord, its agents, employees and contractors shall not be liable to Tenant or to any party claiming by, through or under Tenant for (and Tenant hereby releases Landlord and its servants, agents, contractors, employees and invitees from any claim or responsibility for) any damage to or destruction, loss, or loss of use, or theft of any property of any Tenant Party located in or about the Project, caused by casualty, theft, fire, third parties or any other matter or cause, **regardless of whether the negligence of any party caused such loss in whole or in part, but such waiver shall not apply to the extent that the gross negligence or intentional misconduct of the other party caused such loss in whole or in part.** Tenant acknowledges that Landlord shall not carry insurance on, and shall not be responsible for damage to, any property of any Tenant Party located in or about the Project.

(d) Indemnity.

(1) Subject to Section 12(c), to the extent allowable by applicable Laws, Tenant shall defend, indemnify, and hold harmless Landlord and its agents, employees or contractors (each a "Landlord Party") from and against all claims, demands, liabilities, causes of action, suits, judgments, damages, and expenses (including reasonable attorneys' fees) arising from any injury to or death of any person or the damage to or theft, destruction,



loss or loss of use of, any property or inconvenience (a "**Loss**") (1) occurring due to any Event of Default by Tenant, (2) occurring in the Premises, or (3) arising out of the installation, operation, maintenance, repair or removal of any property or any other activity of any Tenant Party located in or about the Project. It is agreed that clauses (2) and (3) of this indemnity are intended to indemnify Landlord and Landlord Parties against the consequences of their own negligence or fault, **EVEN WHEN LANDLORD OR LANDLORD PARTIES ARE JOINTLY, COMPARATIVELY, CONTRIBUTIVELY, OR CONCURRENTLY NEGLIGENT WITH TENANT, AND EVEN THOUGH ANY SUCH CLAIM, CAUSE OF ACTION OR SUIT IS BASED UPON OR ALLEGED TO BE BASED UPON THE STRICT LIABILITY OF LANDLORD OR ITS AGENTS; HOWEVER, SUCH INDEMNITY SHALL NOT APPLY TO THE SOLE OR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD AND ITS AGENTS.**

(2) Subject to Section 12(c), to the extent allowable by applicable Laws, Landlord shall defend, indemnify, and hold harmless Tenant from and against Losses occurring in or on the Project (other than within the Premises, the Temporary Storage Area, the Tandem Lift Area or Receiving Track Area) to the extent cause by Landlord's gross negligence, except for matters for which Tenant expressly indemnifies Landlord.

(3) The indemnifying party's obligation to indemnify the indemnified party shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the indemnifying party under worker's or workmen's compensation acts or similar statutes, and indemnifying party will indemnify the indemnified party for any claim arising out of injuries to the indemnifying party's own employees, servants and agents in accordance with the provisions of this Section. The indemnities set forth in this Lease shall survive termination or expiration of this Lease and shall not terminate or be waived, diminished or affected in any manner by any abatement or apportionment of Rent under any provision of this Lease. If any proceeding is filed for which indemnity is required hereunder, the indemnifying party agrees, upon request therefor, to defend the indemnified party in such proceeding at its sole cost utilizing counsel satisfactory to the indemnified party.

(e) Cost of Landlord's Insurance. Tenant shall pay Tenant's Proportionate Share of the cost of the insurance carried by Landlord from time to time with respect to the Project (including other improvements and Landlord's personal property used in connection therewith), which may include fire and extended coverage insurance (including extended and broad form coverage risks, mudslide, land subsidence, flood, earthquake and rent loss insurance) and comprehensive general public liability insurance and excess liability insurance, in such amounts and containing such terms as Landlord deems necessary or desirable (collectively, "**Insurance Costs**"). During each month of the Term, Tenant shall make a monthly payment to Landlord equal to 1/12th of Tenant's Proportionate Share of Insurance Costs that will be due and payable for that particular year. Each payment of Insurance Costs shall be due and payable at the same time as, and in the same manner as, provided above for Tenant's Proportionate Share of Operating Costs. The initial monthly payment of Insurance Costs is based upon Landlord's good faith estimate of

Tenant's Proportionate Share of the estimated Insurance Costs for the remainder of the first calendar year. The monthly payment of Insurance Costs is subject to increase or decrease as determined by Landlord to reflect accurately Tenant's Proportionate Share of estimated Insurance Costs. If, following Landlord's receipt of the bill for the insurance premiums for a calendar year, Landlord determines that Tenant's total payments of Insurance Costs are less than Tenant's Proportionate Share of actual Insurance Costs, Tenant shall pay to Landlord the difference within thirty (30) days after written notice from Landlord; if Tenant's total payments of Insurance Costs are more than Tenant's Proportionate Share of actual Insurance Costs, Landlord shall retain such excess and credit it to Tenant's future payments of Insurance Costs (unless such adjustment is at the end of the Term, in which event Landlord shall refund such excess to Tenant within thirty (30) days after expiration).

**13. Rules and Regulations.** Tenant shall comply with the rules and regulations of the Project which are attached hereto as Exhibit C. Landlord may, from time to time, change such rules and regulations for the safety, care, or cleanliness of the Project and related facilities, provided that such changes are applicable to all tenants of the Project, will not unreasonably interfere with Tenant's use of the Premises and are enforced by Landlord in a non-discriminatory manner. Tenant shall be responsible for the compliance with such rules and regulations by each Tenant Party.

**14. Condemnation.**

(a) Total Taking. If the entire Building or Premises are taken by right of eminent domain or conveyed in lieu thereof (a "**Taking**"), this Lease shall terminate as of the date of the Taking.

(b) Partial Taking - Tenant's Rights. If any part of the Building becomes subject to a Taking and such Taking will prevent Tenant from conducting on a permanent basis its business in the Premises in a manner reasonably comparable to that conducted immediately before such Taking, then Tenant may terminate this Lease as of the date of such Taking by giving written notice to Landlord within thirty (30) days after the Taking, and Basic Rent and Additional Rent shall be apportioned as of the date of such Taking. If Tenant does not terminate this Lease within such 30-day period, then Rent shall be abated on a reasonable basis as to that portion of the Premises rendered untenable by the Taking.

(c) Partial Taking - Landlord's Rights. If any material portion, but less than all, of the Building becomes subject to a Taking, then Landlord may terminate this Lease by delivering written notice thereof to Tenant within thirty (30) days after such Taking, and Basic Rent and Additional Rent shall be apportioned as of the date of such Taking. If Landlord does not so terminate this Lease, then this Lease will continue, but if any portion of the Premises has been taken, Rent shall abate as provided in the last sentence of Section 15(b).

(d) Temporary Taking. If all or any portion of the Premises becomes subject to a Taking for a limited period of time, this Lease shall remain in full force and effect and Tenant shall continue to perform all of the terms, conditions and covenants of this Lease, including the

payment of Basic Rent and all other amounts required hereunder. Landlord shall be entitled to receive the entire award for any such temporary Taking, except that Tenant shall be entitled to receive the portion of such award which (1) compensates Tenant for its loss of use of the Premises within the Term and (2) reimburses Tenant for the reasonable out-of-pocket costs actually incurred by Tenant to restore the Premises as required by this Section.

(e) Award. If any Taking occurs, then Landlord shall receive the entire award or other compensation for the Land, the Building, and other improvements taken; however, Tenant may separately pursue a claim (to the extent it will not reduce Landlord's award) against the condemnor for the value of Tenant's personal property which Tenant is entitled to remove under this Lease, moving costs, loss of business, and other claims it may have.

## **15. Fire or Other Casualty.**

(a) Repair Estimate. If the Premises or the Building are damaged by fire or other casualty (a "**Casualty**"), Landlord shall, within ninety (90) days after such Casualty, deliver to Tenant a good faith estimate (the "**Damage Notice**") of the time needed to repair the damage caused by such Casualty.

(b) Tenant's Rights. If a material portion of the Premises is damaged by Casualty such that Tenant is prevented from conducting its business in the Premises in a manner reasonably comparable to that conducted immediately before such Casualty and Landlord estimates that the damage caused thereby cannot be repaired within 270 days after the commencement of repairs (the "**Repair Period**"), then Tenant may terminate this Lease by delivering written notice to Landlord of its election to terminate within thirty (30) days after the Damage Notice has been delivered to Tenant.

(c) Landlord's Rights. If a Casualty damages the Premises or a material portion of the Building and regardless of the extent of damage to the Premises, the damage is not fully covered by Landlord's insurance policies plus applicable deductibles (provided Landlord carries the insurance required hereunder), then Landlord may terminate this Lease by giving written notice of its election to terminate within thirty (30) days after the Damage Notice has been delivered to Tenant.

(d) Repair Obligation. If neither party elects to terminate this Lease following a Casualty, then Landlord shall, within a reasonable time after such Casualty, begin to repair the Premises and shall proceed with reasonable diligence to restore the Premises to substantially the same condition as they existed immediately before such Casualty; however, Landlord shall not be required to repair or replace any alterations or betterments within the Premises (which shall be promptly and with due diligence repaired and restored by Tenant at Tenant's sole cost and expense) or any furniture, equipment, trade fixtures or personal property of Tenant or others in the Premises or the Building, and Landlord's obligation to repair or restore the Premises shall be limited to the extent of the insurance proceeds actually received by Landlord for the Casualty in question (plus applicable deductible amounts). If this Lease is terminated under the provisions of this Section 16, Landlord shall be entitled to the full proceeds of the insurance policies providing coverage for all

alterations, improvements and betterments in the Premises (and, if Tenant has failed to maintain insurance on such items as required by this Lease, Tenant shall pay Landlord an amount equal to the proceeds Landlord would have received had Tenant maintained insurance on such items as required by this Lease).

(e) Abatement of Rent. If the Premises are damaged by Casualty, Basic Rent (but not Additional Rent) for the portion of the Premises rendered untenable by the damage shall be abated on a reasonable basis from the date of damage until the completion of Landlord's repairs (or until the date of termination of this Lease by Landlord or Tenant as provided above, as the case may be), unless the gross negligence or willful misconduct of a Tenant Party caused such damage, in which case, Tenant shall continue to pay all Rent without abatement.

**16. Personal Property Taxes.** Landlord and Tenant acknowledge and agree that Landlord and Tenant are tax exempt entities and no taxes are levied or assessed against personal property, furniture, fixtures, equipment, or vehicles placed by Landlord or Tenant at the Premises or in or on the Building or Project. Notwithstanding the foregoing, in the event that any taxes are levied in the future against personal property, furniture, fixtures, equipment, or vehicles placed by Landlord or Tenant in the Premises or in or on the Building or Project, then each party shall be solely responsible for paying taxes levied against its personal property prior to delinquency.

**17. Events of Default.** Each of the following occurrences shall be an "**Event of Default**":

(a) Payment Default. Tenant's failure to pay Rent when due, which failure continues for fifteen (15) days after Landlord has delivered written notice to Tenant that the same is due; however, an Event of Default shall occur hereunder without any obligation of Landlord to give any notice if Tenant fails to pay Rent when due and, during the 12 month interval preceding such failure, Landlord has given Tenant written notice of failure to pay Rent on one or more occasions;

(b) Abandonment. Tenant abandons the Premises or any substantial portion thereof;

(c) Estoppel. Tenant fails to provide any estoppel certificate after Landlord's written request therefor pursuant to Section 26(f) and such failure shall continue for five days after Landlord's second written notice thereof to Tenant;

(d) Insurance. Tenant fails to procure, maintain and deliver to Landlord evidence of the insurance policies and coverages as required under Section 12(a);

(e) Mechanic's Liens. Tenant fails to pay and release of record, or diligently contest and bond around, any mechanic's lien filed against the Premises or the Project for any work performed, materials furnished, or obligation incurred by or at the request of Tenant, within the time and in the manner required by Section 8(d);

(f) **Other Defaults.** Tenant's failure to perform, comply with, or observe any other agreement or obligation of Tenant under this Lease and the continuance of such failure for a period of more than sixty (60) days after Landlord has delivered to Tenant written notice thereof provided, however, that if the nature of Tenant's failure to perform is such that more than sixty (60) days are reasonably required to cure, then such failure to perform shall be deemed to have been cured if Tenant commences such performance within said sixty (60) day period and thereafter diligently pursues such cure to completion within a reasonable time; and

**18. Remedies.** Upon any Event of Default, Landlord may, in addition to all other rights and remedies afforded Landlord hereunder or by law or equity, take any one or more of the following actions:

(a) **Termination of Lease.** Terminate this Lease by giving Tenant written notice thereof, in which event Tenant shall pay to Landlord the sum of (1) all Rent accrued hereunder through the date of termination, (2) all amounts due under Section 20(a), and (3) an amount equal to (A) the total Rent that Tenant would have been required to pay for the remainder of the Term discounted to present value at a per annum rate equal to the "Prime Rate" as published on the date this Lease is terminated by The Wall Street Journal, Southwest Edition, in its listing of "Money Rates" minus one percent, minus (B) the then present fair rental value of the Premises for such period, similarly discounted;

(b) **Termination of Possession.** Terminate Tenant's right to possess the Premises without terminating this Lease by giving written notice thereof to Tenant, in which event Tenant shall pay to Landlord (1) all Rent and other amounts accrued hereunder to the date of termination of possession, (2) all amounts due from time to time under Section 20(a), and (3) all Rent and other net sums required hereunder to be paid by Tenant during the remainder of the Term, diminished by any net sums thereafter received by Landlord through reletting the Premises during such period, after deducting all reasonable costs incurred by Landlord in reletting the Premises;

(c) **Perform Acts on Behalf of Tenant.** Perform any act Tenant is obligated to perform under the terms of this Lease (and enter upon the Premises in connection therewith if necessary) in Tenant's name and on Tenant's behalf, without being liable for any claim for damages therefor, except to the extent due to Landlord's gross negligence or willful misconduct in performing such obligation, and Tenant shall reimburse Landlord on demand for any reasonable expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease (including, but not limited to, collection costs and legal expenses), plus interest thereon at the Default Rate;

**19. Payment by Tenant; Non-Waiver; Cumulative Remedies.**

(a) **Payment by Tenant.** Upon any Event of Default, Tenant shall pay to Landlord all costs incurred by Landlord (including court costs and reasonable attorneys' fees and expenses) in (1) removing and storing Tenant's or any other occupant's property, (2) putting the Premises into the condition required at expiration of the Term, (3) performing Tenant's obligations which Tenant failed to perform, and (4) enforcing, or advising Landlord of, its rights, remedies,

and recourses arising out of the default. To the full extent permitted by law, Landlord and Tenant agree the federal and state courts of the state in which the Premises are located shall have exclusive jurisdiction over any matter relating to or arising from this Lease and the parties' rights and obligations under this Lease.

(b) No Waiver. Landlord's acceptance of Rent following an Event of Default shall not waive Landlord's rights regarding such Event of Default. No waiver by Landlord of any violation or breach of any of the terms contained herein shall waive Landlord's rights regarding any future violation of such term. Landlord's acceptance of any partial payment of Rent shall not waive Landlord's rights with regard to the remaining portion of the Rent that is due, regardless of any endorsement or other statement on any instrument delivered in payment of Rent or any writing delivered in connection therewith; accordingly, Landlord's acceptance of a partial payment of Rent shall not constitute an accord and satisfaction of the full amount of the Rent that is due.

(c) Cumulative Remedies. Any and all remedies set forth in this Lease: (1) shall be in addition to any and all other remedies Landlord may have at law or in equity, (2) shall be cumulative, and (3) may be pursued successively or concurrently as Landlord may elect. The exercise of any remedy by Landlord shall not be deemed an election of remedies or preclude Landlord from exercising any other remedies in the future.

## **20. Reserved.**

**21. Surrender of Premises.** No act by Landlord shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises shall be valid unless it is in writing and signed by Landlord. At the expiration or termination of this Lease, Tenant shall deliver to Landlord the Premises with all improvements located therein in good repair and condition, free of Hazardous Materials placed on the Premises during the Term, broom-clean, reasonable wear and tear (and condemnation and Casualty damage not caused by Tenant, as to which Sections 15 and 16 shall control) excepted, and shall deliver to Landlord all keys to the Premises. Provided that no default then exists under this Lease, Tenant may remove all unattached trade fixtures, furniture, and personal property placed in the Premises or elsewhere in the Building by Tenant (but Tenant may not remove any such item which was paid for, in whole or in part, by Landlord or any wiring or cabling unless Landlord requires such removal). Additionally, Tenant shall remove such alterations, additions, improvements, trade fixtures, personal property, equipment, wiring, conduits, cabling, and furniture as Landlord requests (including in the Temporary Storage Area, the Tandem Lift Area and the Receiving Track Area; however, Tenant shall not be required to remove any addition or improvement to the Premises or the Project if Landlord has specifically agreed in writing that the improvement or addition in question need not be removed). Tenant shall repair all damage caused by such removal. All items not so removed shall, at Landlord's option, be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed, or otherwise disposed of by Landlord without notice to Tenant and without any obligation to account for such items; any such disposition shall not be considered a strict foreclosure or other exercise of Landlord's rights in respect of the security interest granted under Section 21. The provisions of this Section 22 shall survive the end of the Term.



**22. Holding Over.** If Tenant fails to vacate the Premises at the end of the Term, then Tenant shall be a tenant at sufferance and, (a) Tenant shall pay, in addition to the other Rent, Basic Rent equal to 125% of the Rent payable during the last month of the Term, and (b) Tenant shall otherwise continue to be subject to all of Tenant's obligations under this Lease. The provisions of this Section 23 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall, to the extent permitted by applicable Laws, protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including any claims made by any succeeding tenant founded upon such failure to surrender, and any lost profits to Landlord resulting therefrom.

**23. Certain Rights Reserved by Landlord.** Provided that the exercise of such rights does not unreasonably interfere with Tenant's occupancy of the Premises, Landlord shall have the following rights:

(a) Building Operations. To make inspections, repairs, alterations, additions, changes, or improvements, whether structural or otherwise, in and about the Premises and the Project, and during the continuance of any such work, to temporarily close doors, entryways, public space, and corridors in the Building; to interrupt or temporarily suspend Building services and facilities; to change the name of the Building; and to change the arrangement and location of entrances or passageways, doors, and doorways, corridors, elevators, stairs, restrooms, or other public parts of the Building;

(b) Security. To take such reasonable measures as Landlord deems advisable for the security of the Building and its occupants; evacuating the Building for cause, suspected cause, or for drill purposes; temporarily denying access to the Building upon not less than 24 hours' prior written notice; and closing the Building after normal business hours and on Sundays and holidays, subject, however, to Tenant's right to enter when the Building is closed after normal business hours under such reasonable regulations as Landlord may prescribe from time to time;

**24. Reserved.**

**25. Miscellaneous.**

(a) Landlord's Liability. The liability of Landlord (and its partners, members) to Tenant (or any person or entity claiming by, through or under Tenant) for any default by Landlord under the terms of this Lease or any matter relating to or arising out of the occupancy or use of the Premises and/or other areas of the Building shall be limited to Tenant's actual direct, but not consequential, damages therefor and shall be recoverable only from the interest of Landlord in the Building, and Landlord (and its partners, or members) shall not be personally liable for any deficiency. The provisions of this Section shall survive any expiration or termination of this Lease. Additionally, Tenant hereby waives its statutory lien under Section 91.004 of the Texas Property Code.

(b) Force Majeure. Other than for Tenant's obligations under this Lease that can be performed by the payment of money (e.g., payment of Rent and maintenance of insurance), whenever a period of time is herein prescribed for action to be taken by either party hereto, such party shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, terrorist acts or activities, governmental laws, regulations, or restrictions, or any other causes of any kind whatsoever which are beyond the control of such party.

(c) Pandemic, Epidemic or Plague. Notwithstanding anything to the contrary set forth in this Lease, Landlord shall have no liability whatsoever to Tenant or those claiming by or through Tenant (including but not limited to any of Tenant's employees, agents, contractors, customers, invitees, visitors or other third parties) for any damages, losses and/or injury related in any way to a pandemic, epidemic, or plague, including without limitation, COVID-19 or a variant thereof (a "**Pandemic**") or resulting from federal, state or local governmental actions, restrictions, rules, regulations or laws enacted to address same ("**Pandemic Restrictions**"). Further, Tenant shall indemnify, protect, defend (using attorneys selected by or reasonably approved by Landlord) and hold Landlord harmless from any and all liability for any and all claims, causes of action, losses, injury and/or damages arising from or in any way related to any Pandemic and/or Pandemic Restrictions. In addition to the foregoing, Tenant shall develop a comprehensive plan for handling any and all matters relating to any Pandemic as they relate to the Premises and shall take all such precautions and follow such guidelines for the protection of its employees and the general public as well as the prevention of the spread of such diseases as are recommended by applicable federal, state and local governmental authorities, including closing down infected areas, disinfecting all spaces multiple times a day and gathering detailed information about cases that emerge on-site, including all contacts any infected person had with the Premises, the Building and the Project and other people inside and/or around the Premises and/or the Building. Tenant shall comply with any additional rules and regulations of the Building and/or the Project relating to any Pandemic and/or Pandemic Restrictions, as they pertain to tenants open for business in the Building and/or the Project. In no event shall Tenant's obligation to pay Rent and other sums due under this Lease be excused, abated, deferred or reduced in whole or in part by any Pandemic and/or Pandemic Restrictions.

(d) Brokerage. Neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Lease. Except as set forth above, Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys' fees, liens and other liability for commissions or other compensation claimed by any broker or agent claiming the same by, through, or under the indemnifying party.

(e) Estoppel Certificates. From time to time, Tenant shall furnish to any party designated by Landlord, within ten days after Landlord has made a request therefor, a certificate signed by Tenant confirming and containing such factual certifications and representations as to this Lease as Landlord may reasonably request. the initial form of estoppel certificate to be signed by Tenant is attached hereto as Exhibit F. If Tenant does not deliver to Landlord the certificate signed by Tenant within such required time period, Landlord, , may conclusively presume and rely upon the following facts: (1) this Lease is in full force and effect; (2) the terms and provisions of



this Lease have not been changed except as otherwise represented by Landlord; (3) not more than one monthly installment of Basic Rent and other charges have been paid in advance; (4) there are no claims against Landlord nor any defenses or rights of offset against collection of Rent or other charges; and (5) Landlord is not in default under this Lease. In such event, Tenant shall be estopped from denying the truth of the presumed facts.

(f) Notices. All notices and other communications given pursuant to this Lease shall be in writing and shall be (1) mailed by first class, United States Mail, postage prepaid, certified, with return receipt requested, and addressed to the parties hereto at the address specified in the Basic Lease Information, (2) hand delivered to the intended addressee, (3) sent by a nationally recognized overnight courier service, or (4) sent by electronic mail during normal business hours followed by a confirmatory letter sent in another manner permitted hereunder. All notices shall be effective upon delivery to the address of the addressee (even if such addressee refuses delivery thereof). The parties hereto may change their addresses by giving notice thereof to the other in conformity with this provision.

(g) Separability. If any clause or provision of this Lease is illegal, invalid, or unenforceable under present or future laws, then the remainder of this Lease shall not be affected thereby and in lieu of such clause or provision, there shall be added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

(h) Amendments; Binding Effect; No Electronic Records. This Lease may not be amended except by instrument in writing signed by Landlord and Tenant. No provision of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord, and no custom or practice which may evolve between the parties in the administration of the terms hereof shall waive or diminish the right of Landlord to insist upon the performance by Tenant in strict accordance with the terms hereof. The terms and conditions contained in this Lease shall inure to the benefit of and be binding upon the parties hereto, and upon their respective successors in interest and legal representatives, except as otherwise herein expressly provided. This Lease is for the sole benefit of Landlord and Tenant, and, no third party shall be deemed a third party beneficiary hereof.

(i) Quiet Enjoyment. Provided Tenant has performed all of its obligations hereunder, Tenant shall peaceably and quietly hold and enjoy joint use of the Premises for the Term, without hindrance from Landlord or any party claiming by, through, or under Landlord, but not otherwise, subject to the terms and conditions of this Lease.

(j) Entire Agreement. This Lease constitutes the entire agreement between Landlord and Tenant regarding the subject matter hereof and supersedes all oral statements and prior writings relating thereto. Except for those set forth in this Lease, no representations, warranties, or agreements have been made by Landlord or Tenant to the other with respect to this Lease or the obligations of Landlord or Tenant in connection therewith. The normal rule of construction that any ambiguities be resolved against the drafting party shall not apply to the interpretation of this Lease or any exhibits or amendments hereto.

(k) Waiver of Jury Trial. TO THE MAXIMUM EXTENT PERMITTED BY LAW, LANDLORD AND TENANT EACH WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY LITIGATION OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE ARISING OUT OF OR WITH RESPECT TO THIS LEASE OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED HERETO.

(l) Governing Law. This Lease shall be governed by and construed in accordance with the laws of the state in which the Premises are located. Venue is proper in Denton County, Texas.

(m) Recording. Tenant shall not record this Lease or any memorandum of this Lease without the prior written consent of Landlord, which consent may be withheld or denied in the sole and absolute discretion of Landlord, and any recordation by Tenant shall be a material breach of this Lease. Tenant grants to Landlord a power of attorney to execute and record a release releasing any such recorded instrument of record that was recorded without the prior written consent of Landlord.

(n) Water or Mold Notification. To the extent Tenant or its agents or employees discover any water leakage, water damage or mold in or about the Premises or Project, Tenant shall promptly notify Landlord thereof in writing.

(o) Joint and Several Liability. If Tenant is comprised of more than one party, each such party shall be jointly and severally liable for Tenant's obligations under this Lease. All unperformed obligations of Tenant hereunder not fully performed at the end of the Term shall survive the end of the Term, including payment obligations with respect to Rent and all obligations concerning the condition and repair of the Premises.

(p) Landlord's Fees. Whenever Tenant requests Landlord to take any action not required of it hereunder or give any consent required or permitted under this Lease, Tenant will reimburse Landlord for Landlord's reasonable, out-of-pocket costs payable to third parties and incurred by Landlord in reviewing the proposed action or consent, including reasonable attorneys', engineers' or architects' fees, within thirty (30) days after Landlord's delivery to Tenant of a statement of such costs. Tenant will be obligated to make such reimbursement without regard to whether Landlord consents to any such proposed action.

(q) Telecommunications. Tenant and its telecommunications companies, including local exchange telecommunications companies and alternative access vendor services companies, shall have no right of access to and within the Building, for the installation and operation of telecommunications systems, including voice, video, data, Internet, and any other services provided over wire, fiber optic, microwave, wireless, and any other transmission systems ("**Telecommunications Services**"), for part or all of Tenant's telecommunications within the Building and from the Building to any other location without Landlord's prior written consent, not to be unreasonably withheld. All providers of Telecommunications Services shall be required to comply with the rules and regulations of the Building, applicable Laws and Landlord's policies

and practices for the Building. Tenant acknowledges that Landlord shall not be required to provide or arrange for any Telecommunications Services and that Landlord shall have no liability to any Tenant Party in connection with the installation, operation or maintenance of Telecommunications Services or any equipment or facilities relating thereto. Tenant, at its cost and for its own account, shall be solely responsible for obtaining all Telecommunications Services.

(r)

(s) Security Service. Tenant acknowledges and agrees that, while Landlord may (but shall not be obligated to) patrol the Building or Project or provide security services to the Project, Landlord shall not be liable to Tenant for, and Tenant waives any claim against Landlord with respect to, any loss by theft or any other damage suffered or incurred by Tenant in connection with any unauthorized entry into the Premises or any other breach of security with respect to the Premises.

(t) List of Exhibits. All exhibits and attachments attached hereto are incorporated herein by this reference.

Exhibit A - Outline of Premises

Exhibit B-1 - Site Plan

Exhibit B -2 - Description of the Land

Exhibit C - Building Rules and Regulations

Exhibit D – Capital Improvements Work Letter

Exhibit E - Form of Confirmation of Commencement Date Letter

Exhibit F - Form of Tenant Estoppel Certificate

Exhibit G- Renewal Option

(u) Prohibited Persons and Transactions. Tenant represents and warrants to Landlord that Tenant is currently in compliance with and shall at all times during the Term (including any extension thereof) remain in compliance with the regulations of the OFAC of the Department of the Treasury (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism), or other governmental action relating thereto.

(v) Determination of Charges. Landlord and Tenant agree that each provision of this Lease for determining charges and amounts payable by Tenant (including provisions regarding Additional Rent and Tenant's Proportionate Share of Taxes and Insurance Costs) is commercially reasonable and, as to each such charge or amount, constitutes a statement of the amount of the charge or a method by which the charge is to be computed for purposes of Section 93.012 of the Texas Property Code.

## 26. Environmental Requirements.

(a) Prohibition against Hazardous Materials. Except for Hazardous Materials contained in products used by Tenant in de minimis quantities for ordinary cleaning and office purposes, Tenant shall not permit or cause any party to bring any Hazardous Materials upon the Premises or in the Project or transport, store, use, generate, manufacture, dispose, or release any Hazardous Materials on or from the Premises or the Project without Landlord's prior written consent. Tenant, at its sole cost and expense, shall operate its business in the Premises in strict compliance with all Environmental Requirements and all requirements of this Lease. Tenant shall complete and certify to disclosure statements as requested by Landlord from time to time relating to Tenant's transportation, storage, use, generation, manufacture, or release of Hazardous Materials on the Premises or in the Project, and Tenant shall promptly deliver to Landlord a copy of any notice of violation relating to the Premises or the Project of any Environmental Requirement.

(b) Environmental Requirements. The term "Environmental Requirements" means all Laws regulating or relating to health, safety, or environmental conditions on, under, or about the Premises or the Project or the environment including the following: the Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation and Recovery Act; the Clean Air Act; the Clean Water Act; the Toxic Substances Control Act and all state and local counterparts thereto, and any common or civil law obligations including nuisance or trespass, and any other requirements of Section 14 and Exhibit C of this Lease. The term "Hazardous Materials" means and includes any substance, material, waste, pollutant, or contaminant that is or could be regulated under any Environmental Requirement or that may adversely affect human health or the environment, including any solid or hazardous waste, hazardous substance, asbestos, petroleum (including crude oil or any fraction thereof, natural gas, synthetic gas, polychlorinated biphenyls (PCBs), and radioactive material). For purposes of Environmental Requirements, to the extent authorized by law, Tenant is and shall be deemed to be the responsible party, including the "owner" and "operator" of Tenant's "facility" and the "owner" of all Hazardous Materials brought on the Premises or the Project by a Tenant Party and the wastes, by-products, or residues generated, resulting, or produced therefrom.

(c) Removal of Hazardous Materials. Tenant, at its sole cost and expense, shall remove all Hazardous Materials stored, disposed of or otherwise released by a Tenant Party onto or from the Premises or the Project, in a manner and to a level satisfactory to Landlord in its sole discretion, but in no event to a level and in a manner less than that which complies with all Environmental Requirements and does not limit any future uses of the Premises or the Project or require the recording of any deed restriction or notice regarding the Premises or the Project. Tenant shall perform such work at any time during the period of this Lease upon written request by Landlord or, in the absence of a specific request by Landlord, before Tenant's right to possession of the Premises terminates or expires. If Tenant fails to perform such work within the time period specified by Landlord or before Tenant's right to possession terminates or expires (whichever is earlier), Landlord may at its discretion, and without waiving any other remedy available under this Lease or at law or equity (including an action to compel Tenant to perform such work), perform such work at Tenant's cost. Tenant shall pay all costs incurred by Landlord in performing such work within thirty (30) days after Landlord's request therefor. Such work performed by Landlord

is on behalf of Tenant and Tenant remains the owner, generator, operator, transporter, and/or arranger of the Hazardous Materials for purposes of Environmental Requirements. Tenant agrees not to enter into any agreement with any person, including any governmental authority, regarding the removal of Hazardous Materials that have been disposed of or otherwise released onto or from the Premises or the Project without the written approval of the Landlord.

(d) Tenant's Hazardous Materials Indemnity. To the extent permitted by applicable Laws, Tenant shall indemnify, defend, and hold Landlord harmless from and against any and all losses (including diminution in value of the Premises or the Project and loss of rental income from the Project), liabilities (INCLUDING ANY STRICT LIABILITY), claims, demands, actions, suits, damages (including punitive damages), expenses (including remediation, removal, repair, corrective action, or cleanup expenses), and costs (including actual attorneys' fees, consultant fees or expert fees and including removal or management of any asbestos brought into the Premises or the Project or disturbed in breach of the requirements of this Section 27, regardless of whether such removal or management is required by Law) which are brought or recoverable against, or suffered or incurred by Landlord as a result of any release of Hazardous Materials or any breach of the requirements under this Section 27 by a Tenant Party regardless of whether Tenant had knowledge of such noncompliance.

(e) Inspections and Tests. Landlord shall have access to, and a right to perform inspections and tests of, the Premises to determine Tenant's compliance with Environmental Requirements, its obligations under this Section 27, or the environmental condition of the Premises. Such inspections and tests shall be conducted at Landlord's expense, unless such inspections or tests reveal that Tenant has not complied with any Environmental Requirement, in which case Tenant shall reimburse Landlord for the reasonable cost of such inspection and tests. Landlord's receipt of or satisfaction with any environmental assessment in no way waives any rights that Landlord holds against Tenant. Tenant shall promptly notify Landlord of any communication or report that Tenant makes to any governmental authority regarding any possible violation of Environmental Requirements or release or threat of release of any Hazardous Materials onto or from the Premises or the Project. Tenant shall, within five days of receipt thereof, provide Landlord with a copy of any documents or correspondence received from any governmental agency or other party relating to a possible violation of Environmental Requirements or claim or liability associated with the release or threat of release of any Hazardous Materials onto or from the Premises or the Project. Tenant shall not undertake, nor shall Tenant permit any Tenant Party to undertake, any invasive investigation, drilling or sampling of the soil or groundwater at the Premises or the Project without the prior written consent of Landlord, which consent shall in Landlord's sole discretion. The obligations of Tenant under this Section 27 shall survive any expiration or termination of this Lease.

**27. Parking.** Tenant shall have the non-exclusive right, in common with Landlord and other tenants of the Project to use such parking spaces associated with the Project as are allocated to Tenant by Landlord. Landlord reserves the right to initiate steps to control the parking utilization through gates, access cards, hang-tags or other means as appropriate. Tenant shall have the non-exclusive right to use the vehicular parking spaces at the Project at no charge to Tenant.

**28. Capital Improvements.** Landlord and Tenant hereby acknowledge and agree that capital improvements to the Premises requested by Tenant shall be governed pursuant to the terms of Exhibit D attached hereto and incorporated herein by reference.

**29. Disclaimer of Warranty.** LANDLORD AND TENANT EXPRESSLY DISCLAIM ANY IMPLIED WARRANTY THAT THE PREMISES ARE SUITABLE FOR TENANT'S INTENDED COMMERCIAL PURPOSE, AND TENANT'S OBLIGATION TO PAY RENT HEREUNDER IS AN INDEPENDENT COVENANT AND IS NOT DEPENDENT UPON THE CONDITION OF THE PREMISES OR THE PERFORMANCE BY LANDLORD OF ITS OBLIGATIONS HEREUNDER, AND, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, TENANT SHALL CONTINUE TO PAY THE RENT, WITHOUT ABATEMENT, DEMAND, SETOFF OR DEDUCTION, NOTWITHSTANDING ANY BREACH BY LANDLORD OF ITS DUTIES OR OBLIGATIONS HEREUNDER, WHETHER EXPRESS OR IMPLIED.

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This Lease is executed to be effective as of the Effective Date.

LANDLORD:

**DENTON COUNTY TRANSPORTATION  
AUTHORITY**

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

TENANT:

**DALLAS AREA RAPID TRANSIT**

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

**EXHIBIT A**  
**OUTLINE OF PREMISES**

A-1



**EXHIBIT B-1**  
**SITE PLAN**

B-1-1

**EXHIBIT B-2**  
**DESCRIPTION OF THE LAND**

B-2-1

## **EXHIBIT C**

### **RULES AND REGULATIONS**

The following rules and regulations shall apply to the Premises, the Building, and the Project:

1. Tenant shall at all time follow the work rules and safety rules set by Landlord's contracted operator of the Project. Additionally, Tenant shall at all times operate in accordance with (i) the General Code of Operating Rules or other similar operating rules applicable to the Premises, (ii) facility shop work rules and safety rules and conduct provided by Landlord from time to time, and (iii) any rules and regulations promulgated by the Federal Railroad Administration.

2. Sidewalks, doorways, vestibules, halls, stairways, overhead doors, and other similar areas shall not be obstructed by tenants or used by any tenant for purposes other than ingress and egress to and from their respective leased premises and for going from one to another part of the Building.

3. Plumbing (including outside drains and sump pumps), fixtures and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or deposited therein. Damage resulting to any such fixtures or appliances from misuse by a tenant or its agents, employees or invitees, shall be paid by such tenant.

4. No signs, advertisements or notices shall be painted or affixed on or to any windows or doors or other part of the Building visible from the exterior of the Premises without the prior written consent of Landlord. Except as consented to in writing by Landlord or in accordance with Tenant's building standard improvements, no draperies, curtains, blinds, shades, screens or other devices shall be hung at or used in connection with any window or exterior door or doors of the Premises. No awning shall be permitted on any part of the Premises. Tenant shall not place anything against or near glass partitions or doors, or windows which might appear unsightly from outside the Premises.

5. Landlord may prescribe weight limitations and determine the locations for safes and other heavy equipment or items, which shall in all cases be placed in the Building so as to distribute weight in a manner acceptable to Landlord which may include the use of such supporting devices as Landlord may require. All damages to the Building caused by the installation or removal of any property of a tenant, or done by a tenant's property while in the Building, shall be repaired at the expense of such tenant.

6. Corridor doors, when not in use, shall be kept closed. Nothing shall be swept or thrown into the corridors, halls, elevator shafts or stairways. No birds or animals (other than seeing-eye dogs) shall be brought into or kept in, on or about any tenant's leased premises. No portion of any tenant's leased premises shall at any time be used or occupied as sleeping or lodging quarters.

7. Tenant shall not make or permit any vibration or improper, objectionable or unpleasant noises or odors in the Building or otherwise interfere in any way with other tenants or persons having business with them. Tenant shall not introduce, disturb or release asbestos or PCB's into or from the Premises.

8. Tenant shall not keep in the Building any flammable or explosive fluid or substance (other than such Hazardous Materials permitted in the Premises in Section 27). Tenant shall not install or operate any steam or gas engine or boiler, or other mechanical apparatus in the Premises without the prior written consent of Landlord. The use of oil, gas or inflammable liquids for heating, lighting or any other purpose is expressly prohibited. Explosives or other articles deemed extra hazardous shall not be brought into the Building.

9. Landlord will not be responsible for lost or stolen personal property, money or jewelry from tenant's leased premises or public or common areas regardless of whether such loss occurs when the area is locked against entry or not.

10. [Intentionally Omitted]

11. All vehicles are to be currently licensed, in good operating condition, parked for business purposes having to do with Tenant's business operated in the Premises, parked within designated parking spaces, one vehicle to each space. No vehicle shall be parked as a "billboard" vehicle in the parking lot. Any vehicle parked improperly may be towed away. Tenant, Tenant's agents, employees, vendors and customers who do not operate or park their vehicles as required shall subject the vehicle to being towed at the expense of the owner or driver.

12. No tenant may enter into phone rooms, electrical rooms, mechanical rooms, or other service areas of the Building unless accompanied by Landlord or the Building manager.

13. Except as expressly permitted in the Lease, Tenant shall not permit storage outside the Premises, including outside storage of trucks and other vehicles, or dumping of waste or refuse or permit any harmful materials to be placed in any drainage system or sanitary system in or about the Premises.

14. Tenant shall not install or operate on the Premises any machinery or mechanical devices of a nature not directly related to Tenant's ordinary use of the Premises.

15. Tenant shall not park or operate any semi-trucks or semi-trailers in the parking areas associated with the Building without the express written consent of the Landlord.

16. Tenant shall not permit its employees, agents, or invitees to smoke in the Premises or the lobbies, passages, corridors, elevators, vending rooms, rest rooms, stairways or any other area shared in common with other tenants in the Building, or permit its employees, agents, or invitees, to loiter at the Building entrances for the purposes of smoking. Landlord may, but shall not be required to, designate an area for smoking outside the Building.

## EXHIBIT D

### CAPITAL IMPROVEMENTS WORK LETTER

1. **Acceptance of Premises.** Except as set forth in this Exhibit, Tenant accepts the Premises in their "**AS-IS**" condition on the date that this Lease is entered into.

2. **Scope of Work.** Within [ ] ( ) days after the Effective Date, Tenant may notify Landlord that it desires Landlord to undertake a capital expansion at the Project. In the event that Tenant makes such election, Tenant shall accompany such notice with a scope of work (the "**Scope of Work**") required for Landlord, or a design consultant selected by Landlord (the "**Architect**"), to prepare a space plan depicting the improvements to be installed in the Premises.

3. **Space Plans.**

(a) **Preparation and Delivery.** Within thirty (30) days after Landlord's receipt of the Scope of Work (the "**Space Plan Delivery Deadline**"), Landlord shall deliver the Space Plan to Tenant for approval.

(b) **Approval Process.** Tenant shall notify Landlord whether it approves of the Space Plan within ten (10) days after Landlord's submission. If Tenant disapproves of such Space Plans, then Tenant shall notify Landlord thereof specifying in reasonable detail the reasons for such disapproval, in which case Landlord shall, within ten (10) days after such notice, revise the Space Plan in accordance with Tenant's objections and submit to Tenant for its review and approval. Tenant shall notify Landlord in writing whether it approves of the resubmitted Space Plan within ten (10) days after its receipt thereof. This process shall be repeated until the Space Plan has been finally approved by Landlord and Tenant.

4. **Working Drawings.**

(a) **Preparation and Delivery.** On or before the date which is fifteen (15) days following the date on which the Space Plan is approved (or deemed approved) by Tenant and Landlord, Landlord shall cause to be prepared final working drawings of all improvements to be installed in the Premises and deliver the same to Tenant for its review and approval (which approval shall not be unreasonably withheld, delayed or conditioned).

(b) **Approval Process.** Tenant shall notify Landlord whether it approves of the submitted working drawings within ten (10) days after Landlord's submission thereof. If Tenant disapproves of such working drawings, then Tenant shall notify Landlord thereof specifying in reasonable detail the reasons for such disapproval, in which case Landlord shall, within ten (10) days after such notice, revise such working drawings in accordance with Tenant's objections and submit the revised working drawings to Tenant for its review and approval. Tenant shall notify Landlord in writing whether it approves of the resubmitted working drawings within ten (10) days after its receipt thereof. This process shall be repeated until the working drawings have been finally approved by Landlord and Tenant.

(c) Landlord's Approval; Performance of Work. As used herein, "**Working Drawings**" means the final working drawings approved by Landlord and Tenant, as amended from time to time by any approved changes thereto, and "**Work**" means all improvements to be constructed in accordance with and as indicated on the Working Drawings, together with any work required by governmental authorities to be made to other areas of the Building as a result of the improvements indicated by the Working Drawings. Landlord's approval of the Working Drawings shall not be a representation or warranty of Landlord that such drawings are adequate for any use or comply with any Law, but shall merely be the consent of Landlord thereto. Tenant shall, at Landlord's request, sign the Working Drawings to evidence its review and approval thereof. After the Working Drawings have been approved, Landlord shall cause the Work to be performed in substantial accordance with the Working Drawings.

2. **Bidding of Work.** Prior to commencing the Work, Landlord shall competitively bid the Work to three (3) contractors selected by Landlord in its reasonable discretion. Within ten (10) days following Landlord's submission of the initial construction bids to Tenant under the foregoing provisions (if applicable), Tenant shall have completed all of the following items: (a) finalized with Landlord's representative and the proposed contractor, the pricing of any requested revisions to the bids for the Work, and (b) approved in writing the Total Construction Costs.

3. **Change Orders.** Tenant may initiate changes in the Work. Each such change must receive the prior written approval of Landlord, such approval not to be unreasonably withheld or delayed. Landlord shall, upon completion of the Work, cause to be prepared an accurate architectural "as-built" plan of the Work as constructed, which plan shall be incorporated into this Exhibit D by this reference for all purposes. If Tenant requests any changes to the Work described in the Space Plan or the Working Drawings, then such increased costs and any additional design costs incurred in connection therewith as the result of any such change shall be added to the Total Construction Costs.

4. **Definitions.** As used herein "**Substantial Completion**," "**Substantially Completed**," and any derivations thereof mean the Work in the Premises is substantially completed (as reasonably determined by Landlord) in substantial accordance with the Working Drawings. Substantial Completion shall have occurred even though minor details of construction, decoration, landscaping and mechanical adjustments remain to be completed by Landlord.

5. **Walk-Through; Punchlist.** When Landlord considers the Work in the Premises to be Substantially Completed, Landlord will notify Tenant and, within three (3) business days thereafter, Landlord's representative and Tenant's representative shall conduct a walk-through of the Premises and identify any necessary touch-up work, repairs and minor completion items that are necessary for final completion of the Work. Neither Landlord's representative nor Tenant's representative shall unreasonably withhold his or her agreement on punchlist items. Landlord shall use reasonable efforts to cause the contractor performing the Work to complete all punchlist items within thirty (30) days after agreement thereon; however, Landlord shall not be obligated to engage overtime labor in order to complete such items.

6. **Costs.** The entire cost of performing the Work (including project management, design of and space planning for the Work and preparation of the Working Drawings and the final

"as-built" plan of the Work, costs of construction labor and materials, electrical usage during construction, additional janitorial services, general tenant signage, related taxes and insurance costs, licenses, permits, certifications, surveys and other approvals required by Law, and the construction supervision fee referenced in Section 8 of this Exhibit, all of which costs are herein collectively called the "**Total Construction Costs**") shall be paid by Tenant. Upon approval of the Working Drawings and selection of a contractor, Tenant shall promptly (a) execute a work order agreement prepared by Landlord which identifies such drawings and itemizes the Total Construction Costs, and (b) pay to Landlord the amount of the Total Construction Costs. In the event that Tenant fails to timely pay the entire amount of the Total Construction Costs to Landlord, Landlord (in addition to all other remedies) shall have the same rights as for an Event of Default under this Lease.

7. **Intentionally Deleted.**

8. **Construction Management.** Landlord or its Affiliate or agent shall supervise the Work, make disbursements required to be made to the contractor, and act as a liaison between the contractor and Tenant and coordinate the relationship between the Work, the Building and the Building's Systems. In consideration for Landlord's construction supervision services, Tenant shall pay to Landlord a construction supervision fee equal to five percent (5%) of the Total Construction Costs.

9. **Construction Representatives.** Landlord's and Tenant's representatives for coordination of construction and approval of change orders will be as follows, provided that either party may change its representative upon written notice to the other:

Landlord's Representative:

c/o \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Telecopy: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Tenant's Representative:

c/o \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Telecopy: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

10. **Miscellaneous.** To the extent not inconsistent with this Exhibit, Sections 8(a) and 22 of this Lease shall govern the performance of the Work and Landlord's and Tenant's respective rights and obligations regarding the improvements installed pursuant thereto.

**EXHIBIT E**

**CONFIRMATION OF COMMENCEMENT DATE**

\_\_\_\_\_, 20\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Re: Lease Agreement (the "Lease") dated \_\_\_\_\_, 20\_\_, between  
\_\_\_\_\_, a \_\_\_\_\_ ("Landlord"), and  
\_\_\_\_\_, a \_\_\_\_\_ ("Tenant"). Capitalized  
terms used herein but not defined shall be given the meanings assigned to them in  
the Lease.

Ladies and Gentlemen:

Landlord and Tenant agree as follows:

(A) Condition of Premises. Tenant has accepted possession of the Premises pursuant to the Lease. Any improvements required by the terms of the Lease to be made by Landlord have been completed to the full and complete satisfaction of Tenant in all respects except for the punchlist items described on Exhibit A hereto (the "Punchlist Items"), and except for such Punchlist Items, Landlord has fulfilled all of its duties under the Lease with respect to such initial tenant improvements. Furthermore, Tenant acknowledges that the Premises are suitable for the Permitted Use.

(B) Commencement Date. The Commencement Date of the Lease is \_\_\_\_\_, 20\_\_.

(C) Expiration Date. The Term is scheduled to expire on the last day of the \_\_\_\_th full calendar month of the Term, which date is \_\_\_\_\_, 20\_\_.

(D) Contact Person. Tenant's contact person in the Premises is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_-\_\_\_\_-\_\_\_\_\_  
Telecopy: \_\_\_\_-\_\_\_\_-\_\_\_\_\_

(E) Ratification. Tenant hereby ratifies and confirms its obligations under the Lease, and represents and warrants to Landlord that it has no defenses thereto. Additionally, Tenant further confirms and ratifies that, as of the date hereof, (a) the Lease is and remains in good standing and in full force and effect, and (b) Tenant has no claims, counterclaims, set-offs or defenses against



Landlord arising out of the Lease or in any way relating thereto or arising out of any other transaction between Landlord and Tenant.

(F) Binding Effect; Governing Law. Except as modified hereby, the Lease shall remain in full effect and this letter shall be binding upon Landlord and Tenant and their respective successors and assigns. If any inconsistency exists or arises between the terms of this letter and the terms of the Lease, the terms of this letter shall prevail. This letter shall be governed by the laws of the state in which the Premises are located.

Please indicate your agreement to the above matters by signing this letter in the space indicated below and returning an executed original to us.

Sincerely,

\_\_\_\_\_,  
a \_\_\_\_\_

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

Agreed and accepted:

[TENANT'S SIGNATURE BLOCK],  
a \_\_\_\_\_

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

**EXHIBIT A**

**PUNCHLIST ITEMS**

Please insert any punchlist items that remain to be performed by Landlord. If no items are listed below by Tenant, none shall be deemed to exist.

## EXHIBIT F

### FORM OF TENANT ESTOPPEL CERTIFICATE

The undersigned is the Tenant under the Lease (defined below) between \_\_\_\_\_, a \_\_\_\_\_, as Landlord, and the undersigned as Tenant, for the Premises more particular described and depicted in the Lease, and hereby certifies as follows:

1. The Lease consists of the original Lease Agreement dated as of \_\_\_\_\_, 20\_\_ between Tenant and Landlord[*'s predecessor-in-interest*] and the following amendments or modifications thereto (if none, please state "none"): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The documents listed above are herein collectively referred to as the "Lease" and represent the entire agreement between the parties with respect to the Premises. All capitalized terms used herein but not defined shall be given the meaning assigned to them in the Lease.

2. The Lease is in full force and effect and has not been modified, supplemented or amended in any way except as provided in Section 1 above.

3. The Term commenced on \_\_\_\_\_, 20\_\_ and the Term expires, excluding any renewal options, on \_\_\_\_\_, 20\_\_, and Tenant has no option to purchase all or any part of the Premises, the Building, the Project, Mainline Track, Communication and Signal Equipment or Yard or, except as expressly set forth in the Lease, any option to terminate or cancel the Lease.

4. Tenant currently occupies the Premises described in the Lease and Tenant has not transferred, assigned, or sublet any portion of the Premises nor entered into any license or concession agreements with respect thereto except as follows (if none, please state "none"): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. All monthly installments of Basic Rent, all Additional Rent and all monthly installments of estimated Additional Rent have been paid when due through \_\_\_\_\_. The current monthly installment of Basic Rent is \$\_\_\_\_\_.

6. All conditions of the Lease to be performed by Landlord necessary to the enforceability of the Lease have been satisfied and Landlord is not in default thereunder. In addition, Tenant has not delivered any notice to Landlord regarding a default by Landlord thereunder.

7. As of the date hereof, there are no existing defenses or offsets, or, to the undersigned's knowledge, claims or any basis for a claim, that the undersigned has against Landlord and no event has occurred and no condition exists, which, with the giving of notice or the passage of time, or both, will constitute a default under the Lease.

8. No rental has been paid more than thirty (30) days in advance and no security deposit has been delivered to Landlord except as provided in the Lease.

9. If Tenant is a corporation, partnership or other business entity, Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in the state in which the Premises are located and that Tenant has full right and authority to execute and deliver this Estoppel Certificate and that each person signing on behalf of Tenant is authorized to do so.

10. There are no actions pending against Tenant under any bankruptcy or similar laws of the United States or any state.

11. Other than in compliance with all applicable laws and in accordance with the Lease, the undersigned has not used or stored any Hazardous Materials in the Premises.

12. Tenant is not itself, and is not directly or indirectly owned, controlled or supported by, a "Specially Designated National" or otherwise designated as a blocked person under any regulation of the Office of Foreign Assets Control, U.S. Department of Treasury (see: [www.ustreas.gov/offices/enforcement/OFAC](http://www.ustreas.gov/offices/enforcement/OFAC)).

13. All tenant improvement work to be performed by Landlord under the Lease has been completed in accordance with the Lease and has been accepted by the undersigned and all reimbursements and allowances due to the undersigned under the Lease in connection with any tenant improvement work have been paid in full.

Tenant acknowledges that this Estoppel Certificate may be delivered to Landlord, Landlord's Mortgagee or to a prospective mortgagee or prospective purchaser, and their respective successors and assigns, and acknowledges that Landlord, Landlord's Mortgagee and/or such prospective mortgagee or prospective purchaser will be relying upon the statements contained herein in disbursing loan advances or making a new loan or acquiring the property of which the Premises are a part and that receipt by it of this certificate is a condition of disbursing loan advances or making such loan or acquiring such property.

Executed as of \_\_\_\_\_, 20\_\_\_\_.

TENANT:

\_\_\_\_\_  
a \_\_\_\_\_

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

## EXHIBIT G

### RENEWAL OPTION

***[JW COMMENT: Discuss renewal rental rate. Recommend avoiding arbitration or references to market/prevaling rental rates given that this is a relatively unique facility with limited comparables in the market.]*** Provided no Event of Default exists, Tenant may renew this Lease for one (1) additional Extension Term of twelve (12) full calendar months (the "**First Extension Term**"), by delivering written notice of the exercise thereof to Landlord no later six (6) months before the expiration of the Term. The Basic Rent payable for each month during such extended Term shall be the rental rate determined by an appraisal report prepared by Lowery Property Advisors, LLC, or such other real property appraiser as may be selected by Landlord in its sole discretion, which appraisal report shall be prepared using all applicable approaches and techniques deemed appropriate by Landlord and any such appraiser in their sole discretion (the "**Renewal Rental Rate**").

Within thirty (30) days after receipt of Tenant's notice to renew, Landlord shall deliver to Tenant written notice of the Renewal Rental Rate and shall advise Tenant of the required adjustment to Basic Rent, if any, and the other terms and conditions offered. Tenant shall, within thirty (30) days after receipt of Landlord's notice, notify Landlord in writing whether Tenant accepts or rejects Landlord's determination of the Renewal Rental Rate. If Tenant timely notifies Landlord that Tenant accepts Landlord's determination of the Renewal Rental Rate or once Renewal Rental Rate is determined in accordance with the below provisions, then, on or before the commencement date of the extended Term (if Renewal Rental Rate is agreed to), Landlord and Tenant shall execute an amendment to this Lease extending the Term on the same terms provided in this Lease, except as follows:

- (a) Basic Rent shall be adjusted to the Renewal Rental Rate;
- (b) Tenant shall have no further renewal option unless expressly granted by Landlord in writing; and
- (c) Landlord shall lease to Tenant the Premises in their then-current condition, and Landlord shall not provide to Tenant any allowances (e.g., moving allowance, construction allowance, and the like) or other tenant inducements.

If Tenant timely notifies Landlord that Tenant rejects Landlord's determination of the Renewal Rental Rate, Landlord and Tenant shall commence negotiations to attempt to agree upon the Renewal Rental Rate within 30 days of Landlord's receipt of Tenant's notice. If the parties cannot agree, each acting in good faith but without any obligation to agree, then Tenant shall be deemed to have waived any right to renew this Lease.

If Tenant fails to timely notify Landlord in writing that Tenant accepts or rejects Landlord's determination of the Renewal Rental Rate, time being of the essence with

respect thereto, then Tenant shall be deemed to have accepted Landlord's determination of the Renewal Rental Rate.

Notwithstanding the foregoing, the Renewal Rental Rate shall not exceed the Basic Rent for the Lease Month immediately preceding the First Extension Term by more than five percent (5%) unless Tenant has commenced operation for full revenue service prior to the First Extension Term.

Tenant's rights under this Exhibit shall terminate if (1) this Lease or Tenant's right to possession of the Premises is terminated, (2) Tenant assigns any of its interest in this Lease or sublets any portion of the Premises except to a Permitted Transferee, or (3) Tenant fails to timely exercise its option under this Exhibit, time being of the essence with respect to Tenant's exercise thereof.

## Board of Directors Memo

January 27, 2022

SUBJECT: Discuss and Consider Approval of Receipt of DART design funds and execution of Task Orders with Jacobs Engineering for design of the Joint Rail Operations Facility (JROF) expansion at the Denton County Transportation Authority (DCTA) Rail Operations and Maintenance Facility (ROMF)

### Recommendation

Staff recommends:

- The Board of Directors approve CEO transmittal of the Account Receivable Letter (Exhibit 1) to DART to transfer design funds in the amount of \$1,027,200 from DART to DCTA and have DART authorize DCTA to begin preliminary design on DART's behalf.
- The Board of Directors approve DCTA execute an initial task order with Jacobs Engineering in the amount of \$74,525 for preliminary design to develop the project program, conceptual layout, and budget for the facility (Exhibit 2).
- The Board of Directors authorize staff to execute future task orders with Jacobs Engineering under a not-to-exceed total of \$1,027,200 for work required to complete final design and provide construction phase services. The \$1,027,200 total reflects the design budget for the project as identified in the Interlocal Agreement between DCTA and DART (Exhibit 3).

### Background

DCTA operates passenger rail service on a rail corridor owned by the Dallas Area Rapid Transit (DART) pursuant to a Transportation Access and Easement Agreement executed between the parties dated May 25, 2010, which sets forth the terms and conditions of DCTA's use of the DART Corridor. Additionally, DCTA and DART have maintained an Interlocal Agreement for Shared Services which mutually benefits the residents of the respective service areas and enables the parties to collaborate in providing passenger rail service. This agreement was amended and approved by the DCTA Board of Directors at the November 2020 Board meeting.

DCTA Board and staff have made a concerted effort to cultivate a constructive, cooperative relationship with DART while identifying new partnership opportunities to enhance the "regionalism" approach. At the November 2020 Board Meeting, Staff provided the Board an overview of potential collaboration for a regional Joint Rail Operations Facility (JROF) at the site of the DCTA Rail Operations Maintenance Facility (ROMF) to support equipment for DART's new Silver Line service.

The DART and DCTA boards approved the form of an ILA between DCTA and DART at the October 2021 Board Meeting to proceed with the arrangement and the ILA was executed on November 18, 2021. The ILA stipulates that a short-term lease will be negotiated by the agencies within 60 days of the execution date (para 2.5). The ILA also stipulates that *DCTA will procure the design and construction for the OMF expansion* (Para 3.2) and *DART will fund the OMF capital expansion and agrees to pay DCTA all fair and reasonable expense incurred by DCTA to deliver the capital expansion...* (Para 3.8) The design services estimate provided in the ILA Exhibit 2 is \$1,027,200.

### Previous Board Activity

The Board received a briefing in the December 2021 meeting regarding the financial terms of the proposed short-term lease Agreement.

### Identified Need

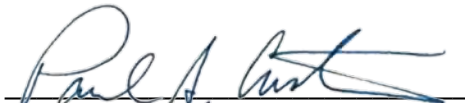
Board Approval of:

- Transmittal of Accounts Receivable Letter to enable receipt of DART funds for preliminary and final design and construction phase services.
- Execution of initial task order with Jacobs Engineering in the amount of \$74,525 to complete ion of those funds to execute a design contract with Jacobs Engineering to develop the project program, conceptual layout, and budget for the facility.
- Staff execution of future task orders with Jacobs Engineering for the project as required to complete final design and construction phase services at a total value not to exceed \$1,027,000.

### Exhibits

1. Accounts Receivable Letter
2. Jacobs Engineering Scope of Work
3. DCTA – DART Interlocal Agreement

Submitted By:

  
Paul Cristina, Deputy CEO



January XX, 2022

Mr. Todd Plesko  
Executive Vice President, Growth and Regional Development  
Dallas Area Rapid Transit  
P.O. Box 660163  
Dallas, TX 75266-0163

Dear Todd,

DCTA and DART executed an Interlocal Agreement (ILA) on November 18th to facilitate development of a Joint Rail Operations Facility (JROF) through the expansion of DCTA's existing Rail Operations and Maintenance Facility. The JROF will house rail vehicle maintenance for DART's Silver Line equipment alongside the DCTA's existing A-Train maintenance operation. DCTA and DART are also developing a Phase 1 Lease ("Lease"), per the terms of the ILA, to accommodate DART's delivery, receiving, and testing the Silver Line equipment. The ILA and Lease attached to this letter for reference as Exhibits 1 and 2, respectively.

The ILA contemplates that DCTA will procure design and construction services for the JROF and provide project management and oversight. The ILA further defines that DART will fund the JROF project so that DCTA does not incur any financial liability. Exhibit 2 of the attached ILA provides a baseline budget estimate of \$12,049,912 for the project. Design services are estimated as \$1,027,200 within that budget estimate.

DCTA has retained Jacobs to perform preliminary design, final design, bid phase, and construction phase services for the project. Jacobs has provided a proposed fee of \$74,525 to complete preliminary design and estimates a total fee of approximately \$800,000 to complete the remainder of the work through final design, bid phase services, and construction phase services. The draft scope of work for that effort is also attached to this letter.

DCTA intends to begin preliminary design services for the JROF upon receipt of funds from DART to DCTA in the amount of \$1,027,200, the ILA's budget estimate for design services. Paragraph 8 of the Lease identifies DART's right to expand the DCTA facility for its long-term use to service the Silver Line Equipment and authorizes DCTA to begin the preliminary design services. DCTA recognizes the ILA calls for delivery of the JROF no later than May 2023 ("Delivery Date"). Per our discussion, DART will work in good faith with DCTA to determine feasibility of meeting the Delivery Date, subject to events of Force Majeure as defined by the ILA, once preliminary design is underway and the DART equipment delivery schedule, operating plan, construction schedule, and construction budget become known. DART and DCTA could mutually agree to adjust the Delivery Date if needed based on conditions as the project develops.

DCTA will provide you an update prior to initiating final design, bid phase, and construction phase services that will include the final scope and fee for that work, which will also be paid from the funds you provide. DCTA will remit unused funds, if any, back to DART at the end of the design phase.

If you are in agreement with the terms and conditions outlined herein, please acknowledge by signing below. Should you have any questions, comments or concerns, do not hesitate to contact me directly at 972-316-6100 or [rsuarez@dcta.net](mailto:rsuarez@dcta.net).

Sincerely,

Raymond Suarez, Chief Executive Officer

Agreed to and accepted by DART, this \_\_\_\_ day of January, 2022.

---

Signature, Dallas Area Rapid Transit

cc: Paul Cristina, Deputy CEO  
Tom Lebeau, WSP / DART  
Rob Chappell, WSP / DART

# **DCTA Rail Maintenance Facility Addition and Modifications for DART Silver Line**

## **Task Order 13**

### **SCOPE OF WORK – FINAL**

January 10, 2022

**Project Description:** DCTA has formed a Interlocal Agreement (ILA) with DART to provide a rail operations, service and maintenance facility for the DART Silver Line vehicles. The existing DCTA Rail Operations and Maintenance Facility will be expanded to provide all Silver Line maintenance functions, related operations, administration, and storage. The existing facility located in Lewisville, Texas will be expanded by approximately 22,000 SF to accommodate the Silver Line operations and maintenance functions. Maintenance functions will be served by separate contractors in the same facility with shared fueling, wash and maintenance bays. The ILA contains a “Proposed Project Baseline Budget” of \$12,049,912 for construction of the expansion. Additionally, the ILA identifies the delivery date of the Joint Rail Operations Facility (JROF) facility as May 2023.

The scope of work listed below will generally be required to develop the project program, conceptual layout and budget for the facility.

#### **1. PRE-DESIGN SERVICES**

##### **1.1 Base Plan Development**

Prepare Architectural base plans from existing CAD and PDF files for site plan, floor plans, elevations, sections and elevations as required.

##### **1.2 Schedule**

Provide GANTT chart schedule illustrating proposed tasks in initial and subsequent scopes of work. Note milestones indicated in ILA and Lease for equipment delivery, facility need date, Silver Line revenue service, etc.

##### **1.3 DCTA Kickoff Meeting**

Jacobs will meet with DCTA to review the project goals, scope, budget, preliminary schedule, operations plan and anticipated project delivery.

##### **1.4 Space Needs Assessment**

Based on the Silver Line operations plan, Jacobs will determine preliminary specialized maintenance and operations needs for the Rail Operations and Maintenance Facility.

Some of the elements to be considered and discussed include:

- Maintenance operator access and scheduling
- Administration and building support functions
- Vehicle fueling system (Shared)
- Maintenance bay / pit / crane requirements
- Car washing (Shared)
- Utilities connections
- Off-site maintenance functions (Wheel Truing)
- Vehicle storage
- Vehicle fleet size
- Maintenance crew / staff size
- Specialized shop equipment (ex. Jacks)
- Safety and security requirements
- LEED / sustainability requirements

:

#### **A. Stakeholder Orientation Meeting / Charrette**

Jacobs will conduct a one-day kick/off meeting and programming charrette for all of the key stakeholders to explain the process and how each entity can participate most effectively. During this meeting, each stakeholder will establish their objectives and needs for the project. Questionnaires will be distributed to document space needs, adjacencies and operations requirements.

Stakeholders include:

- DCTA Staff
- Rio Grande (DCTA Maintenance Contractor)
- Herzog (Silver Line Maintenance Contractor)
- Stadler (Vehicle Manufacturer)
- DART Executive Staff
- DART PMOR (WSP)

#### **B. Determine Operations Procedures and Philosophies**

Based upon the kick-off meeting, the Consultant will review operations procedures for the facility. Items to be reviewed will include frequency of preventative maintenance, work tasks performed by DCTA/DART staff versus outside vendors, and materials handling procedures. All current and recommended procedures will be discussed with DCTA and DART staff during review meetings.

#### **C. Compile Data on Vehicles/Equipment**

Operations and maintenance data on all vehicles or equipment to be maintained will be assembled based upon the Silverline Stadler vehicle. Data to be included in the Vehicle/Equipment inventory are make, model, dimensions, propulsion system, weights, quantities, and operating characteristics.

#### **D. Preliminary Space Program**

Based upon the information learned through, interviews, operations analysis and questionnaires. Jacobs will prepare a space needs program. Included in this program will be initial facility functions and areas as well as projected needs for future vehicles. The project will be programmed for interior spaces (administrative offices, shops, maintenance, warehouse, building support, etc.) covered spaces (canopy covered storage for materials and vehicles) and exterior spaces (employee parking, revenue and non-revenue vehicle parking/storage, visitor parking, material storage), as well as total site area requirements including open space, screening, site and building security. The space program will be submitted in preliminary form for review by the Project Stakeholders. The space program will include operational and space recommendations for the following areas:

- Repair, inspection and special-use bays
- Shop / equipment repair areas
- Off-site Wheel truing
- Vehicle body repair activities and requirements
- Vehicle cleaning interior and exterior
- Building administration and security
- Overhead Crane requirements
- Staff support space needs including shower and locker areas, break rooms, etc.
- Projected Staffing for administration, operations and maintenance.
- Determine parking and access requirements for non-revenue vehicles, employee vehicles, visitor vehicles and delivery vehicles
- Exterior equipment storage
- Maintenance of Way Storage Requirements

Following a 2 day review period, Jacobs will reconvene the stakeholders with a 1-day programming charrette to discuss feedback and finalize the Preliminary Space Program document.

#### **E. Prepare Final Facility Program**

Upon completion and review of all work included above, the Consultant will prepare a Final Facility Basis of Design (BOD) & Program Document. This document will include a narrative description of all functional areas and operations, staff and vehicle projections and the quantitative space program.

The Final Facility Program Report will document the programming process and outline the key planning and design issues. The report will be distributed to the Design Team and key staff for review. The report includes the following narratives:

- Project Overview - Describes the background and gives an overview of the project and the entities involved.
- Basis of Design - Provides a summary of the more qualitative planning issues that were noted during interview sessions. The summary includes a description of each group's responsibilities, hours of operation, staff counts, vehicle parking, vehicles maintained, and a list of key planning issues. All of this is compiled for consideration during future planning and design efforts.
- Space Needs Program - Presents a detailed listing of space requirements for all the stakeholders on the site. The intent of the program is to identify program spaces to fulfill the current and future facility needs. Programmed spaces are further defined by their quantity, area, and any remarks significant to design.

#### **F. Report Back / Charrette**

Jacobs will conduct a ½ day meeting for all of the key stakeholders to review the Space Program and Basis of Design. Input will be used to edit the final deliverables for submittal to DCTA for approval.

#### **Deliverables:**

- Preliminary Space Program
- Rough Order of Magnitude (ROM) Cost Estimate
- Final Facility Program Document including:
  - Project Overview
  - Basis for Design

- Adjacencies
- Space Needs Program with identification of Critical, Essential, and Preferred needs.

#### **Duration (1.1 – 1.4): 4 Weeks**

### **1.5 Document Design Criteria**

Jacobs will compile a design criteria document based on information received from DART, DCTA, Herzog and Stadler to be used for planning and designing the new facilities. The design will identify preliminary functional requirements for building systems including architectural, civil, structural, equipment, mechanical, electrical and plumbing such as:

- Site requirements
- Security requirements
- Materials, finishes, and clearance requirements throughout the project.
- General site grading, paving, and drainage issues and requirements.
- Functional spacing and placement of structural systems.
- Ventilation requirements for each functional area including repair bays, maintenance shops, welding, battery, wash areas, and work areas.
- Minimum indoor design temperatures for heating and cooling for each functional area.
- Lighting levels and type of lighting for all exterior areas including employee and visitor parking, repair staging, vehicle circulation areas, and outside secure storage.
- Lighting levels and type of lighting for each functional area within the facility.
- Functional areas and equipment to be included on emergency power generating system.
- Fire protection and service fluids piping and storage systems.

#### **Deliverables:**

- Design Criteria Report

#### **Duration: 2 Weeks**

### **1.6 Prepare Equipment List**

A detailed list of all shop equipment required to support maintenance activities will be provided by DART and coordinated with Herzog/Stadler. The Equipment List will also identify all requirements for power, compressed air, water, etc., for each piece of equipment. Functional areas will include, but not be limited to administration, battery room, brake room, maintenance administration, materials handling, mechanic facilities, repair bays, service and cleaning, tire shop, tool crib, fueling, body and paint shop, component overhaul, test area, and welding shop. All quantities will be identified.

#### **Deliverables:**

- Equipment List

#### **Duration: 2 Weeks (concurrent with Facilities Program)**

## **1.7 Conceptual Facility / Yard Layout**

A conceptual facility layout will be developed for the expansion of the facility. The layout will be limited to block diagrams illustrating basic functional groupings with horizontal and vertical circulation to confirm fundamental program requirements and design concepts and adjacencies.

### **Site / Trackwork Layout**

Provide conceptual layout of yard tracks and maintenance building tracks and turnouts.

Review meeting of conceptual layout and alternatives with stakeholders for input prior to development of preferred layout.

### **Deliverables:**

- Site plan: Indicate orientation, site use, structure's placement, circulation and parking, utility systems showing existing utilities.
- Track layout
- Block diagrams (floor plans): One for each proposed level
- Sections: Two perpendicular to each other at the same scale as the block diagrams to establish vertical control.
- Exterior elevations: Block outs to illustrate massing and context.
- Functional area relationships both between departments, crew contractors and between workstations within department. Primary considerations to be industrial workflow, supervision and safety.

**Duration: 3 Weeks (concurrent with Design Criteria)**

## **1.8 Conceptual Constructability / Phasing Plan**

Develop graphic and narrative conceptual phasing plan to convey phasing to allow operations during construction. Phasing Plan to be coordinated with Rio Grande and Stadler.

**Duration: 1 Week (Concurrent with Facility Layout)**

## **1.9 Conceptual Cost Estimate**

Upon completing the above tasks, Jacobs will prepare a conceptual/order-of-magnitude capital cost estimate for the facility. Considerations will be made with respect to capital costs, life cycle costs and value engineering to reduce short and long term costs. Once feedback is received, Jacobs will then finalize a prioritized concept and program in tabular form.

### **Deliverables:**

- Conceptual Cost Estimate

**Duration: 1 Week**

### **1.10 Final Stakeholders Meeting / Final Report**

Jacobs will provide a draft of the Facility Program, Design Criteria, Equipment List, Conceptual Facility Layout, and Conceptual Cost Estimate for review by the Project Stakeholders. Following a review period, Jacobs will reconvene the Stakeholders with a 1-day programming charrette to discuss feedback and finalize the Facility Program, Design Criteria, Equipment List, and Conceptual Facility Layout.

Finalize all deliverables and submit to DCTA for approval prior to initiating Final Design.

#### **Deliverables:**

- Meeting Notes
- Final Report (PDF)

**Duration: 1 Week (concurrent with Cost Estimate)**

**Total Duration 10 weeks**

### **Assumptions**

- Site Topographic Survey to be provided by Owner
- Geotechnical Investigation to be provided by Owner
- Existing site infrastructure, both site and building, are sufficient to support the improvements outlined in this proposal for the purpose of the cost estimate
- Civil services are based on use of existing site improvements. Minimal site development is anticipated other than drainage modifications. Roadway access, parking and on-site drainage structures are excluded.
- DART to provide Silver Line Operations Plan and Commissioning Plan
- Drawings will follow NCS (National CAD Standards)
- Schedule will be based on Design/Bid/Build Delivery
- Slab elevations will be based on existing track grades.
- Owner / Stakeholders will provide operations plan and equipment requirements
- Design Criteria will be compiled based in information received from the primary stakeholders. New criteria will not be developed for the facility.
- Owner will provide CAD and PDF files of the existing Rail Operations and Maintenance Facility. Jacobs will produce CAD files of existing documents for use in the Pre-Design Phase including Site Plans, Floor Plans, Elevations and Sections as required.



**THE FOLLOWING IS OF INFORMATION ONLY**  
**NOT IN CURRENT SCOPE OF WORK**

The following Scope of Work is provided in anticipation of moving the project forward beyond Task 1. Fee estimate in Exhibit B is subject to change based on outcomes of Task 1.

## **2. FINAL DESIGN SERVICES**

Based upon approval of the program established during pre-design and approved project concepts and budget Jacobs will initiate Final Design services.

### **2.1 Base Plan Development**

Prepare project base plans of the existing construction from existing CAD and PDF files for all disciplines as required.

### **2.2 Schematic Design (30% submittal)**

#### **A. Schematic Design Drawings**

The Consultant will prepare drawings, which are in sufficient detail to illustrate design concepts, systems concepts, interfaces, scale and relationships. The drawings will identify all project components, systems, circulation and access, including, but not limited to, site plans, parking plans, exterior elevations, sections, floor plans that include maintenance and administration functions, preliminary equipment layouts, mechanical/electrical design concepts, schematic space plans, building systems, and emergency exiting plans. The schematic design documents will define the following:

- Site layout and preliminary grading and drainage
- Utility locations
- Preliminary drainage and grading plans
- Track Plan and Profile
- Preliminary landscape/screening
- Organization's functional relationships that effect facility planning
- Building and site circulation
- Preliminary equipment layouts
- Facility massing and scale
- Preliminary structural systems
- Conceptual appearance
- Narrative of building systems
- Equipment list

#### **B. Design Report**

The Schematic Design submittal will include a *Basis of Design Report* summarizing the project program, site and building systems requirements. The report will describe the following:

- Applicable zoning regulations and building codes
- Record of major design decisions; a brief description of the project scope and purpose, data sources, and contents.
- Understanding of the owner's project objectives stated in terms of function, form, quantity, quality, economy, and time.
- Environmental and archaeological requirements
- Geotechnical requirements.
- Summary of space and functional program requirements (including a reconciliation of programmed and designed spaces in an appendix), schedule requirements
- Narrative of major site, architectural, structural, mechanical, plumbing, fire protection, and electrical systems with proposed primary construction products and materials
- Project budget and Schematic Design cost estimate

#### **C. 3D Study Models and Perspectives**

The Consultant will prepare 3D SketchUp massing models and perspective renderings of the building exterior to illustrate the relationship of site and building components and overall massing.

#### **D. Estimate of Probable Costs**

The consultant will prepare a cost estimate based on the completed Schematic Design Documents. The estimate will be delivered to DCTA 2 weeks after completion of the Schematic Design submittal.

#### **E. Preliminary Equipment List**

Based on the Equipment List provided by DART, identify, by functional area, preliminary requirements for maintenance and service equipment needed to support maintenance activities. Maintenance equipment includes storage equipment, shop equipment, wash equipment, vehicle exhaust systems, lifts, and cranes. Service equipment includes compressed air system components (i.e., compressor, dryer, hose reels, filter/regulator/lubricator) and lubrication system components (i.e., pumps, tanks, hose reels). Identify quantities required, dimensions, and impact on other design team disciplines.

Develop Preliminary Equipment List. Equipment to be listed by functional area within each department, alphabetically by description and numerically by equipment identifier. Equipment list includes information regarding description, quantity, price, dimensions, procurement strategies, specification responsibility, and discipline coordination matrix

#### **Schematic Design Deliverables**

- Schematic Design Drawings
- Basis of Design Report
- Sketchup Model Views
- Estimate of Probable Costs
- Preliminary Equipment List

PDF drawings will be submitted for review. Stakeholders will have a two-week period to provide comments for incorporation in 65% submittal.

## **2.3 Design Development (65% Submittal)**

Based upon approved Schematic Design Documents, and selection of the vehicle propulsion system, Jacobs will prepare Design Development Documents which establish and describe the size, scope, character, material composition, systems, sequence of operation/control and other features by means of plans, sections and elevations, typical construction details, three dimensional sketches, study models, equipment layouts, specifications that identify major materials and systems and establish in general their quality levels. These Documents will include Design Development Design Analysis Report and Outline Technical Specifications. Design Development drawings will be developed to a 60% level of detail and include the following:

### **A. Civil, Track and Infrastructure**

Grading, drainage, paving, fencing, and erosion control plans including existing contours, final contours, mathematized horizontal and vertical geometry, horizontal and vertical clearances, storm sewer and water lines, drainage structures and details of special structures. Civil drawings will include:

- Site development plan (horizontal control)
- Site grading plan (vertical control)
- Pavements, parking, and roadways plan
- Site utilities plan, including above and below-ground utilities, points of connection to off-site services, buildings, and facilities
- Retaining wall, screen wall or other site structures
- Track Plan and Profile
- Track Turnouts

### **B. Structural**

Structural drawings will include foundations plans, nominal sizes, types and cross-sections of structural members and systems; critical structural clearances and details necessary to define the structural system. Structural drawings will include:

- General notes
- Floor plans showing structural foundation systems and sub-slab construction, horizontal and vertical framing systems showing slab (or equivalent) edges, suspended slab openings, depressed slab locations, maintenance pits, lateral load cross bracing, and typical construction details.
- Final structural design criteria; foundation design criteria; preliminary sizing of major structural components; critical coordination clearances; outline specifications or materials list

### **C. Architectural**

Architectural building plans including site plan, overall plans and partial plan, building sections, enlarged wall sections, exterior and interior details, reflected ceiling plans, elevations. The Drawings will fully illustrate all constructed areas, space planning and component sizes, scope, systems, interfaces, spaces, functions, general materials and finishes.

Architectural drawings will include:

- Architectural site plan
- Building plans and enlarged plans for all disciplines
- Preliminary interior furnishings and office equipment plans

- Exit plans with exit load calculations
- Fire-resistive assemblies and their locations
- Building elevations and enlarged partial plans
- Building sections
- Enlarged wall sections
- Exterior and interior details
- Equipment and maintenance pit layout
- Preliminary door, window, fixture and room finish schedules

Jacobs will prepare one (1) set of material / color sample finish boards of all interior and exterior materials. The sample boards will, as closely as possible, illustrate the material in similar ratios, as they would appear to each other.

#### **D. MEP Systems**

Systems drawings which define mechanical and electrical systems, including, but not limited to, HVAC, plumbing, fire protection, fire alarm, life safety, security, power, fiber optics, communications, gate facilities distribution, lighting, automated materials handling, grounding, lightning protection systems and other special systems appropriate for the project.

Mechanical Systems drawings will include:

- Site plans showing connection points for water, fire service, sanitary sewer and storm sewer
- Floor plans showing major equipment sizes and locations, heating and refrigerant supplies and returns, domestic hot and coldwater supplies and returns, air-handling equipment locations and air-handling distribution, air-handling supply systems and discharge locations and sizes, air-handling exhaust systems and intake locations and sizes, shafts and chases, plumbing fixture locations with fixtures keyed to plumbing fixture schedule and plumbing risers
- Fire suppression water shut-offs, controls, risers and zones for horizontal distribution
- Detailed plumbing risers, HVAC, other plumbing and mechanical systems

Electrical Systems drawings will include:

- Floor plans showing major plant equipment locations and sizes; electrical power systems, including transformers, switch gear, UPS equipment, emergency generators, and primary distribution, including panel boards and cable TV, security, communications, fire alarm and control, and sound systems, including equipment locations and sizes
- Detailed electrical power, lighting, communication, fire alarm and security CCTV
- Vertical and horizontal distribution schematics (including all riser or chase locations)
- Operational procedures and installation details for a complete security system.

#### **E. Maintenance Equipment Drawings and Schedules:**

##### **Equipment Programming**

- Update Equipment List to be consistent with equipment layout drawings and facility design. Equipment to be listed by functional area within each department, alphabetically by description and numerically by equipment identifier. Equipment list includes information regarding description, quantity, price, dimensions, procurement strategies, specification responsibility, and discipline coordination matrix
- Assemble Maintenance Equipment Manual that includes Equipment Data Sheets and Equipment Cut sheets on maintenance and service equipment to be specified by MDG (approximately 30 items).

### **Equipment Layout Drawings**

- Develop initial maintenance equipment layout drawings which provide an efficient, cost effective industrial workflow through the facility. Include workstation layouts and materials handling storeroom layouts.

### **Facilities/Equipment Coordination**

- Coordinate operational and equipment related functional requirements for building systems and components including architectural, structural, mechanical, electrical, plumbing, and human engineering.
- Review architectural/engineering design for functional response to program equipment and code requirements.

## **F. Landscape and Irrigation**

Landscape plans including overall and enlarged planting plans, hardscape plans and irrigation plans to fully cover proposed planting.

Architectural drawings will include:

- Planting plans and details
- Soil Amendment plans and details
- Hardscape plans and details
- Irrigation plans and details
- Fencing and screening wall sections and details

## **G. Signage and Graphics**

Plans, sections, schedules, elevations and detail drawings of building public signage and graphics. Signage and Graphics drawings will include floor plans and elevations of signage and graphics, showing their size, fastenings, and atypical and typical mounting details; illumination / electrical power requirements, etc.

## **H. Preliminary Technical Specifications**

Jacobs will prepare a complete set of Technical Specifications for the project in a format accepted by DCTA. An outline of Division I guide specifications (General Requirements) will be furnished by DCTA. Existing DCTA Specifications will be incorporated as applicable.,

## **I. Estimate of Probable Costs**

Jacobs will prepare a cost estimate based on the completed Design Development Documents. The estimate will be delivered to DCTA 2 weeks after completion of the Design Development submittal.

## **J. Safety Certification Checklist**

The Design Team will continue to gather and document information on specific areas of safety concern that must be addressed in the facility.

Following the standards of the applicable DCTA and DART Design Criteria, and any further requirements of the client. Jacobs will prepare the Safety Certification Plan (SCP) by providing information on the systems, products, and spaces. Jacobs will also implement safety considerations into the design through configurations of spaces, visibility and circulation paths, clearances, detailing, etc. within the building and site that conform to requirements. As applicable to our disciplines, The Consultant will provide Safety Certification Items List (SCIL), Design Safety Certification Checklist (DSCC) and Construction Safety Certification Checklist (CSCC).

This task will require significant coordination between the equipment / facility designers and architectural designers as well as in depth review of the design solutions with DCTA and DART staff.

Jacobs will review installation of the design elements for the project for compliance with the CSCC. Any substitutions or modifications to the design during construction will also be reviewed and any updated information will be provided to incorporate into the final CSCC to be completed and certified at the end of construction.

### **Design Development Deliverables**

- Design Development Drawings
- Outline Technical Specifications
- Equipment Schedules
- Update of Basis of Design Report
- Update of Illustrative Drawings (2 Renderings and Illustrative Site Plan)
- Estimate of Probable Construction Costs
- Equipment Manual
  - Equipment List
  - Equipment Data Sheets
  - Equipment Cutsheets
- Equipment Layout Drawings
- Safety Certification Checklist

PDF drawings will be submitted for review. Stakeholders will have a two-week period to provide comments for incorporation in 95% submittal. Jacobs will respond to design review comments and document incorporation of applicable comments.

## **2.4 Contract Documents (95% submittal)**

Based upon approved Design Development Documents and the incorporation of any changes or adjustments directed by DCTA Jacobs will prepare complete Construction Documents. The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the construction work based on a Design/Bid/Build project delivery method.

Construction Documents which establish and describe the complete size, scope, character, material composition, systems, sequence of operation/control and other features by means of plans, sections and elevations, typical construction details, three dimensional sketches, study models and equipment layouts, including specifications that identify major materials and systems and establish in general their quality levels. These Documents will include a final Design Analysis Report and complete Technical Specifications. Construction Document drawings and specifications will be developed to a 95% level of detail and will be inclusive of all deliverables defined in the Design Development phase above.

## **2.5 Estimate of Probable Costs**

The consultant will prepare a cost estimate based on the completed 95% Construction Documents. The estimate will be delivered to DCTA 2 weeks after completion of the Construction Document (CD) submittal.

### **Construction Document Deliverables**

- 95% Contract Documents
- 95% Technical Specifications
- Division 1 Technical Specifications (Prepared by DCTA and Jacobs)
- Division 2 - 16 Technical Specifications
- Schedules
- Update of Design Report
- Final Illustrative Drawings (1 rendering)
- Estimate of Probable Construction Costs

PDF drawings will be submitted for review. Stakeholders will have a two-week period to provide comments for incorporation in 100% submittal.

## **2.6 Invitation for Bid Documents (100% submittal)**

Based upon 95% Construction Documents which have been reviewed and accepted by the DCTA, DART and stakeholders and the incorporation of any changes or adjustments directed by DCTA, Jacobs will prepare Invitation for Bid (IFB) Documents. The intent of the IFB Documents is to include all items final changes necessary for the proper execution and completion of the construction work based on a Design/Bid/Build project delivery method and all Agency and Utilities Applications and Permits.

## **3. BID AND PROPOSAL EVALUATION**

### **3.1 Interpretation of Bid Documents**

During the bid period, bidders may request, in writing, clarification or interpretation of any apparent inconsistencies between different provisions of the contract documents or any other point in the bid documents, Jacobs will issue all interpretations as addenda in a timely manner in consultation with DCTA and will distribute such addenda to prospective bidders or proposers, plan holders and code agencies in accordance with instructions from DCTA.

### **3.2. Pre-Bid / Proposal Meeting and Site Visits**

Jacobs will be represented at pre-bid, pre-proposal meetings and site visits to respond to inquiries and requests for interpretations by prospective bidders and proposers unless directed otherwise by DCTA. Jacobs will also prepare responses to questions and will forward these responses to DCTA for review and acceptance. Answers to questions that do not change the Contractor's scope of work will not be issued as addenda.

### **3.3 Bid Opening**

Jacobs will be present at Bid openings unless directed otherwise by the DCTA. Jacobs will receive one copy of each proposal for review of Bids and recommendation of the Apparent Low Bidder.



### **3.4 Bid and Proposal Evaluation**

Jacobs will assist DCTA and DART in reviewing, checking, and evaluating bids and proposals.

### **3.5 Conformed Documents (Incorporation of Addenda):** Issue of IFC (issue for Construction conformed drawings to the selected contractor

As directed by DCTA, Jacobs will incorporate all Addenda in the Contract Documents the addenda. Only changes made in formally issued addenda may be incorporated into the documents.

## **4. CONSTRUCTION SUPPORT SERVICES**

Jacobs will provide Construction Support Services in support of the DCTA and their Construction Manager. The Construction Phase begins with the Issue of Notice to Proceed (NTP) to the Contractor. Jacobs will provide the following services during Construction Administration:

- Attend weekly construction meetings.
- Visit project site at appropriate intervals, complete observation reports for all disciplines
- Review and process submittals; adhere to standard procedures established by the DCTA regarding stamping and filing submittals
- Interpret contract documents
- Review and evaluate contract documents
- Prepare and negotiate Change Requests / Change Orders
- Assist DCTA in testing observation and final acceptance review

### **4.1 Construction Meetings**

Jacobs will attend the pre-construction conference for general review with the Contractor of all the Contract requirements.

### **4.2 Weekly Meetings**

Jacobs will attend weekly construction and procurement meetings needed to maintain construction schedules and quality.

### **4.3 Review of Submittals**

Based on the list of required submittals and approved submittal schedule as required by the Contract Documents, Jacobs will review and accept Contractor submittals for conformance with the design concept of the project and the Contract Documents. Returned submittals will include comments and any corrections or revisions, which are required to obtain its acceptance.

### **4.4 Requests for Information (RFI)**

The Contractor will submit any Requests for Information (RFI) or clarification of drawings and specifications to DCTA's Construction Manager. Jacobs will provide written responses to Contractor Requests for Information (RFIs).

### **4.5 Changes in the Work**

Jacobs when requested by DCTA will assist in a timely manner to review, evaluate, prepare and process all Construction contract changes (Change Notices, Change Directives and Change Orders). When directed by the DCTA, Jacobs will prepare a Change Request including but not limited to the following:



- Cost Estimate consistent with Standard Cost Estimate format.
- Evaluation of Schedule impact stated in days of duration and specifying Contractor activities impacted.
- Document Preparation. Jacobs will prepare specifications and construction drawings to depict the change proposed. Prepare appropriate revisions to the contract drawings and specifications for the project required by the change and provide the number of copies of these documents as required in the Consultant's "Issue for Construction" submittal requirements.

#### **4.6 Contractor Substitutions**

Jacobs will in a timely manner review, evaluate and make recommendations on all contractor requests for the use of "or equals" and substitutions. If the Consultant does not recommend acceptance of a substitution or an "or equal," it will provide specific and detailed reasons for its denial in writing.

#### **4.7 Construction Observation**

##### **A. Site Visits**

Jacobs will conduct the site visits with the DCTA Construction Manager or its designated representative and, prior to leaving the site, will verbally discuss with DCTA or its authorized representative any observed defects, deficiencies and other problems and possible solutions to those problems. Jacobs will not be required to make exhaustive or continuous site visits to check quality or progress of the work. Such activities will be conducted in accordance with any additional instructions from DCTGA to observe activities associated with the construction of the Project. During these visits Jacobs will review the quality of the work, answer questions regarding the project design and investigate the circumstances surrounding any defects or deficiencies in the work including any other failure of the work to comply with the Contract Documents observed and/or reported by the Consultant's personnel or the construction inspectors retained by DCTA.

##### **B. Observation Reports**

Jacobs will prepare and submit written observation reports to DCTA which describes the extent of the visit and summarize observations, recommendations and answers given to questions raised by DCTA. This report will include (1) a description of all defects in materials incorporated in the work or stored-on-site materials, furnishings, equipment and workmanship or any other failure by the Contractor or its subcontractors of any tier to perform their work in full compliance with the Contract Documents for the Projects which it observes during its visits to the Projects and/or manufacturing sites and (2) Consultant recommendations for correcting such observed defects and non-conforming work. The Consultant will immediately notify DCTA of any such defects and/or non-conforming work that it observes which have potential to delay a Project if they are not addressed immediately. This notice will contain Jacobs' recommendations for correcting such defects, non-conforming work and/or failures.

##### **D. Punch lists**

Jacobs will assist DCTA in the preparation of punch lists and subsequent walk-through verification that the contractor has completed the work identified on the punchlist in an acceptable manner.

#### **4.8 Final Inspection and Certifications**

Jacobs will participate with DCTA in the preparation of any final inspection certificates and documents required to close out affected contracts and to facilitate final payment by the

DCTA. Jacobs will coordinate with all government agencies including but not limited to the City of Lewisville Building Inspection Division and Fire Department and provide the needed information to these departments to assure the issuance of all permits and certificates of occupancy.

#### **4.9 Warranties**

Review and determine the acceptability of any written warranties and guaranties required by the Contract Documents for the project, which the contractor submits to DCTA on acceptance of final payment.

**Construction Phase Services – Clarifications.** If Jacobs is called upon to observe the work of construction contractor(s) for the detection of defects or deficiencies in such work Jacobs will not bear any responsibility or liability for such defects or deficiencies or for the failure to so. Jacobs shall not make inspections or reviews of the safety programs or procedures of the construction contractor(s), and shall not review their work for the purpose of ensuring their compliance with safety standards. Jacobs shall have no influence over construction means, methods, techniques, sequences or procedures. No fault or negligence shall be attributed to the Consultant based upon the acts or omissions of any construction contractors. Construction safety shall remain the sole responsibility of the construction contractor(s).

#### **. Construction Support Deliverables**

- Construction Observation Reports
- Meeting Minutes
- Punch Lists
- Submittal Reviews
- RFI Responses
- Final Inspection and Certifications
- Estimate of Probable Costs

### **5. OPERATIONS TESTING / COMMISSIONING**

By others or Additional Services

### **6. AS-BUILT DOCUMENTS**

By others or Additional Services

# **DCTA Rail Maintenance Facility Addition and Modifications for DART Silver Line**

## **Task Order 13**

### **FEE PROPOSAL**

January 3, 2021

<b>1.1 Base Plan Development / Schedule</b>	<b>\$ 5,275</b>
<b>1.2 Space Needs Assessment</b>	<b>\$ 23,985</b>
<b>1.3 Document Design Criteria</b>	<b>\$ 8,300</b>
<b>1.4 Prepare Equipment List</b>	<b>\$ 5,135</b>
<b>1.5 Conceptual Facility Layout</b>	<b>\$ 21,530</b>
<b>1.6 Conceptual Cost Estimate</b>	<b>\$ 2,160</b>
<b>1.7 Final Report</b>	<b>\$ 8,140</b>
<b>Direct Costs</b>	<b><u>\$ 150</u></b>
<b>Total</b>	<b>\$74,525</b>

**Final Design Fee Estimate (Not in Contract):** **\$800,000**

Approximate fee for full A/E services based on the estimated cost of construction

**RESOLUTION**

of the

**DALLAS AREA RAPID TRANSIT BOARD**

(Executive Committee)

**RESOLUTION**

**Approval of the Interlocal Agreement (ILA) with Denton County Transportation Authority (DCTA) for Construction, Operation, and Maintenance of the Joint Rail Operations Facility (JROF) for the Silver Line Regional Rail Project**

WHEREAS, the Denton County Transportation Authority (DCTA) operates and maintains a passenger rail system known as the A-train between DART's Trinity Mills Station and downtown Denton; and

WHEREAS, the Silver Line Regional Rail Project (the "Silver Line") extends DART's commuter rail services from the Dallas-Fort Worth International Airport (DFWIA) to Shiloh Road in Plano, Texas; and

WHEREAS, the Silver Line will operate eight Stadler Diesel Multiple Unit (DMU) trains on a 30-minute peak schedule; and

WHEREAS, DART has identified the need for the development of an equipment maintenance facility to receive, test, commission, and perform ongoing maintenance on the DMUs; and

WHEREAS, DART staff has identified the existing DCTA A-train Operations and Maintenance Facility (OMF) as a location that offers the greatest advantage to the operations of the Silver Line for the accomplishment of these purposes; and

WHEREAS, the Parties desire to facilitate cooperation by entering into this Agreement for joint usage of a JROF at the OMF for the A-train and Silver Line to the benefit of both DART and DCTA; and

WHEREAS, the Interlocal Cooperation Act, Texas Government Code Chapter 791, hereinafter "the Act," provides authorization for a local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act, and the Parties hereby mutually agree to be subject to the provisions of the Act; and

WHEREAS, the Parties are eligible entities under the Act and want to enter into an Interlocal Agreement on the terms described herein; and

WHEREAS, the agreement provides for the manner in which DART and DCTA will jointly participate in the capital expansion and how costs will be shared, and the manner in which DART will compensate DCTA for the use of the JROF for the first two phases and includes the provision to negotiate a long-term lease agreement mutually beneficial to both parties.

NOW THEREFORE, be it resolved by the Dallas Area Rapid Transit Board of Directors that the President & Chief Executive Officer or her designee is authorized to execute an Interlocal Agreement with Denton County Transportation Authority (DCTA), substantially in the form shown in Exhibit 1 to the Resolution and subject to legal review, for Construction, Operation, and Maintenance of the Joint Rail Operations Facility (JROF) for the Silver Line Regional Rail Project.

**Approval of the Interlocal Agreement (ILA) with Denton County Transportation Authority (DCTA) for Construction, Operation, and Maintenance of the Joint Rail Operations Facility (JROF) for the Silver Line Regional Rail Project**

  
Rodney L. Schlosser  
Secretary

  
Michele Wong Krause  
Chair

APPROVED AS TO FORM:

  
Gene Gamez  
General Counsel

ATTEST

  
Nadine S. Lee  
President & Chief Executive Officer

October 26, 2021  
Date

**INTERLOCAL AGREEMENT  
BETWEEN  
DALLAS AREA RAPID TRANSIT  
AND  
DENTON COUNTY TRANSPORTATION AUTHORITY  
FOR CONSTRUCTION, OPERATION, AND MAINTENANCE  
OF  
JOINT RAIL OPERATIONS FACILITY (JROF)**

THIS INTERLOCAL AGREEMENT FOR THE CONSTRUCTION, OPERATION, AND MAINTENANCE OF A JOINT RAIL OPERATIONS FACILITY (this "Agreement"), by and between Dallas Area Rapid Transit, a regional transportation authority established 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 1955 Lakeway Drive, Ste. 260, Lewisville, Texas, 75067 (DCTA) (individually a "Party" and collectively "Parties").

**RECITALS:**

**WHEREAS**, the Silver Line regional commuter rail project (the "Silver Line") extends DART's commuter rail services from the Dallas-Fort Worth International Airport (DFWIA) to Shiloh Road in Plano, Texas; and,

**WHEREAS**, the Silver Line extends along the historic Cotton Belt Regional Rail Corridor and traverses seven cities: Grapevine, Coppell, Dallas, Carrollton, Addison, Richardson and Plano, providing passenger rail connections and service that will improve mobility, accessibility, and system linkages to major employment, population, and activity centers as well as connections to the DFWIA, three DART Rail lines, the DCTA A-train, and Trinity Metro's TEXRail in the northern part of the DART Service Area; and

**WHEREAS**, the Silver Line will operate eight (8) Stadler Fast Light Innovative Regional Train (FLIRT) Diesel Multiple Unit (DMU) trains ("Silver Line DMUs") on a 30-minute peak schedule; and,

**WHEREAS**, DART has identified the need for the development of an equipment maintenance facility to receive, test, commission, and perform ongoing maintenance on the DMUs; and,

**WHEREAS**, DART staff has identified the existing DCTA A-train Operations and Maintenance Facility (OMF) as a location that offers the greatest advantage to the operations of the Silver Line for the accomplishment of these purposes; and,

**WHEREAS**, DCTA's OMF is located in Lewisville, Texas, approximately seven (7) miles north of the Silver Line connection in Carrollton, Texas, along the DART-owned MKT freight rail alignment, which provides a direct connection to the Silver Line; and,

**WHEREAS**, the DCTA OMF, constructed in 2012, currently operates and maintains eleven (11) Stadler Gelenktriebwagen (GTW) DMU's and was planned strategically to expand and accommodate the future Silver Line; and,

**WHEREAS**, the location, design, and construction of the DCTA OMF was closely coordinated between DART and DCTA staff to ensure the possibility that a future JROF facility could be easily achieved to the benefit of both agencies; and

**WHEREAS**, the Parties desire to facilitate cooperation by entering into this Agreement for joint usage of a JROF at the OMF for the A-train and Silver Line to the benefit of both DART and DCTA; and

**WHEREAS**, the Interlocal Cooperation Act, Texas Government Code Chapter 791, hereinafter "the Act," provides authorization for a local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act, and the Parties hereby mutually agree to be subject to the provisions of the Act; and

**WHEREAS**, the Parties are eligible entities under the Act and want to enter into an Interlocal Agreement on the terms described herein; and

**NOW THEREFORE**, in consideration of the mutual promises and benefits contained herein, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

## **Article I Term of Agreement**

1.1 **Term.** This Agreement shall commence and become effective on the Agreement Commencement Date, \_\_\_\_\_, 2021 ("Effective Date"), and terminate on the Agreement Termination Date, \_\_\_\_\_, 2025, unless the Term of this Agreement is terminated earlier in accordance with Article 9 below.

1.2 **Phases.** This Agreement shall include three (3) phases, including:

- (a) Phase 1: DMU delivery, testing, and commissioning (May 2022 – December 2024);
- (b) Phase 2: JROF Capital Expansion (October 2021 – May 2023); and
- (c) Phase 3: Long Term Operations and Maintenance (May 2023 – May 2043).

## **Article II Phase 1 Scope of Services**

2.1 DART and DCTA agree to work together to support the common goals of increasing service to their respective areas through expansion and capital improvements to the existing OMF for the purpose of developing a JROF that will provide service to both DART and DCTA.



2.2 DART will coordinate with Stadler to develop a plan for the receiving, testing, and commissioning of eight (8) FLIRT DMUs, subject to DCTA's approval, which shall not be unreasonably withheld. The plan will include:

- (a) a defined space within the DCTA OMF for temporary facilities for the delivery, commissioning, and testing of the Silver Line DMUs;
- (b) mobilization of temporary storage and office space;
- (c) a re-assembly plan for the Silver Line DMUs and an area in which to perform static testing in the DCTA OMF yard;
- (d) use of the DCTA corridor for dynamic testing and burn-in with defined and agreed-upon windows of time;
- (e) an operator agreement for testing on the DCTA corridor; and,
- (f) a safety plan.

2.3 DCTA will coordinate with Stadler to accommodate the Silver Line DMU delivery dates scheduled to begin in September 2022 as outlined in Exhibit 1, attached hereto and incorporated for all purposes herein.

2.4 DCTA will provide DART yard storage capacity at the OMF for the delivery of Silver Line DMUs beginning in September 2022.

2.5 Within 60 days of the Effective Date, DART and DCTA will negotiate a Phase 1 lease for the use of the OMF consistent with the above-referenced receiving, testing, and commissioning plan.

2.6 DART will provide proof of insurance naming DCTA as an additional insured or named insured to address all Phase 1 activities as set forth in Article 8 below.

### **Article III Phase 2 Scope of Services**

3.1 DART and DCTA agree to work together to develop a plan to expand the existing OMF by 22,500 square feet (estimated) to accommodate the long-term operations and maintenance of both the A-train and Silver Line DMU fleets, resulting in the JROF.

3.2 DCTA will procure the design and construction for the OMF expansion (the "Design Contract").

3.3 DCTA will provide project management and project oversight for the OMF expansion.

3.4 DCTA will provide project accounting for the OMF expansion.

3.5 DART will participate in the design review and comment process for the OMF expansion in accordance with the design milestones set forth in the Design Contract.



3.6 DART's and DCTA's contract rail services operators (CRSO) will also participate in the space planning process for the OMF expansion during the preliminary engineering and design phase and the parties will jointly agree on the space planning to support both operations.

3.7 DCTA will deliver the OMF expansion no later than May 2023.

3.8 DART will fund the OMF capital expansion and agrees to pay DCTA all fair and reasonable expenses incurred by DCTA to deliver the capital expansion. DART is providing DCTA an initial estimate, which is attached to this Agreement as Exhibit 2 and incorporated for all purposes herein. DCTA will take reasonable commercial efforts to manage project expenses to those within the estimate in Exhibit 2. However, if the costs of the capital expansion exceed those outlined in Exhibit 2, DART will fund the full cost incurred by DCTA so that DCTA does not incur additional financial liability for project expenses beyond the estimate in Exhibit 2. DCTA shall first request approval of any expenses over the estimate in Exhibit 2.

3.9 To facilitate the long-term regional rail expansion by DCTA to Carrollton, Texas, DART and DCTA will develop capital improvement cost estimates to include: 1) Track upgrades from FRA Class 2 to FRA Class 4 track from Trinity Mills to the Downtown Carrollton Station, said estimates to include the track and track bed only. The initial estimate shall be determined by DART; 2) DCTA will develop cost estimates for the addition of interoperable Positive Train Control (PTC); 3) DCTA will develop initial cost estimate for the addition of Centralized Traffic Control (CTC) from the Trinity Mills Station to the Downtown Carrollton. DART and DCTA shall jointly determine cost sharing allocations and when each upgrade will be done to support each phase of the project by amendment to this ILA.

#### **Article IV Phase 3 Scope of Services**

4.1 DART will provide, at its sole expense, insurance required for the operation and maintenance of the Silver Line DMUs as set forth in Article 8 below.

4.2 DART and DCTA will negotiate a Phase 3 long term joint use lease for the ongoing use of the JROF. The monthly lease rate should be inclusive of the costs associated with the joint use of the facility consistent with the approved Joint Rail Operations Plan including areas of shared resources to the benefit of both parties.

4.3 DART and DCTA agree the Phase 3 lease will supersede the Phase 1 lease.

4.5 DART and DCTA will direct the Silver Line and A-train CRSO's to develop a Joint Rail Operations Plan to ensure safe and reliable operations of both regional rail systems.

## Article V Payment Provisions

- 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 this Project that will impact each other.
- 5.2 Cost Sharing. DART and DCTA agree to share the cost of the JROF operating expenses and expenses associated with testing, commissioning, dispatching, and other related shared expenses with the terms set forth in the then-current JROF lease agreement.
- 5.3 Right to Audit. Each Party, at its own expense, shall have the right to audit the other Party regarding any costs incurred or services provided under this Agreement.

## Article VI Extension of DCTA A-train Service to Carrollton

- 6.1 At such time as DCTA is ready to expand A-train service to downtown Carrollton, DART and DCTA will negotiate trackage rights and an access agreement from Trinity Mills to Downtown Carrollton to include:
- (a) DCTA design and construction of a Station in Downtown Carrollton. Attached as Exhibit 3, is a preliminary schematic and drawing indicating the proposed location of the DCTA Station Platform station in Downtown Carrollton. The location may be changed upon agreement of DART, DCTA and any other parties or entities necessary to facilitate such change;
  - (b) Corridor planning and coordination between the Parties to facilitate necessary upgrades to the track to enable DCTA to provide A-train service to Downtown Carrollton;
  - (c) Coordination between the Parties on DCTA-funded capital improvements necessary to facilitate future operations of the A-train service to Carrollton; and,
  - (d) Negotiated right-of-way lease inclusive of costs associated with the joint use of the corridor between Trinity Mills and Carrollton consistent with the approved Joint Rail Operations Plan including areas of shared resources to the benefit of both parties.

## Article VII Indemnification

- 7.1 Generally. TO THE EXTENT ALLOWED BY LAW, EACH PARTY AGREES TO RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE OTHER (AND ITS OFFICERS, AGENTS, AND EMPLOYEES) FROM AND AGAINST ALL CLAIMS OR CAUSES OF ACTION FOR INJURIES (INCLUDING DEATH), PROPERTY DAMAGES (INCLUDING LOSS OF USE), AND ANY OTHER LOSSES, DEMANDS, SUITS, JUDGMENTS, AND COSTS, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES, IN ANY WAY ARISING OUT OF, RELATED TO, OR RESULTING FROM

**ITS PERFORMANCE UNDER THIS AGREEMENT, OR CAUSED BY ITS NEGLIGENT ACTS OR OMISSIONS (OR THOSE OF ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR ANY OTHER THIRD PARTIES FOR WHOM IT IS LEGALLY RESPONSIBLE) IN CONNECTION WITH PERFORMING THIS AGREEMENT. THIS AGREEMENT AND THE INDEMNITY PROVIDED HEREIN IS NOT INTENDED TO AND SHALL NOT CREATE ANY CAUSE OF ACTION FOR THE BENEFIT OF THIRD PARTIES OR ANY PERSON NOT A PARTY TO THIS AGREEMENT.**

**7.2 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 TEX.CIV.PRAC.REM. CODE as amended 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 regards to any claim or lawsuit that allege 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. 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.

**7.3 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 Article 7 are solely for the benefit of the Parties and are not intended to confer or convey any interest to any third party.

## **Article VIII Insurance**

**8.1 Commercial General Liability.** DART and DCTA represent and warrant that they are covered by a self-insurance program, an insured program, emergency funds or any combination of programs and/or emergency funds that provides sufficient coverage against liabilities that may arise in connection with or related to the services provided under this agreement. All liabilities policies shall name the other Agency as additional insured.

DART and DCTA also represent and warrant that they shall provide worker's compensation coverage for the benefits of their employees. All insurance policies shall be endorsed with a waiver of subrogation in favor of DCTA and DART.

**Article IX  
Miscellaneous Provisions**

**9.1 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 or enforce specific performance of the same 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. The Parties may terminate this Agreement prior to the Agreement Termination Date by mutual written agreement with 36 months' notice.

**9.2 Resolution of Disputes.**

- (a) 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 mutual agreement, the matter will be submitted to non-binding mediation. Accordingly, in regard to disputed issues, the Parties agree that:
  - (1) 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 acknowledge the start of the mediation process and 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 hereto, 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.

9.3 Force Majeure. It is expressly understood and agreed by the Parties that if the performance of any provision of this Agreement is delayed by reason of war, civil commotion, act of God, governmental restrictions, regulations or interferences, 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.

9.4 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.

9.5 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 all of the Parties.

9.6 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.

9.7 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 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 Denton County, Texas.

9.8 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.

9.9 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 instrument.

9.10 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.

9.11 Survival. All of the terms, conditions, warranties, representations and indemnities contained in this Agreement shall survive, in accordance with their terms, the execution hereof.

9.12 Reference. 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.

9.13 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.

9.14 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/Executive Director  
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  
1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75057

With a copy to:

Joseph J. Gorfida  
General Counsel  
Denton County Transportation Authority  
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.  
1800 Lincoln Plaza  
500 North Akard  
Dallas, Texas 75201

## Exhibit 1

9.15 Execution Date. Notwithstanding Article 2 of this Agreement, this Agreement shall not be binding on the Parties until signed by authorized representatives of each Party.

9.16 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.

9.17 Recitals. The recitals to this Agreement constitute a part of this Agreement.

9.18 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.

Executed on the dates indicated below, pursuant to the authority of:

Resolution No. \_\_\_\_\_ of the Dallas Area Rapid Transit Board of Directors, adopted  
\_\_\_\_\_, 2021;

Resolution No. \_\_\_\_\_ of the Denton County Transportation Authority Board of Directors, adopted  
\_\_\_\_\_, 2021, and

*(signature pages to follow)*

EXECUTED this 18<sup>th</sup> day of November, 2021.

Dallas Area Rapid Transit

By:



Nadine S. Lee  
President & Chief Executive Officer

Approved as to form:

By:



Gene Gamez  
General Counsel

Denton County Transportation Authority

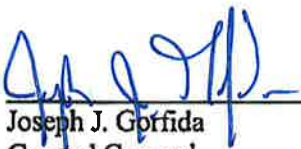
By:



Raymond Suarez  
Chief Executive Officer

Approved as to form:

By:



Joseph J. Goffida  
General Counsel  
(10-07-2021:TM 125279)



# Silver Line Vehicle Delivery Schedule

Car	Delivery
DMU 1	JUN 2022
DMU 2	JUN 2022
DMU 3	JUL 2022
DMU 4	SEP 2022
DMU 5	NOV 2022
DMU 6	DEC 2022
DMU 7	MAR 2023
DMU 8	APR 2023

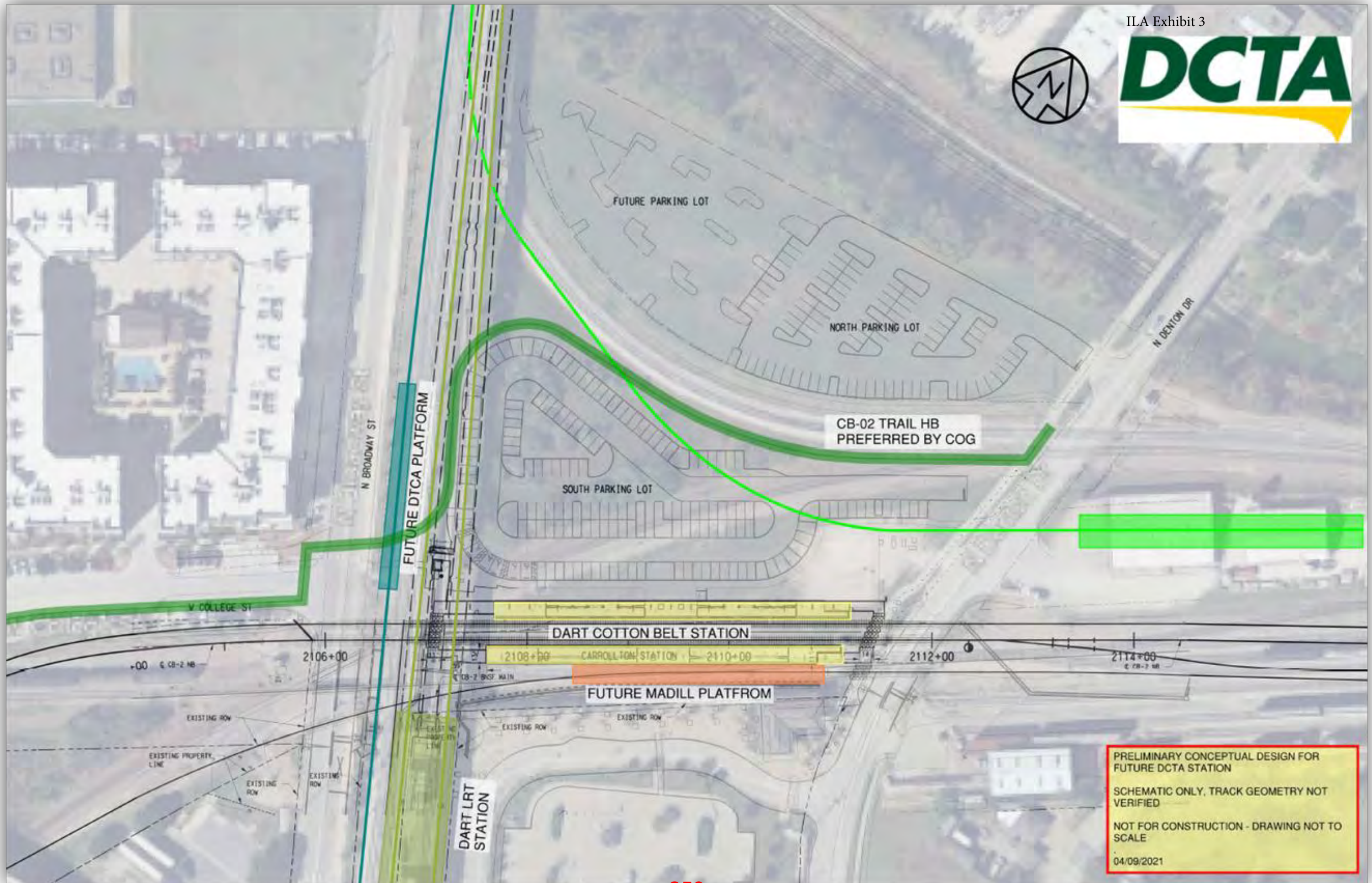
**JROF PROPOSED PROJECT BASELINE BUDGET**

		<b>Budget Estimate</b>	
<b>Construction</b>			
Facilities Construction Phase I		\$	-
Facilities Construction Phase II		\$	8,000,000.00
FRA Track Class II Upgrade (Tinity Mills - Carrollton)		\$	-
Crossing Upgrades and Quiet Zones (Tinity Mills - Carrollton)		\$	-
<b>Sub-Total Construction</b>		\$	8,000,000.00
<b>Escalation/Contingency</b>			
Escalated Sub-Total Construction		\$	8,560,000.00 1.07
Design/Construction Contingency		\$	513,600.00 6.0%
<b>Construction Total</b>		\$	9,073,600.00
<b>Soft Costs</b>			
100 Procurement		\$	171,200.00 2.0%
111 Quality Compliance		\$	171,200.00 2.0%
113 Safety Certification & Compliance		\$	171,200.00 2.0%
120 Project/Construction Management		\$	856,000.00 10.0%
395 Insurance		\$	171,200.00 2.0%
4XX Design Services		\$	1,027,200.00 12.0%
<b>Total Soft Costs</b>		\$	2,568,000.00 30.0%
<b>Utility Relocations</b>		\$	- 0.0%
<b>Flagging</b>		\$	181,472.00 2.00%
<b>Environmental</b>			
Assessment		\$	45,368.00 0.5%
Remediation		\$	181,472.00 2.0%
<b>Total Environmental</b>		\$	226,840.00 2.5%
<b>Real Estate</b>			
Acquisition		\$	- 0.0%
Real Estate Consultant Staff		\$	- 0.0%
<b>Project Reserve</b>		\$	- 0.0%
<b>Subtotal</b>		\$	<b>12,049,912.00</b>
FRA Track Class IV Upgrade (Tinity Mills - Carrollton)		\$	(2,511,332.16)
<b>Total</b>		\$	<b>9,538,579.84</b>

**Notes/Assumptions:**

- 1 Construction schedule of 12 - 18 months is assumed
- 2 Assumes construction to begin in 2022
- 3 Assumes design services to begin in 2021
- 4 Phase 1 costs for Temporary for receipt, testing and commissioning DART responsible under Stadler vehicle contract.
- 5 Assumes D-B-B delivery methodology
- 6 Assume Capital JROF expansion costs at DCTA OMF DART responsibility
- 7 Assume Utility Relocations are included in construction contract
- 8 Assumes no planning costs as DCTA is environmentally cleared
- 9 Assumes soft costs are as stated % of Escalated Construction Costs before Contingency
- 10 Assumes systems design included in design services contract and systems construction in the construction contract.
- 11 Design Consultant - Incl. Environmental, Final Design, DSDC, Survey, Geotechnical, PM, Fee, and ODC's
- 12 Assumes any environmental remediation included in construction.
- 13 Assumes FRA Class II upgrades by DART under separate contract
- 14 Assumes Optional FRA Class IV upgrades paid for by DCTA - TRACK ONLY
- 15 Assumes real estate cost not included for capital expansion
- 16 Assumes 7% escalation
- 17 Assumes construction price/sqft expansion of \$412.44/sqft including contingency
- 18 Subtotal without FRA Class IV upgrade
- 19 Total with DCTA funding FRA Class IV upgrade delta





PRELIMINARY CONCEPTUAL DESIGN FOR  
FUTURE DCTA STATION

SCHEMATIC ONLY, TRACK GEOMETRY NOT  
VERIFIED

NOT FOR CONSTRUCTION - DRAWING NOT TO  
SCALE

04/09/2021



## Board of Directors Memo

January 27, 2022

SUBJECT: FY21 TRiP Annual Report and FY22 TRiP Annual Call for Projects

### Background

In accordance with the agency's TRiP policy adopted in November 2020 the FY22 *Annual Call for Projects* is now active. TRiP enables partnerships between the agency and its member cities for mutually beneficial investments in transit-supportive projects that are consistent with DCTA's enabling legislation.

### Previous Board Activity & Action

- December 2, 2021 Board accepted FY22 member city TRiP allocations
- November 12, 2020 Board adopted Res. R20-22 – Transportation Reinvestment Program Policy
- October 22, 2020 Board discussion
- September 24, 2020 Review policy refinements
- August 27, 2020 Board discussion
- July 23, 2020 Board discussion

### Identified Need

This agenda item is intended to formally announce and promote DCTA's Annual TRiP Call for Projects for FY22.

### Financial Impact

The table below summarizes member city FY22 TRiP program allocations and FY21 rollover amounts.

FY22 Adopted TRiP Budget to Include Member City Allocations With FY21 Program Rollover					
	General Program Tasks	CITY OF DENTON	CITY OF HIGHLAND VILLAGE	CITY OF LEWISVILLE	Total
Funding Available to Cities		\$ 3,074,578	\$ 324,900	\$ 3,619,951	\$ 7,019,429
FY21 Rollover		\$ 906,969	\$ 90,797	\$ 1,246,222	\$ 2,243,988
Program/Project Administration	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Member City Allocation	\$ 100,000	\$ 3,981,547	\$ 415,697	\$ 4,866,173	\$ 9,363,417


### Exhibits

Exhibit 1: TRiP Annual Report for FY21

Exhibit 2: Proposed FY22 Member City Funding Allocations Including FY21 Rollover Amounts

Exhibit 3: TRiP Annual Call for Projects for FY22



Submitted By:   
Tim Palermo, Planning & Data Analytics Manager

Final Review:   
Paul Cristina, Deputy CEO

**FY 2021**

Denton County Transportation Authority

# Transportation Reinvestment Program Annual Report





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Note - this document is interactive 

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# Introduction

2021 completes the first year for DCTA's new and innovative Transportation Reinvestment Program (TRiP). This program was approved by the DCTA Board in 2020 with a goal to provide financial assistance to DCTA member cities for transit-supportive projects that are beneficial to the goals of the Agency's Long-Range Service Plan.

This report includes a summary of the program, the process involved in approving applications for projects and an overview of the ten projects that are funded, in part, with TRiP funds.

**Funds are made available to DCTA member cities, including Denton, Highland Village and Lewisville.**

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

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





# Process

## FY 2021 Call for Projects

- Projects which support the goals of the Agency's 2012 Long Range Service Plan
- Cities may submit projects meeting the funding eligibility requirements



## DCTA Approval and Award Process

- Board approval process for member city project funding requests
- Funds committed to member cities for approved projects



## Tracking and Auditing

- Member cities will provide DCTA an annual status report for each funded project detailing activities completed



# TRiP-Eligible Projects in Denton, Highland Village, and Lewisville



- **Bike/Pedestrian Trail Connections**  
Providing connection to existing or planned transit networks



- **Bike Lane**  
On street



- **Crosswalks/Median Island**  
Providing connection to existing or planned transit networks



- **Placemaking Signage/Wayfinding**



- **Landscaping/Streetscaping**
- **Street Improvements**  
Along existing or planned DCTA fixed routes/on-demand response zones



- **Sidewalks**  
Within one mile and/or along existing or planned DCTA fixed routes/on-demand response zones



- **Traffic Calming**
- **Intersection Improvements**
- **Other Lane Configuration**  
Must serve a transit-related purpose



- **Signal Timing**
- **Transit Signal Priority**



- **Transit Stop Amenities**  
Along existing or planned DCTA fixed routes
- **Transit-Oriented Development**  
Planning and site development activities
- **Transit-Adjacent Development**  
Planning and site development activities



- **Shared Parking, Kiss & Ride/Drop-off Zones**  
Within 500 feet of DCTA stations or facilities



- **Street Lighting/Other Public Safety Improvements**  
Along existing or planned DCTA fixed routes/on-demand response zones



# Denton

Six projects submitted by the City of Denton have been approved for TRiP funding. The projects focus on improving pedestrian connectivity and safety in and around DCTA stops.



## D1 - Denton Square All-Walk Crosswalk Design:

Design of permanent all-walk crosswalk and signal improvements on the downtown Denton Square.

Design Project



## D2 - A-train to UNT Bike and Pedestrian Path:

Install off-street bicycle and pedestrian paths on both Sycamore Street and Welch Streets between the Downtown Denton Transit Center and downtown Denton.

Design / Construction Project



## D3 - Bell Avenue Sidewalk:

Construct 735 feet of sidewalk on the east side of Bell Avenue between Hickory Street and Sycamore Street.

Construction Project



## D4 - Ginnings and Alexander Elementary Schools Sidewalks:

Construct sidewalks connecting Ginnings and Alexander Elementaries to correct a lack of pedestrian connectivity.

Design / Construction Project



## D5 - MedPark Sidewalk:

Construct sidewalks along MedPark Drive to fill in existing sidewalk gaps that lead to the MedPark Station.

Design / Construction Project



## D6 - Wilson and Pecan Creek Elementary Schools Sidewalks:

Construct sidewalks to improve pedestrian connectivity around Wilson Elementary and Pecan Creek Elementary schools.

Design / Construction Project







# Denton Square All-Walk Crosswalk Design

**D1**

**The City  
of Denton**

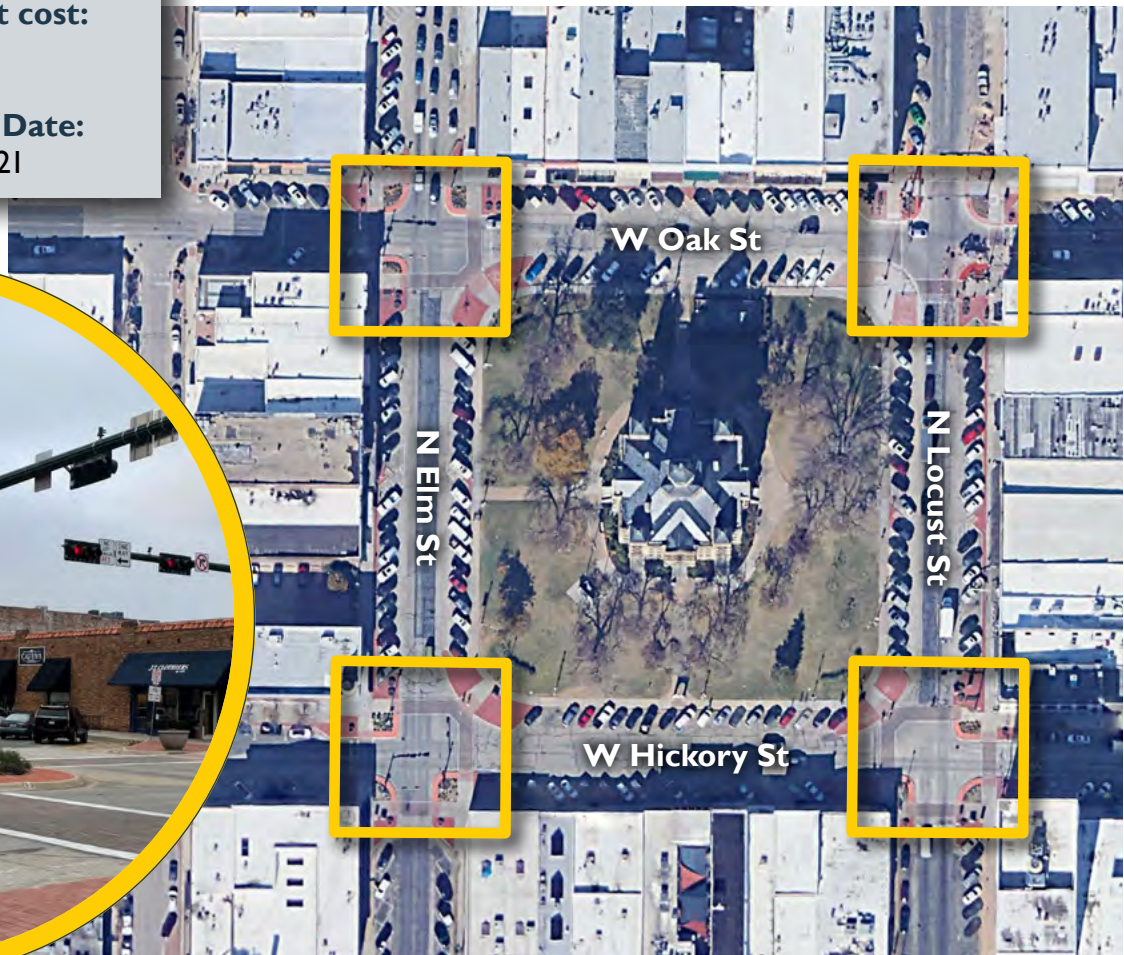
**requested funding to  
design permanent all-  
walk crosswalks and  
signal improvements on  
the downtown Denton  
Square.**

**Design Project  
TRiP Funding: \$68,210  
Total project cost:  
\$153,210  
Estimated  
Completion Date:  
November 2021**

TRiP funds are being used to fund a portion of the design of new crosswalks and signals in the historic downtown Denton Square.

The downtown Denton Square is less than a half-mile from the Euline Brock Downtown Denton Transit Center (DDTC). The enhanced pedestrian safety elements will improve the walkability of the downtown for transit riders traveling to and from the transit center. The improvements will also help pedestrians navigate as they transfer from bus and A-train transit stops.

The project includes design for all-walk crosswalk and signal improvements at the intersections of Oak Street/Elm Street, Oak Street/Locust Street, Hickory Street/Elm Street, and Hickory Street/Locust Street.





# A-train to UNT Bike and Pedestrian Path

**D2** The City of Denton requested funding to install off-street bicycle and pedestrian paths on both Sycamore Street and Welch Street between the DDTC and downtown Denton.

TRiP funds are being used for the design and installation of off-street bicycle and pedestrian paths on both Sycamore Street and Welch Streets between the DDTC and downtown Denton.

The improvements will provide off-street bicycle and pedestrian connections with direct connections between the University of North Texas (connecting near the College of Visual Arts and Design Art Galleries) and the DDTC.

This project will support transit in the area by providing pedestrian and bicycle connectivity to a transit station and by serving DCTA customers accessing Connect Route 7 and DCTA UNT shuttle routes.

**Design / Construction Project**  
**TRiP Funding:** \$1,626,865  
**Total Cost:** \$2,580,000  
**Estimated Completion Date:** October 2022



DCTA Connect Route 7





# Bell Avenue Sidewalk



**The City  
of Denton**

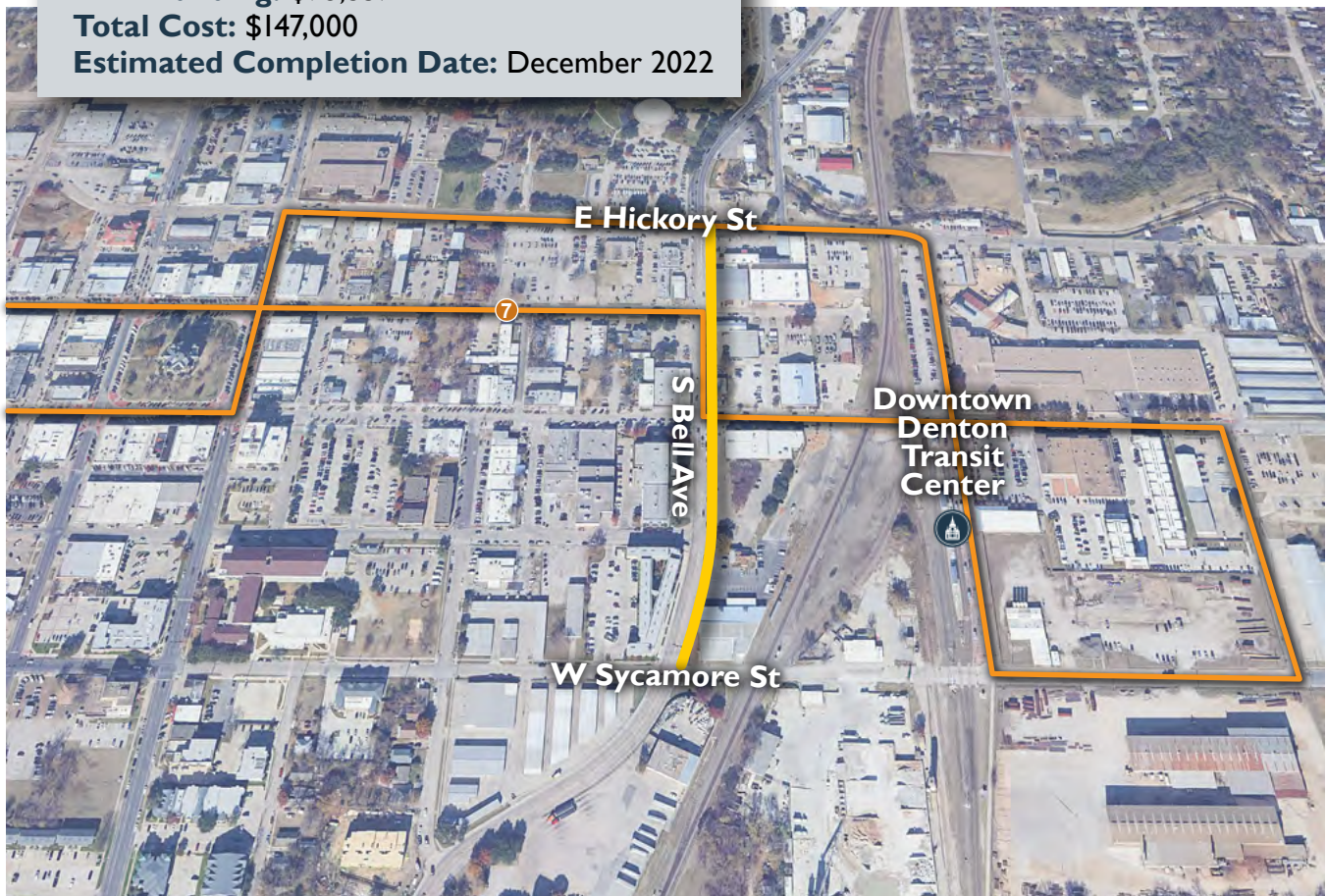
**requested funding to  
construct 735 feet of  
sidewalk on the east  
side of Bell Avenue  
between Hickory Street  
and Sycamore Street.**

TRiP funds are being used to construct new sidewalks on Bell Avenue between Hickory Street and Sycamore Street.

The project is adding 735 feet of sidewalk connectivity on the east side of the street in downtown Denton near the DDTC, the A-train Rail Trail, and major employment and education centers.

This project will improve connectivity in the downtown core of Denton while also improving access for students and residents of surrounding multi-family developments, as well as increasing safety for transit riders and pedestrians.

**Construction Project  
TRiP Funding: \$98,357  
Total Cost: \$147,000  
Estimated Completion Date: December 2022**



DCTA Connect Route 





# Ginnings and Alexander Elementary Schools Sidewalks

**D4** The City of Denton requested funding to construct sidewalks that will eliminate existing gaps in pedestrian infrastructure and provide safe paths to schools and DCTA Connect Routes 4, 5, and 6.

The new sidewalk network at both Ginnings and Alexander Elementary schools will improve the ability to access transit routes by helping connect to ultimate destinations.

The additional sidewalk connectivity will ensure Denton Independent School District students residing within the two-mile radius of their home campus will have safe pathways to walk to school since bus service is not provided to students.



**Design / Construction Project**  
**TRiP Funding:** \$505,861  
**Total Cost:** \$1,480,000  
**Estimated Completion Date:** April 2022

DCTA Connect Routes — 4 — 5 — 6 —

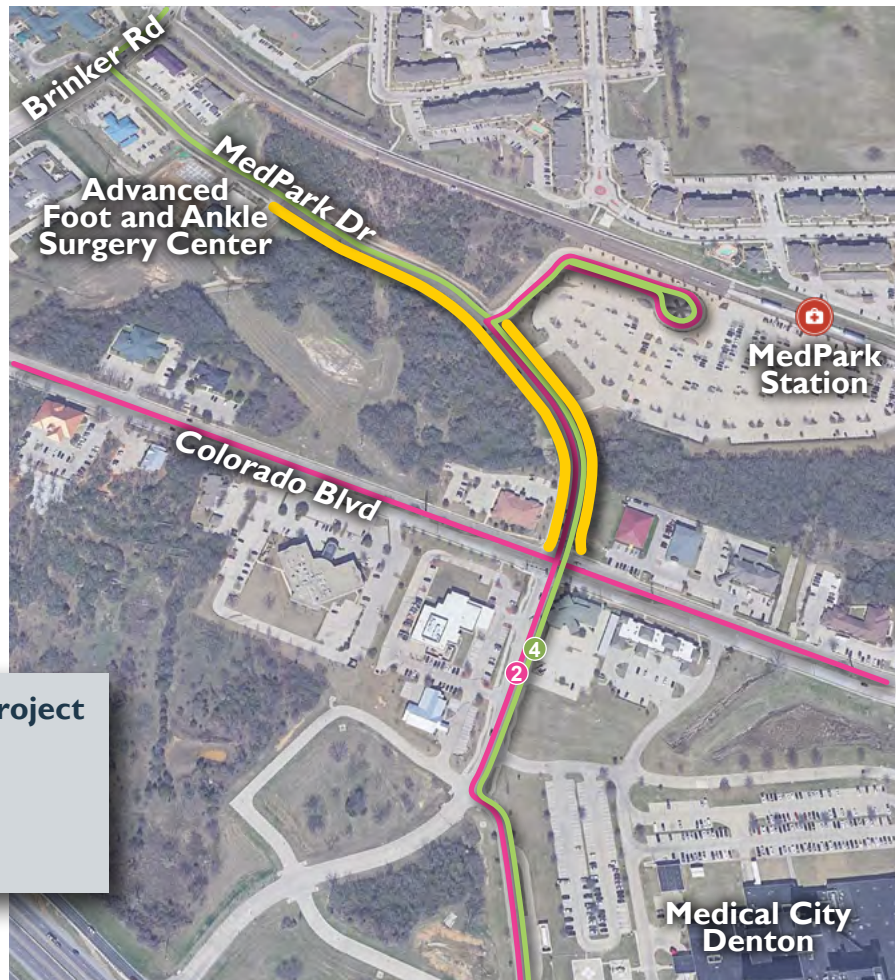


# MedPark Sidewalk

**D5** Funding was requested to construct sidewalks along MedPark Drive to fill in existing sidewalk gaps that lead to the MedPark Station.

TRiP funds are being used to construct approximately 1,200 feet of new sidewalk along MedPark Drive, between Colorado Boulevard and Brinker Road. The southbound side of MedPark Drive currently has no sidewalks south of the Advanced Foot and Ankle Surgery Center at 3205 MedPark Drive. The northbound side of MedPark Drive between Colorado Boulevard and the MedPark Station currently is lacking sidewalks. This project will fill in those gaps.

The new sidewalks will eliminate sidewalk gaps along DCTA Connect Routes 2 and 4 and would connect pedestrians to the MedPark Station.



**Design / Construction Project**  
TRiP Funding: \$81,412  
Total Cost: \$147,640  
Estimated Completion  
Date: October 2022

DCTA Connect Routes — 2 — — 4 —





# Wilson & Pecan Creek Elementary Schools Sidewalks

**D6** The City of Denton requested funding to construct sidewalks to connect to Wilson and Pecan Creek Elementary schools.

**Design / Construction Project**  
**TRiP Funding:** \$137,272  
**Total Cost:** \$629,000  
**Estimated Completion Date:**  
April 2022

TRiP funds are being used to enhance the sidewalk network near Pecan Creek and Wilson Elementary schools. The sidewalks will provide expanded connectivity between transit and schools for both students and faculty members.

The improvements to the sidewalk network will support safer conditions for students and pedestrians to and from both Wilson and Pecan Creek Elementary Schools and to transit routes, including North Central Texas College (NCTC) North Route, the University of North Texas (UNT) Shuttle, and connection to the A-train and Rail Trail.





# Highland Village

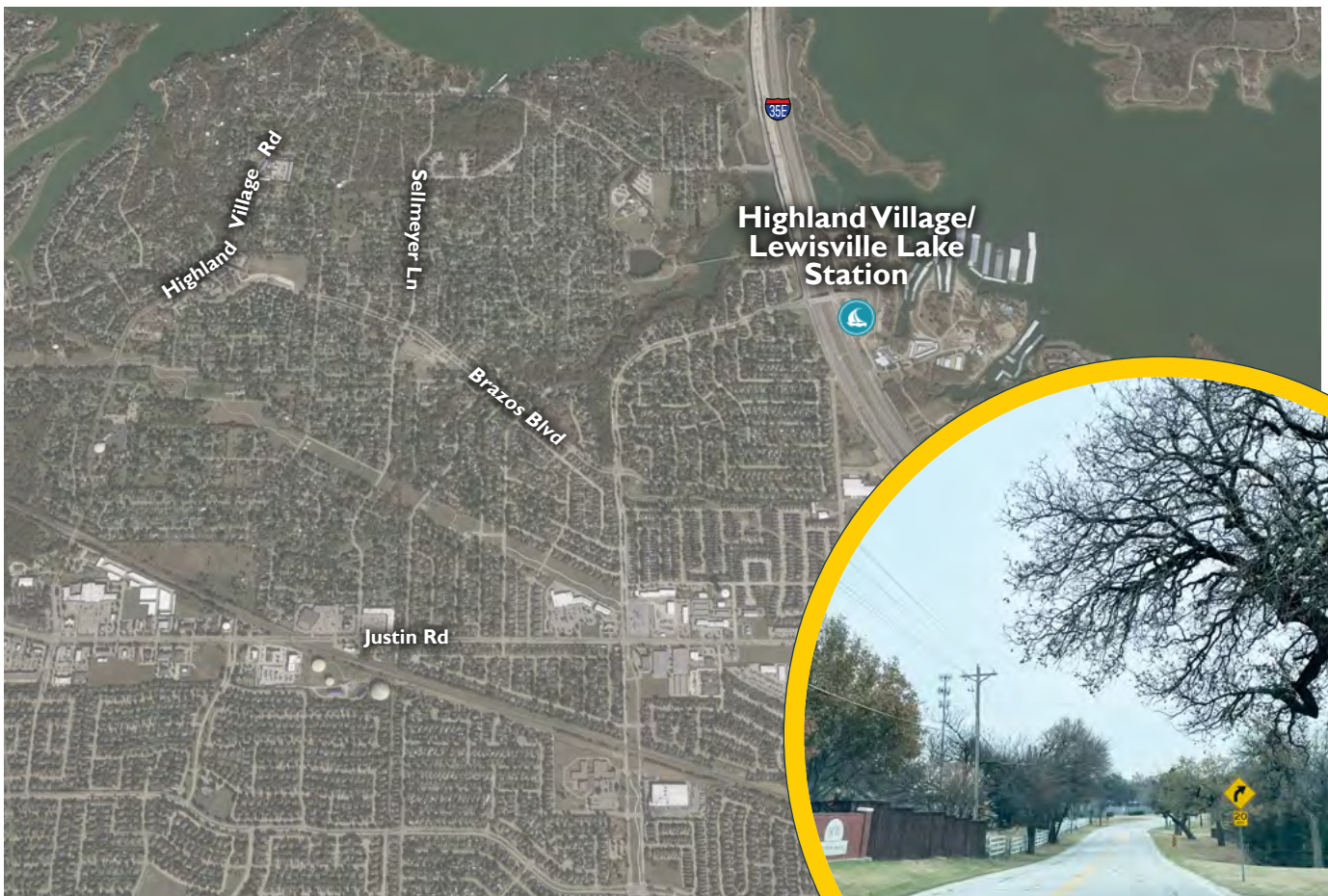
**A City of Highland Village project focused on improving pedestrian connectivity and safety has been approved for TRiP funding.**



## **HV1 - Highland Village Road Sidewalk:**

The Highland Village Road Sidewalk Project, Phases II and III will consist of the construction of a concrete sidewalk along a portion of Highland Village Road.

**Construction Project**







# Highland Village Road Sidewalk Phases II and III



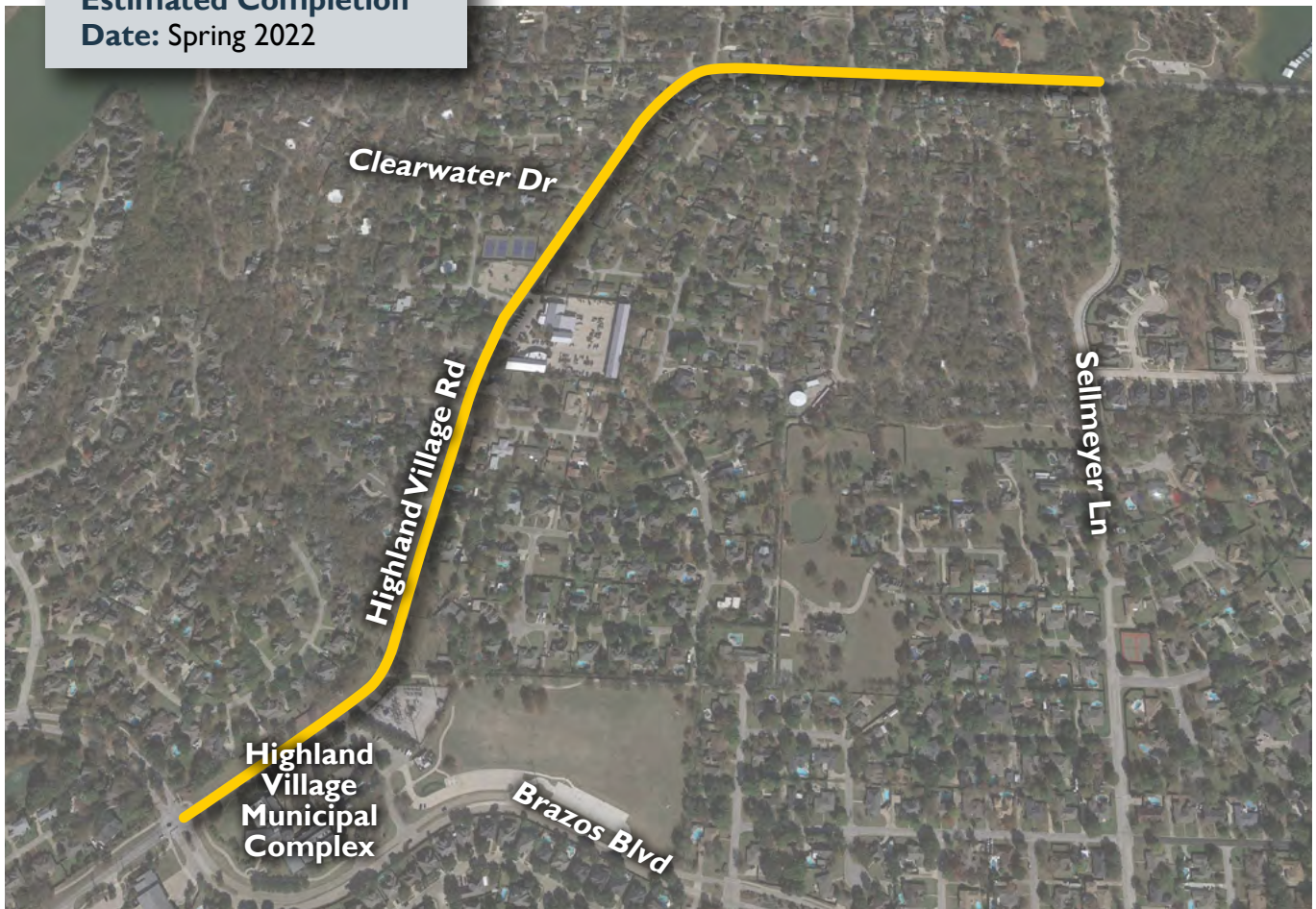
**The City of Highland Village has been awarded funding for the Highland Village Road Sidewalk Project.**

TRiP funds will be used to construct portions of sidewalk along Highland Village Road where no sidewalks currently exist. Once completed, pedestrians and cyclists will then be able to safely and conveniently travel from various neighborhoods, trail connections points, Highland Village Road and the Highland Village/Lewisville Lake Station.

Phase II will begin just north of the Highland Village Municipal Complex and continue north to the intersection of Highland Village Road and Clearwater Drive. The length of Phase II is roughly 1,950 feet.

Phase III will begin at Clearwater Drive and will travel north and east to Sellmeyer Lane. The length of Phase III is roughly 3,150 feet.

**Construction Project**  
**TRiP Funding:** \$288,794  
**Total Cost:** \$921,656  
**Estimated Completion**  
**Date:** Spring 2022



# Lewisville

Three projects submitted by the City of Lewisville have been approved for TRiP funding. These projects focus on off-street trail connections and multi-modal streetscape design.



## L1 - Valley Ridge Boulevard Off-Street Trail:

Construct a 1.6-mile segment of concrete off-street trail along Valley Ridge Boulevard between Mill Street and College Street - part of the DCTA A-train Rail Trail\*.

**Construction Project**



## L2 - A-train Rail Trail Southern Extension Segment A:

Design of 0.74 mile 12-ft. wide shared-use path serving as the extension of the A-train Rail Trail\* from the Hebron Station south toward the North Carrollton/Frankford Station (connection to DART light rail).

**Design Project**



## L3 - Southwest Parkway Multimodal Street/Streetscape Project:

Development of design and construction documents for a complete streetscape project for a 0.53 mile section of Southwest Parkway. This proposed multimodal complete streets project will include reduced automobile travel lanes, dedicated bike lanes, wider sidewalks (6' minimum), street trees, pedestrian amenities, benches, bike rack, trash and recycle bins, pedestrian scaled lighting, and a safe pedestrian crossing near a proposed City of Lewisville park.

**Design Project**



\* **The DCTA A-train Rail Trail** runs adjacent to DCTA's A-train commuter rail corridor. The 19-mile trail is part of the Agency's ongoing efforts to provide safe, customer-focused and efficient mobility solutions to Denton County. It connects existing transit facilities with key destinations within Denton, Lewisville, Highland Village and other surrounding communities.





# Valley Ridge Boulevard Off-Street Trail

**L1** The project will construct a 1.6-mile segment of concrete, off-street trail along Valley Ridge Boulevard between Mill and College Streets.

TRiP funds are fully-funding the construction of a 1.6 mile off-street trail along Valley Ridge Boulevard. The project represents the final off-street segment of the DCTA A-train Rail Trail and – when complete – will provide cyclists and pedestrians with a continuous, dedicated, off-street pathway between downtown Denton and southern Lewisville, while also providing direct access to five A-train stations.

This project closes the final gap where cyclists and pedestrians now must use unprotected, on-street painted bicycle lanes. The new segment will be maintained by the City's Lewisville's Parks and Recreation Department.

**Construction Project**  
TRiP Funding: \$1,766,000  
Total Cost: \$1,766,000  
Estimated Completion Date: October 2021





# A-train Rail Trail Southern Extension Segment A

**L2** This project includes the design and construction of a shared-use path (part of the A-train Rail Trail).

TRiP funds will be used to design a shared-use path that will serve as an extension of the A-train Rail Trail, which currently ends at Hebron Station near the southern end of Lewisville. The ultimate goal is to extend the trail to DCTA's southernmost stop at the Trinity Mills Station where it meets with Dallas Area Rapid Transit. The extension of the DCTA A-train Rail Trail south to Carrollton is part of the Regional Veloweb in the North Central Texas Council of Government's *Mobility 2045 Plan*, as well as a priority trail segment in the City of Lewisville's *Hike and Bike Master Plan*.

**Design Project**  
**TRiP Funding:** \$400,000  
**Total Cost:** \$400,000  
**Estimated Completion Date:** Design is anticipated to be completed by December of 2022. It is likely construction will not begin until 2024 or 2025.

Trail Segment A will serve as an extension of the trail from the Lakeside Circle North entrance to the existing paved walkway area along the eastern side of the bus circulation drive (west of the Hebron Station platform) to the southern side of the station near the electrical substation. The existing sidewalk on the south side of the parking lot, adjacent to the electrical substation, will be reconstructed to a 12-ft-wide shared-use path. The trail alignment will continue between the west side of the electrical substation and the adjacent apartment housing development and onto the DCTA right-of-way to the City of Lewisville city limits south of Sam Rayburn Tollway.







# Southwest Parkway Multimodal Street/Streetscape Project

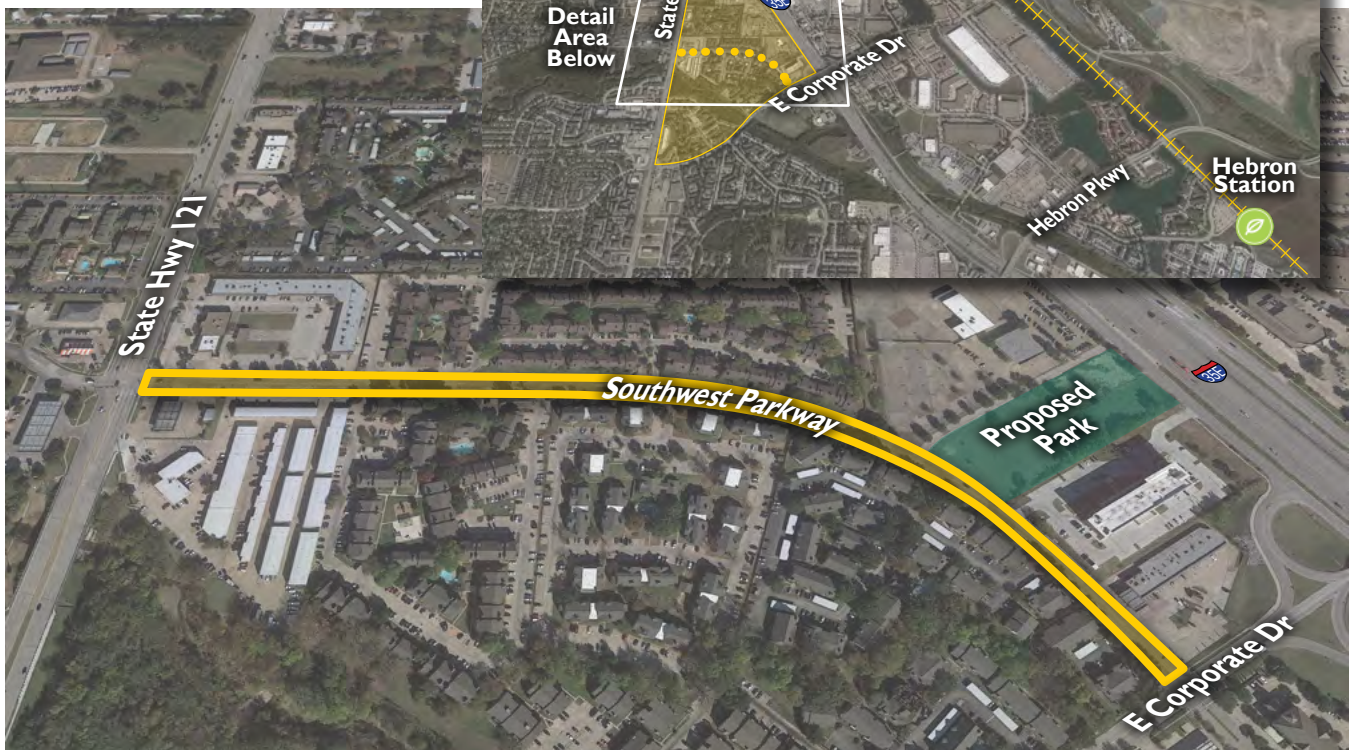
**L3** This project includes the design and construction documents for a multimodal complete streetscape project along a 0.53 mile section of Southwest Parkway.

TRiP funds are being used to add multi-modal design elements to Southwest Parkway.

The proposed streetscape improvements include dedicated bike lanes, wider sidewalks, street trees, and various pedestrian amenities. The proposed benches can serve as ride-hailing areas for DCTA's GoZone on-demand rideshare service.

This streetscape project will allow the residents of this area greater access to the eastern side of Interstate 35-E which features the Regional Veloweb shared-use path and DCTA rail stations. This connection will also link the high-density housing to employment centers across Interstate 35-E.

**Design Project**  
**TRiP Funding:** \$425,375  
**Total Cost:** \$685,000  
**Estimated Completion**  
**Date:** December 2022





# FY 2022 TRiP Adopted Budget

Fiscal Year (FY) 2021 ended with approximately \$2.2 million in TRiP funds still available for transit-supportive projects in the member cities. Approximately \$9.3 million is now available for FY 2022. Member cities must submit a written application within 90 days of the release of the Call for Projects in order to be considered for funding.

FY 2022 Adopted TRiP Budget with FY 2021 Program Rollover					
	General Program Tasks	Denton	Highland Village	Lewisville	Total
Funding Available to Member Cities	-	\$3,074,578	\$324,900	\$3,619,951	\$7,019,429
FY 2021 Rollover	-	\$906,969	\$90,797	\$1,246,222	\$2,243,988
Program/Project Administration	\$100,000	-	-	-	\$100,000
Member City Allocation	\$100,000	\$3,981,547	\$415,697	\$4,866,173	\$9,363,417

**Denton County Transportation Authority**  
Tim Palermo, Planning and Data Analytics Manager  
1955 Lakeway Drive, Ste. 260  
Lewisville, TX 75057

T: 972.316.6099

E: [tpalermo@dcta.net](mailto:tpalermo@dcta.net)

DENTON COUNTY TRANSPORTATION AUTHORITY

FY22 Transportation Reinvestment Program (TRiP) Funding Allocation  
Original Adopted Budget

FY22 Adopted TRiP Budget	DCTA Program/ Project Administration	Funding Available to Cities
\$ 7,119,429	\$ 100,000	\$ 7,019,429

Sales Generated in Month of:	Received in Month of:	CITY OF DENTON	CITY OF HIGHLAND VILLAGE	CITY OF LEWISVILLE	
		2020-2021 Year Actual Sales Tax	2020-2021 Year Actual Sales Tax	2020-2021 Year Actual Sales Tax	
October	December	\$ 3,174,573	\$ 341,390	\$ 3,348,633	
November	January	3,050,388	354,573	3,755,579	
December	February	4,149,443	503,020	4,903,701	
January	March	3,086,526	320,412	3,072,003	
February	April	2,606,494	288,219	2,971,403	
March	May	4,277,512	436,049	4,956,466	
April	June	3,557,513	353,678	3,990,693	
May	July	3,442,340	371,973	6,076,775	
June	August	4,173,943	449,307	5,447,446	
July	September	3,845,740	395,735	4,010,507	
August	October	3,749,030	370,264	3,945,754	
September	November	4,385,475	412,047	4,735,921	
YTD TOTAL		\$ 43,498,977	\$ 4,596,666	\$ 51,214,879	\$ 99,310,522
% of Sales Tax by Member City		43.801%	4.629%	51.570%	100.000%

Sales Tax Data from Texas Comptroller of Public Accounts, compiled by DCTA Finance Department

FY22 Adopted TRiP Budget to Include Member City Allocations With FY21 Program Rollover

	General Program Tasks	CITY OF DENTON	CITY OF HIGHLAND VILLAGE	CITY OF LEWISVILLE	Total
Funding Available to Cities		\$ 3,074,578	\$ 324,900	\$ 3,619,951	\$ 7,019,429
FY21 Rollover		\$ 906,969	\$ 90,797	\$ 1,246,222	\$ 2,243,988
Program/Project Administration	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Member City Allocation	\$ 100,000	\$ 3,981,547	\$ 415,697	\$ 4,866,173	\$ 9,363,417

- (A) Per TRiP policy, actual cost up to and not to exceed five percent of the annual program budget shall be set aside for DCTA program and project administration, including project selection, monitoring and financial reporting, and 95 percent split among member cities proportional to sales and use tax receipts, as estimated by DCTA financial staff, for the previous fiscal year. Per DCTA Board discussion, \$100k will be set aside annually as initial program/project administration funding with actual costs tracked by member city as applicable.

S:\TRiP\FY22\FY22 Call for Projects\[Call for Projects FY22 TRiP Funding Allocation with FY22 Rollovers\_121621.xlsx\FY22 with FY21 Rollover  
1/10/2022



## CALL FOR PROJECTS

### Denton County Transportation Authority (DCTA) Transportation Reinvestment Program (TRiP) FY 2022 Funding Availability

DCTA is pleased to announce a *Call For Projects* for the Transportation Reinvestment Program's FY 2022 funding availability. Per TRiP policy, this program provides financial assistance to DCTA member cities for transit-supportive projects consistent with and beneficial to DCTA's Long-Range Service Plan ([link](#)) goals. The program aligns the DCTA mission of "improving mobility, air quality, economic development and livability" for the DCTA service area and Denton County at large.

Eligible member cities must submit a written application within 90 days of this Call for Projects in order to be considered for funding. The application shall include, at minimum: a project description, project limits and boundaries, proposed or engineering based capital cost estimates, requested funding amount, identification of additional funding sources (if applicable), proposed schedule for the project, and a description of how the project would support DCTA Long-Range Service Plan goals.

DCTA staff will have 30 days review proposed project applications to determine minimum project eligibility or request more information. Subsequent to completing the review, if no additional information was requested, the application will be placed on the agenda for the next regularly scheduled DCTA Board of Directors meeting for consideration. Following the review of each application, the DCTA Board will lead the approval and award process including any necessary interlocal agreements and payment schedules.

#### How to Apply

Step 1: Review the TRiP policy document [here](#)

Step 2: Review FY 2022 member city TRiP funding allocations [here](#)

Step 3: Review the [application workbook](#) to determine what information you should gather in order to apply.

#### Project Selection Process Timeline (2022)

January 27	Call for Projects
May 2	Applications Due (email to: <a href="mailto:tpalermo@dcta.net">Tim Palermo - tpalermo@dcta.net</a> )
June 16	DCTA Finalize Project Eligibility
June	Board Meeting for Consideration
July	Award

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

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



DENTON COUNTY TRANSPORTATION AUTHORITY

# Long Range Service Plan Executive Report

Final



In association with  
Design Workshop  
Dikita Management Services  
Pavlik and Associates  
Urban Analytics

February 2012



**LONG RANGE SERVICE PLAN | EXECUTIVE REPORT**  
DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA)

## EXECUTIVE REPORT

For the past few years, the Denton County Transportation Authority (DCTA) has focused on implementing the first phase of rail service, known as A-train, as well as modified local bus routes in Denton and Lewisville and demand-response service in Highland Village. With A-train now in operation, the agency is looking longer term at future needs and potential transit corridors.

The Long Range Service Plan provides a roadmap for DCTA to invest in future regional transit services to address the mix of priorities, funding sources, and transit needs in Denton County. The plan includes a set of alternatives and recommendations based on Denton County's future mobility needs, with short-term (within five years) and long-term strategies for service enhancements, expansions, and capital investments. Implementation of this plan is contingent upon the Authority's financial capacity and the identification of additional revenues.

### WHY A LONG RANGE PLAN?

Denton County is a nice place to live. It has vibrant communities and neighborhoods with distinctive personalities. Residents value access to rural landscapes and urban areas. The county hosts community events and festivals, has noted colleges and universities, and has a growing concentration of major employers. DCTA has worked to make Denton County a livable place, with transit supporting access to places to live, work and play. To keep up with growth and changes, transit services must also mature to better meet the needs of Denton County and to become a more critical part of the infrastructure.

State, regional, and local governments are working to ensure that growth is not haphazard, and instead becomes a tool for enhancing communities and improving access among them. These efforts were outlined recently in Mobility 2035, which was developed by NCTCOG. As the organization charged with coordinating regional transportation planning efforts, NCTCOG outlined a series of strategies for accommodating growth in ways that enhance the quality of life while promoting a vibrant business climate and protecting the Dallas-Fort Worth region's unique environment. DCTA and other regional transit agencies, as well as local governments, are using Mobility 2035 as a basis for their own planning efforts, and their own efforts will be fed back into the update of Mobility 2035 in 2012. DCTA's Long Range Service Plan is one part of that larger effort, identifying strategies that DCTA will pursue in order to accomplish Denton County's and the region's larger goals.

Dramatic future population growth will demand that governments and agencies at all levels focus on moving people efficiently within existing corridors and rights of way. Economic growth in Denton County will depend on continued investment in a transit system that can provide people efficient access to jobs, schools, shopping, medical services, recreation and the other life activities that make up a vibrant community. Achievement of other land use, financial and equity goals also rely heavily on a well-formed public transit system.



**LONG RANGE SERVICE PLAN | EXECUTIVE REPORT**  
DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA)

The role of the Long Range Service Plan is to provide a roadmap for decision making about transit investments in Denton County over the next 25 years, in support of the Mobility 2035 plan developed by the North Central Texas Council of Governments (NCTCOG). The Long Range Service Plan provides recommendations regarding how transit can help to support Denton County's health, economy and environment. It recommends specific services in specific corridors, with associated recommended service spans, frequencies, capital investments, years of implementation, etc. As a long-range plan, it can make assumptions about, but cannot predict changes in the environment, funding, community support, political interests and local priorities for investment. Thus, the plan provides the framework for future decisions, but more detailed planning by the DCTA Board and staff is required to carry out the recommendations of the plan.

A Long Range Service Plan is a fluid document and should not be static. The Plan should not limit what DCTA can do or hold the agency to specific dates or cost structures. Just as NCTCOG undertakes regular updates of its Mobility 2035 plan, DCTA's plan should be a working document that can be modified and updated as priorities change, new opportunities arise, or funding capacity changes. A Long Range Service Plan, by its very nature, requires additional funding to expand transportation options, focusing the agency where investments should be made. Adoption of a Long Range Service Plan by a transit agency means that the Board supports the direction of the plan and the services identified in the plan. At most transit agencies, boards then work with their staff to implement specific elements of the plan and/or seek potential funding or partners which will ultimately determine the implementation date of a new service, the level of service provided in a particular corridor, or the priorities for seeking capital and operating grants.

The Long Range Service Plan reaffirms DCTA's goals and performance standards that will be used to help officials make decisions about future investments and the implementation of new services. The recommended transit corridors and discussion of improvements to the existing system are based on planned land uses, community values, environmental benefits, economic potential and deliverability. The Long Range Service Plan summarizes the results of outreach and data analysis and is intended to provide guidance on how DCTA's goals can become a reality.

## UNDERSTANDING THE LONG-TERM PLANNING CONTEXT

Defining future transit service corridors relies on an understanding of current services provided by DCTA, upon which new services can be built. It also requires an understanding of population, land use and travel demand characteristics in Denton County.



A significant increase in travel is projected for Denton County.  
Source: Nelson\Nygaard Associates

**LONG RANGE SERVICE PLAN | EXECUTIVE REPORT**  
DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA)

## Demographics, Population Growth, and Travel Demand

Population growth is projected to be significant. The City of Denton's population is expected to increase in size by nearly 150% by 2040, while significant growth is anticipated in other cities as well, notably Frisco, with high population growth projected in the smaller cities of Sanger and Pilot Point.

Although public transportation serves a wide range of markets, certain groups are considered to be transit dependent because they have fewer transportation options than other groups. These include the following:

- **Low-Income Residents.** Although Denton County's median income is substantially higher (and levels of poverty much lower) compared to the rest of Texas, there are still a substantial number of low-income individuals within the county. Among those in Denton County who are below the poverty line, the largest proportion take public transportation to work while the second highest proportion either walk, bike, or take taxi services.
- **Seniors.** Persons age 65 and older may be particularly dependent on public transportation because they are unable to drive their own personal vehicle, choose not to, or no longer have access to a vehicle. Seniors reside throughout the county, but concentrations of seniors are found in northwest Denton (in areas served by Routes 6 and 7) and northeast Lewisville.
- **Students.** Students, both in high school and college are often groups that use public transportation in greater numbers than the general population. With the University of North Texas (UNT), Texas Woman's University (TWU) and North Central Texas College (NCTC), Denton County has a large group of student riders, and the willingness of the high concentration of students in Denton to use public transit is reflected in the high ridership on the UNT Shuttle.

NCTCOG's Travel Demand Model estimates that most individuals who live in Denton County work outside of the county, with only 37% of Denton County residents working in the county. This points to the importance of providing transportation links from Denton County to major employment destinations, primarily in Dallas County, but also in Tarrant County.

About 2.8 million trips are made each day in Denton County. Of these, about one-quarter are home-based work trips. By 2030, NCTCOG estimates that total trips will increase to more than 4.7 million. Based on the travel demand data, the highest growth in trip generation is expected to come from the area in southeast Denton County around The Colony. Areas in and around the Alliance development are also expected to see large increases in travel demand.



The Downtown Denton Transit Center, served by Connect buses and the A-train.  
Source: Nelson\Nygaard Associates

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## Existing Transportation Network

DCTA is the primary public transportation operator in Denton County. It operates a range of services including local bus services in the cities of Denton, Lewisville, and Highland Village, A-train (and midday station shuttle bus services), university transportation operated under contract with UNT and NCTC, and Access paratransit services. Other primary regional transit operators include

- **Dallas Area Rapid Transit**, or DART, which operates a multimodal system that includes bus, light rail, high occupancy vehicle (HOV) lanes, and vanpool services for its 13 member cities
- **Fort Worth Transportation Authority**, or The T, which provides fixed route, express bus, vanpool and rider request services to the cities of Fort Worth, Blue Mound, and Richland Hills.
- The **Trinity Railway Express**, which is jointly operated by DART and The T, is a 34-mile commuter rail service linking downtown Dallas and downtown Fort Worth.
- **Special Programs for Aging Needs** (SPAN), which provides human service transportation, primarily serving Denton County's senior population in rural areas.

DCTA's transportation services include the following:

- **A-train** is a 21-mile regional rail system connecting Denton and Dallas Counties. DCTA has six A-train stations: two in Denton, three in the greater Highland Village-Lewisville area, and one at the DART Green Line at the Trinity Mills Station in Carrollton.
- **DCTA Connect** offers local fixed-route bus service in the cities of Denton and Lewisville, with nine bus routes in Denton and three in Lewisville. In January 2010, the combined Denton routes averaged 875 weekday boardings, while Lewisville services carried 219 passengers on an average weekday. Denton routes run on average headways of about 40 minutes during peak hours and midday, while Lewisville services operate approximately every 35 minutes during the peak and 70 minutes midday. Key trip generators in Denton include UNT and TWU.
- **DCTA Connect RSVP** provides peak-hour service on demand in Highland Village and north Lewisville.
- University of North Texas services are operated by DCTA in Denton, which include an eight-route weekday shuttle service and one weekend-only route for UNT through a contractual agreement. The **UNT Shuttle** service provides transportation from nearby apartment complexes to the campus, as well as circulation throughout the campus. The UNT services experience the highest ridership of any bus operations in the DCTA system. Routes average about 5,500 boarding passengers per day during the school year.
- **North Central Texas College** purchases service from DCTA to operate between Denton and Corinth, as well as to Lewisville and Flower Mound.
- **DCTA Access** service offers curb-to-curb ADA paratransit service in Denton and Lewisville. It also provides service for senior and disabled (non-ADA) residents of Denton, Lewisville, and Highland Village. Any person who wishes to use Access must complete an application, and non-seniors or non-Medicare-eligible individuals must submit a physician's affidavit of eligibility.

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Key findings from 2009, prior to the implementation of A-train, show the following about DCTA:

- Overall, the system carried 2.1 million boarding passengers at a cost of \$6.2 million.
- On average, 17.7 passengers rode during each hour that service operated. The UNT Shuttle was by far the most productive bus service with more than 40 passengers per hour, followed by Commuter Express, the precursor to A-train service, at 12 passengers per hour.
- Operating cost per passenger was significantly higher on Connect RSVP and Access, which is to be expected for services that provide demand-response service.
- Farebox recovery was at or above 100% on both the UNT Shuttle and NCTC Shuttle due to dedicated student fees at both institutions.

## LEARNING FROM DCTA'S PEERS

Five peer transit providers were selected as relevant for comparing DCTA's services, performance, and investments:

- San Diego, CA, North County Transportation District (NCTD)
- Boulder, CO, Community Transit Network (CTN)/Regional Transportation District (RTD)
- Provo/Orem, UT, Utah Transit Authority (UTA)
- Akron, OH, Metro Regional Transit Agency (Metro RTA)
- Cobb County, GA, Cobb Community Transit (CCT)



Peer findings included the following:

- DCTA provides the most cost effective service of any peer transit provider. DCTA's cost per revenue hour for both fixed route and demand-response service for 2009 was between \$49 and \$52. The national average operating cost per revenue hour (in 2008) was \$114 for fixed-route bus service and about \$60 for demand-response service.
- Most of the peer regions offer transit service to a wider service area population than what is provided in Denton County.
- Productivity (passengers per hour) on DCTA fixed-route service is comparable to its peers.
- DCTA has the highest farebox recovery ratio on both fixed-route and demand-response service, primarily because of the contribution from UNT for the UNT Shuttle.

Five peer providers were selected for DCTA. Some aspects of the service provided by Johnson County and Lawrence, Kansas are also included in this review.

Source: Nelson\Nygaard Associates



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- DCTA spends proportionally more on demand-response service than fixed-route service. Compared to the peer transit providers, DCTA provides a greater proportion of service on demand-response vehicles.
- Smart card technology is common among peers. Most of the peer transit providers are either in the process of implementing smart card technology, or are currently using it.
- There is mixed use of Automatic Passenger Counter (APC) and Automatic Vehicle Locator (AVL) technology among peers. About half of the peer transit providers are using advanced technologies to assess performance on their fixed route or demand-response services. While these technologies are more common among larger transit providers (like RTD and UTA), the cost of implementing these technologies is becoming more affordable, and the tools are providing more accurate results.

## PUBLIC AND STAKEHOLDER PERCEPTIONS ABOUT DCTA

### On-Board Passenger Surveys

In general, DCTA riders indicated a high level of satisfaction with transit services in the community. The most frequent suggestions for improvement included providing service later into the evening and providing additional weekend service.

Passenger surveys were conducted on DCTA Connect buses. Riders are generally satisfied with DCTA services.

Passengers on DCTA's Connect are frequent users of the service. Nearly one-half of Denton Connect riders and 54% of Lewisville Connect riders use the service five days a week or more, and 80% of riders do not have a vehicle (car or truck) available to members of their household.

### Community Intercept Surveys

Based on the results of surveys of the general public, 72% of respondents' primary mode of transportation is driving alone, followed by 14% who primarily use public transportation. While 53% of UNT campus respondents drive alone (as their primary mode of transportation), 23% said public transportation is their primary mode.

Nearly one-half (44%) of the respondents who live in Lewisville said transit does not currently serve their community.

For those who do not ride DCTA, the primary reason is a "preference to drive," followed by "service does not operate where I need it."

Among new service opportunities considered to be most appealing, new local bus service and commuter bus service along I-35W (between Denton and Fort Worth) were the most popular options.

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## Stakeholder Input

To initiate the Long Range Service Plan for DCTA, the consulting team conducted a series of interviews in Denton County. Stakeholders gave a wide array of ideas and suggestions about DCTA's future. According to the stakeholders, the top three strengths of DCTA include (1) overall good transit service provided, (2) the agency's dedicated staff, which does a good job of managing the system and coordinating with member jurisdictions, and (3) service updates and changes that DCTA has implemented to improve efficiency and effectiveness. The three primary weaknesses of DCTA are (1) lack of public information and awareness of DCTA, (2) temporal and spatial gaps in service, and (3) transit's ineffectiveness to change people's travel behavior.



Stakeholders recognize service updates and changes that DCTA has implemented to improve efficiency and effectiveness  
Source: Nelson\Nygaard Associates

Based on a variety of comments and opinions expressed by stakeholders, the following were identified as the key needs/issues:

- Regional transit service in the I-35W corridor
- Improved/updated equipment for DCTA
- New park-and-ride facilities
- Changes to the Access program service area and eligibility requirements
- Service growth areas
- Improved services in Denton

It was acknowledged that public funding is critical, and that DCTA needs to secure local and state funding.

## Input from DCTA Drivers and Dispatchers

Transit operators have a deep, and often personal, understanding of how transit service is provided, and this is certainly the case in Denton County. Drivers indicated some operational issues including difficulty staying on schedule and not enough layover time. Drivers suggested the need for newer buses and better schedule coordination between routes.

## UPDATING POLICIES FOR DCTA

DCTA's vision, goals, objectives and performance standards provide a basis for establishing transit system design and operations policies, offer a methodology for evaluating services, and provide a rationale for service expansions, reductions and eliminations.

While both performance and design standards need to reflect the best thinking of agency staff members, it is critically important that they be understood and adopted by DCTA's Board. Once adopted, these policies give decision makers a rationale for supporting or rebuking proposed

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service changes. They also offer transparency for Denton County residents, allowing them to understand the basis for transit service decision-making. By having adopted standards, they can be written into approved service and operating policies, and offer DCTA and its member cities a good justification for implementing route changes or discontinuing service on some routes. The adoption process can sometimes be eased when members of the Board understand that standards inform, but do not dictate, decisions.

Standards will need to be periodically revisited and updated as operating conditions and DCTA's priorities evolve and financial conditions change. While there are benefits from maintaining a consistent set of standards, it is a good idea to consider whether they continue to reflect the community's priorities about every three years.

## **Vision and Goals for DCTA**

Currently, DCTA's service area consists of Denton, Lewisville and Highland Village. While these communities have decided to pay into DCTA, others in the county have not, and as such, the level of transit service provided in the county (compared to peer transit providers), is relatively low. The plan assumes that DCTA will continue to focus on improving mobility for those who have few transportation options, while also focusing on intercity commute trips into large employment centers. With this in mind, the updated vision statement for DCTA is as follows:

*DCTA is a leader in advancing public transportation alternatives, helping to improve Denton County's economy and environment.*

The following goals, in support of DCTA's vision, mission and guiding principles were developed based on current operating characteristics, staff input, stated priorities of stakeholders, and the markets for transit services:

**Goal 1: Maximize service efficiency and reliability.**

- Provide sufficient safe and reliable in-service vehicles to meet the daily pullout requirements for DCTA.
- Operate on-schedule within adopted on-time performance standards.
- Operate consistent headways whenever possible.
- Consistently monitor and evaluate services in accordance with adopted service standards.
- Build services around a network of intercity and local feeder services, as well as local routes/service in urban areas.
- Minimize non-revenue hours operated on all services.
- Assign vehicles by service type.
- Maintain a minimum/maximum fleet size that ensures an optimal spare to in-service fleet ratio.

**Goal 2: Maximize the effectiveness of service for DCTA's ridership markets.**

- Minimize service overlap/duplications.
- Provide access to major centers of demand within DCTA's service areas.
- Ensure routes are easy to understand.
- Bi-directional service should be provided by most route segments (except unidirectional commuter services), so that transit provides an equivalent alternative for travel in both directions.



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- Transfers between routes and services should be convenient and efficient.
- Operate routes directionally, minimizing the amount of off-directional travel.
- Implement strategies to expedite transit service, particularly along congested corridors.
- Ensure adequate vehicle capacity to accommodate passenger loads within the adopted maximum load standards established for fixed-route services.

**Goal 3: Increase the visibility and elevate the image of DCTA.**

- Provide more effective communications and marketing tools to promote transit use and to advance the vision, mission and goals of the Authority.
- Improve the passengers' experience through enhanced bus stops and passenger amenities.
- Provide easy-to-understand signage and passenger information that promotes the ease of use of the Authority's services.
- Ensure transparency and openness to the public throughout all of the agency activities.
- Partner with local organizations, businesses, municipalities and other agencies to enhance DCTA's community outreach and information efforts.

**Goal 4: Expand DCTA's services into areas where transit has a strong likelihood of success.**

- Provide outreach to non-participating cities and other potential public or private partners.
- Participate in potential pilot programs and partnerships to introduce transit services into communities where service is not currently available.
- Ensure that each new service is financially feasible, meets performance standards and does not negatively impact existing services.

**Goal 5: Coordinate regional services with other regional transportation providers.**

- Meet quarterly with transit staff from adjacent providers to review service options and coordination opportunities.
- Co-author grant applications with regional agencies and planning entities.
- Consider joint operations/shared funding of transit services that cross county boundaries.
- Promote vanpools and other ridesharing opportunities at major employers throughout North Texas.

**Goal 6: Tie the provision of transit to land-use and the resulting demand levels.**

- Existing services that fail to achieve established performance standards should be considered for remedial action.
- Existing services that significantly exceed standards should be augmented.
- Primary transit services (both intercity and urban trunk services) will focus on corridors where compact development patterns that feature a mix of residential, retail, and employment activities exist. Secondary transit service – community circulators – will operate in a mix of medium density, and in some cases, lower density neighborhoods.
- Transit services may not be appropriate for some communities that do not meet service implementation thresholds.

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**Goal 7: Advocate sustainable development practices that support transit.**

- Advocate for transit-friendly building practices, working with planning staff and developers to ensure planned and future development meets transit service access criteria.
- Work with Denton County and jurisdictions within Denton County to enact zoning regulations that encourage transit-oriented development to be focused near A-train and future rail or express bus stations.
- Recommend development practices that create an environment that encourages transit use, makes transit access more convenient, and enhances pedestrian and bicycle connections.
- Encourage higher density development and reduced parking requirements in neighborhoods within easy access to high-transit ridership corridors.
- Advocate the establishment of local policies that encourage new transit-dependent land uses to be located on transit routes.
- Support infrastructure projects that complement and/or enhance the transit system's operational needs (pedestrian access to bus stops, adequate location for passengers to wait for the bus, sufficient curb space for buses, passenger amenities and transit priority treatments).

**Goal 8: Strive for financial excellence by maintaining fiscally sound and sustainable financial plans and budgets that reflect community priorities and values. At the core of financial excellence is integrity, innovation, and management discipline.**

- Establish and maintain high bond ratings.
- Develop capital and funding plans for critical infrastructure/replacement/maintenance.
- Provide accurate and reliable revenue and expenditure forecasts and maintain budget practices that ensure sustainability and continuity of programs and services.
- Maintain a transparent financial environment free of fraud, waste and abuse.

## Performance Measures and Standards

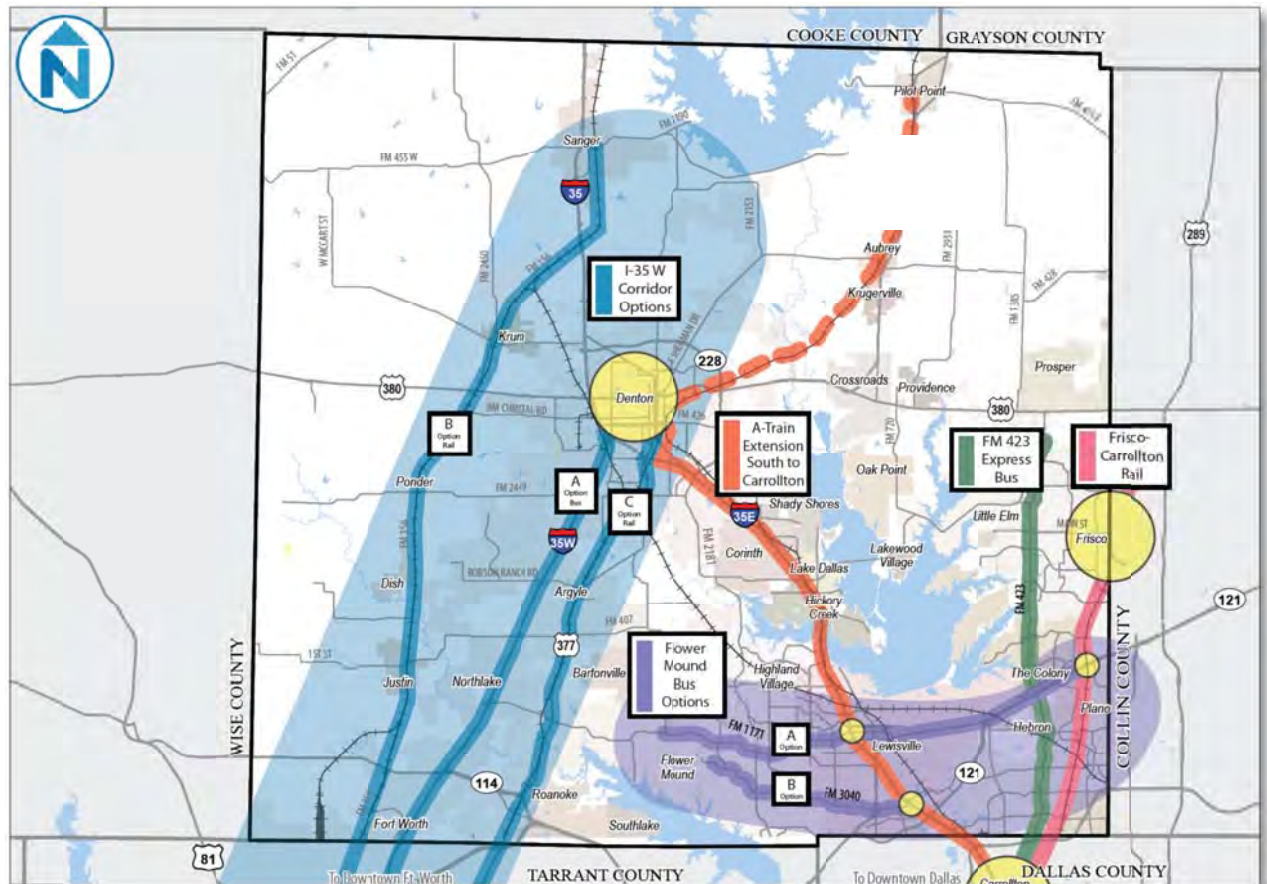


UNT services have some of the highest productivity (passengers per hour) of any of DCTA's routes.

Source: Nelson\Nygaard Associates

To achieve the goals, it is important not only to define service measures and standards, but also to adopt them as a tool for measuring the agency's successes at achieving its standards. Under a proposed route classification system for DCTA, specific standards are recommended for Regional Commuter Rail Services, Regional Express Bus Services, Regional Arterial Routes, Urban Area Trunk Routes, and Community Circulators. Service quality and reliability benchmarks for DCTA are identified, along with service design standards to guide the expansion of service to new areas and potential markets. Access paratransit performance measures are also proposed for careful monitoring.

## Long Range Regional Transit Corridors



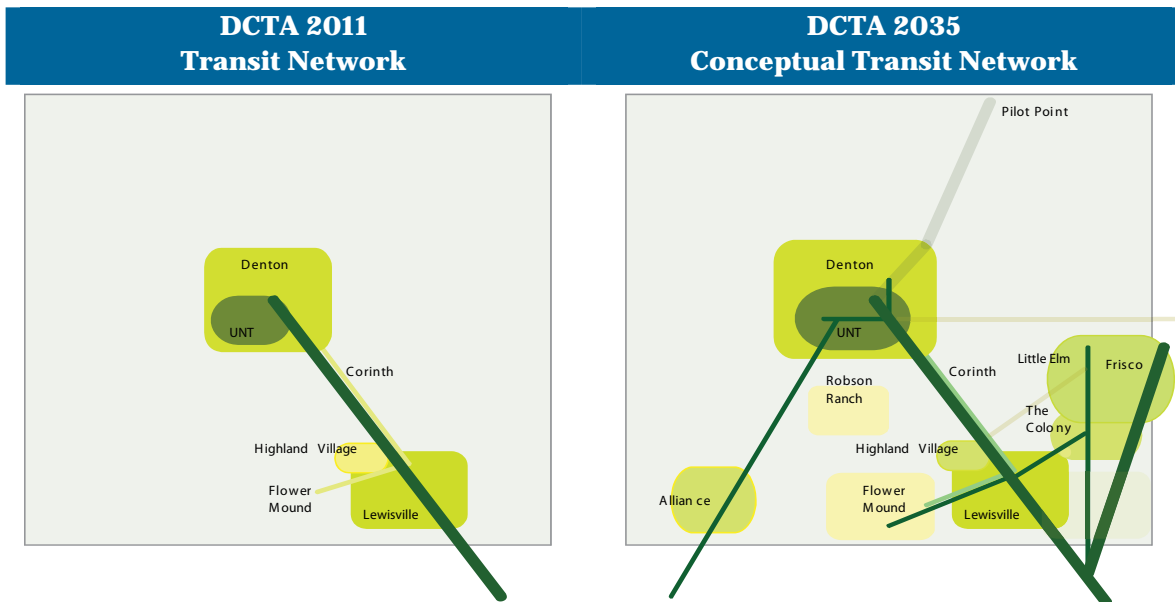
- **Continue to build on DCTA's investment in A-train through a line extension to Downtown Carrollton and increases to service frequency and hours.** With the continued maturation of service, it will be important not only to provide more options to riders with improved headways, but DCTA will also need to expand service hours beginning with the addition of mid-day train service.
- **Expand Regional Bus Service in South Denton County, feeding A-train Service.** With a stated goal of bringing additional member cities into DCTA, service along FM 1171 or FM 3040 would offer new regional arterial routes that would serve Flower Mound.
- **Provide a direct link between Denton and Fort Worth.** Nearly 1,400 daily riders are projected on a freeway express bus along I-35W. Express bus service is recommended as the

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most cost-effective option in the I-35W corridor, and would allow DCTA to (1) develop and test joint operating agreements with The T and (2) confirm ridership levels/build demand for rail service. Two existing rail lines could be used for commuter rail services: the UP Railroad corridor from Denton to the Fort Worth Intermodal Center, which has the highest potential for ridership (3,550 daily riders for 2035) and the BNSF Corridor, between Sanger and Fort Worth (1,940 daily riders) which remains somewhat outside of the key future population growth areas. Alternatively, a new rail line could be constructed in this corridor if commuter bus ridership is strong and if land use policies were modified to encourage dense housing and employment development.

- **Implement multijurisdictional regional rail service.** The rail corridor from North Frisco to the Downtown Carrollton Station (at Belt Line Road) has a projected 12,000 daily riders and could be extended to achieve greater utility. This line represents a link that has been identified and previously studied and is projected to yield the highest ridership among the various alternatives evaluated.
- **Serve East County residents along FM 423.** The highest ridership regional arterial bus corridor would serve residents of Little Elm, Frisco, and The Colony, and has a projected 2,500 daily riders. This route would provide a logical initial bus service to test the potential viability of the recommended Frisco-Carrollton BNSF line commuter rail service.

If the recommended service investments are implemented, DCTA's future network is anticipated to reflect the areas of greatest demand, linking Denton County's most populous communities.



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A summary of basic performance characteristics for these corridors is shown in the following table:

**Evaluation of Corridors Summary**

Corridor	Description	Mode	2035 Performance		2035 Costs		2035 Total Daily Boardings	Carry Forward?
			Operating Cost per Passenger	Passengers per Hour	Capital Investment	Annual Operating Cost		
A-train	A. A-train Denton-Downtown Carrollton	Rail	\$5.60 ▲	164 ▲	\$39,119,700 ◆	\$9,758,800 ◆	6,900 ▲	YES ▲
	B. A-train extension to Pilot Point		\$6.50 ▲	140 ▲	\$331,569,800 ▼	\$14,638,300 ▼	8,800 ▲	YES ▲
	C. A-train extension to Sanger and County Line		\$7.90 ▲	116 ▲	\$385,499,800 ▼	\$14,638,300 ▼	7,300 ▲	NO ▼
South Denton County /Flower Mound	A. Bridlewood -The Colony via FM 1171	Arterial Limited-Stop Bus	\$5.00 ▲	20 ◆	\$3,603,000 ▲	\$1,052,300 ▲	800 ▲	YES ▲
	B. Flower Mound-Hebron A-Train via FM 3040		\$3.30 ▲	29 ▲	\$3,845,300 ▲	\$862,700 ▲	1,000 ▲	YES ▲
I-35W Corridor	A. Denton to Downtown Fort Worth via I-35W	Freeway Express Bus	\$3.90 ▲	24 ▲	\$4,529,300 ▲	\$1,361,300 ◆	1,400 ▲	YES ▲
	B. Sanger to Downtown Fort Worth via BNSF Rail	Rail	\$23.70 ◆	38 ▼	\$712,095,700 ▼	\$11,710,600 ▼	1,900 ▲	NO ▼
	C. Denton to Downtown Fort Worth via UP Rail	Rail	\$10.20 ▲	89 ▲	\$540,876,700 ▼	\$9,270,900 ◆	3,500 ▲	YES ▲
Frisco-Carrollton	North Frisco to Downtown Carrollton	Rail	\$1.20 ▲	752 ▲	\$377,662,500 ▼	\$3,717,700 ▲	12,000 ▲	YES ▲
FM 423	Little Elm to Downtown Carrollton via FM 42	Arterial Limited-Stop Bus	\$1.80 ▲	52 ▲	\$3,604,200 ▲	\$1,161,000 ▲	2,500 ▲	YES ▲

Legend: ▲ Most Positive Outcome    ▲ Somewhat Positive Outcome    ◆ Fair/Neither Good nor Bad  
▼ Somewhat Negative Outcome    ▼ Most Negative Outcome

## Feeder Bus Services in Support of Long Range Corridors

If implemented, the North Frisco to Carrollton rail corridor would feature four stops in or near Denton County: Frisco Main Street Station, Texas SH 121 Station (Plano/The Colony), Plano Parkway Station and George Bush Turnpike Station (Carrollton). Local transit service is not currently provided in the northern part of the corridor, while some DART service is provided in the southern part of the corridor (in Carrollton and Plano south of Highway 121). Potential new feeder service for stations along the corridor could be implemented:

- Two feeder bus routes serving Main Street Station operating in Frisco
- A feeder route connecting Main Street Station with West Frisco and Little Elm
- A feeder route operating from SH 121 Station and serving The Colony



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- A feeder route operating between Windhaven Parkway Station and SH 121 Station, serving Southwest Plano

In addition, the extension of several existing DART routes may be considered, including Routes 452, 347, 534, 531, and 333.

In support of services in the I-35W corridor, feeder bus service is recommended to serve the major employers in the Alliance area. Services should provide access in Roanoke, along key roads and to Alliance Airport.

## **Service Improvement and Expansion Options**

The long range service planning process included the collection of route-level ridership data, such as passenger boardings and alightings by stop. This data has been used by DCTA as it continues to modify local services to respond to changing conditions, and will provide useful information for future short-term service planning efforts conducted by DCTA. Data collected was also reviewed to develop general near-term service guidelines and considerations, as well as opportunities to support long-term service recommendations.

While DCTA operates a range of transit services, in recent years the agency has invested heavily in the A-train, which could be considered the “spine” of DCTA’s service network. Because of the investment in A-train, near-term service improvement and expansion options focus on preserving and maximizing DCTA’s existing investment. DCTA has several opportunities to strategically develop and enhance local transit services as a way of laying the foundation for upgrades to the regional transit network. Bolstering service in Denton, by improving headways, and defining a strategy to improve interconnectivity between local buses and A-train are priorities for the agency in the short-term. Lewisville and Highland Village will likely see improvements on local bus services to better align with the A-train, but major service changes in these cities are not recommended in the short term.

## **Near-Term Service Improvement Options**

**Denton.** As the largest city in Denton County, Denton not only features most of DCTA’s transit service, but is also the community where transit has the greatest potential to succeed. Now that the A-train is operational and terminates at the Downtown Denton Transit Center, this has become the primary transfer location for all Denton Connect routes. Service alternatives and recommendations include the following:

- **Better schedule integration between Connect and A-train.** It is recommended in the short-term that weekday service hours on Connect should better match the service hours on A-train.
- **The development of high-frequency transit service spines in Denton.** While Connect provides good local coverage throughout Denton, one of the goals of the service should also be to provide “first mile” and “last mile” connections for regional commuters on A-train.
- **Additional service frequency.** Many of the corridors in Denton justify higher service frequencies, or at least as frequent as service being provided in Lewisville (which is approximately every 35 minutes during the peak). As such, it is recommended that in the near-term, DCTA consider improving service frequencies on all Connect routes.
- **Service along Airport Road.** A new route to the Denton Municipal Airport area is proposed within the short-term.



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**Highland Village and Lewisville.** Performance on Connect RSVP should be monitored closely. Connect service in Lewisville is provided with three routes (21, 22 and 23) operating approximately every 35 minutes during the peak periods on weekdays and hourly on Saturday. In May 2011, Lewisville Connect had roughly 7,000 passenger boardings, which is indicative of the continued ridership increases experienced in Lewisville.

While this study has indicated that DCTA's services in Lewisville provide adequate coverage in the near-term, there is opportunity to provide more consistent frequencies through the day on Connect. Since most the services in Lewisville and Highland Village are less mature than Denton, the services should be monitored more closely.

**NCTC Connections.** Potential changes to the NCTC Shuttle could be considered:

- **Extend NCTC Shuttle service in Denton.** While service to the Med Park A-train station offers connections to Connect Route 2 and the Colorado Express UNT Shuttle, service to the two main destinations in Denton require a transfer. Service can be extended to the UNT campus, which would also provide UNT students living in Lewisville or Flower Mound with a single-seat ride. Another option would be to extend service to the Downtown Denton Transit Center where connections can be made to all Denton Connect routes rather than Route 2 alone.
- **Expansion of service hours.** While the NCTC Shuttle offers seven round trips daily, service headways are about every 90 minutes. Adding one additional bus to this route would offer service about every 45 minutes, which would offer students significantly more travel choices.

**Demand Response.** Resources committed to Access in relation to those designated for local Connect fixed-route service is a higher proportion than the majority of DCTA's peers. DCTA should consider modifications to its Access policies and procedures to realize greater operating efficiencies and to reserve use of the service for those unable to use the fixed-route services due to a certified disability. This would result in a smaller pool of users and allow DCTA to redirect resources toward improving general public services.

**Investments in technology.** It is recommended that DCTA enhance transit traveler information. This should be done by updating the agency's Google Transit feed, participating in the Regional 511 effort and looking at opportunities to provide real-time information to users from the internet, mobile devices, or telephones. Service providers such as NextBus and TransLoc actively manage the reporting of an agency's Automated Vehicle Locator (AVL) data and present it to passengers via the Web or mobile phone applications. DCTA should also pursue efforts to promote transit via regional traffic and transit information websites.

DCTA can also enhance operations data reporting and system management by getting route segment-level schedule adherence reports on a regular basis. Transit vehicle tracking allows a transit agency to monitor current transit vehicle location using an AVL system. DCTA could consider the development of standard reports that analyze AVL and farebox data for planning purposes. DCTA will need to integrate fareboxes with AVL equipment allowing tracking of boarding activity by stop location and the ability to offer transfers based on the characteristics of the route where the ride was initiated. A public announcement system can also be integrated with an AVL system, enabling stop announcements in accordance with ADA requirements, and allowing DCTA staff to place important messages regarding service modifications, public information meetings, promotions, etc.

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## Longer-Term Service Expansion Options

Longer term, with the introduction of new regional services, DCTA must work to support those services by developing feeder routes and introducing technologies that will make it easier for riders to use and pay for transit, while making it easier for DCTA to plan for service changes and monitor the use of transit. Opportunities for closer joint service planning at the local level — particularly with DART, which has some services in southeast Denton County — will result in overall improvements to the county's transit network. DART has begun providing services under contract to non-member cities, and could potentially operate more local services in the vicinity, including in The Colony, Plano, or further to the north in Frisco. It is not known whether these operations may be more cost-effective than DCTA services, but they may provide an opportunity for Denton County non-member cities to purchase services and test the viability of transit.

Other communities in Denton County that become member cities would be eligible to receive service in return for their investment, based on precedents in the existing member cities. These communities could be served by general public demand response service, under contract with a taxi or local service provider, or deviations from intercity fixed route services, depending on where services are carried forward.

## Supporting Transit through Investments in Multimodal Design

Some of the issues that arose in the development of the plan include a lack of sidewalks in many portions of Denton County, limited amenities for transit users, and a need for bicycle connectivity and amenities. As a long-range plan, rural, suburban, and small town urban design guidelines are provided to maximize access to transit, provide safety for transit users, and promote multimodalism in general. DCTA is encouraged to work more closely with local jurisdictions and Denton County to address the following:

- Making transit-friendly communities
- Developing street patterns that work for transit
- Designing streets for multimodal transportation
- Improving transit facilities for Denton County

## IMPLEMENTATION

As a roadmap for future investments, implementation of the plan requires a wide range of activities. A schedule for the phased implementation of the recommendations assumes some minor service improvements to support the investment in A-train over the next five years, with the introduction of new regional services spaced over the 25-year planning horizon. Assuming the availability of funds for both operating and capital needs within five years, the following are proposed:

- Additional service hours on Denton Connect
- Better weekend schedule integration of Connect and A-train



Implementation of recommended services will require refinement, public involvement and marketing.

Source: Nelson\Nygaard Associates

**LONG RANGE SERVICE PLAN | EXECUTIVE REPORT**  
DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA)

- High-frequency spines in Denton
- A route serving Airport Road in Denton
- Improved headways and a longer service span on A-train
- Improved efficiencies with demand response services

Other corridors, with their approximate proposed implementation years are as follows:

- A-Train Denton Terminus with Extension South to Downtown Carrollton - 2016
- Bridlewood – East Lewisville/The Colony bus service via FM 1171 - 2016
- Denton to Downtown Fort Worth bus service via I-35W - peak only, 2018; all day, 2026
- FM 423 bus service - peak only directional, 2019
- North Frisco to Carrollton Commuter Rail - 2031

The years assigned to each of these corridors are based on funding assumptions. All of the corridors should be monitored with regard to ridership potential, opportunities for joint partnerships, and funding potential, which may vary from the assumptions in this plan. Because all of the recommendations in this plan would require increased funding, certain "game changers" should be noted, which could result in a shift with regard to which services are implemented when, including much earlier implementation of service in some corridors or service levels lower than those recommended in other corridors. These include the following:

- Unanticipated changes to bus ridership/demographics in Denton County
- Reductions in funding for transit due to economic circumstances or other unforeseen cutbacks
- Significant increases in available funding
- New fast-track developments in areas not currently programmed for development
- Significant growth in the Alliance area
- Changes in development in downtown Denton (and possibly in Lewisville and Frisco)

Other major considerations for implementation of the recommended services and corridors in this plan include a refinement and development of the specific operating characteristics for each corridor; implementation and monitoring; developing and improving bus stops and facilities; focusing on marketing the proposed new services; and defining a fare program appropriate for the new services.

## **FINANCIAL STRATEGY**

DCTA has enjoyed considerable success in securing federal, state and regional funds for capital investments and should continue to aggressively pursue this strategy. However, without increasing dedicated local funding by collecting additional sales tax or other revenues from new member cities or private partners, DCTA will be unable to implement all of the services recommended in the Long Range Service Plan. Consequently, political and financial support from the local communities that directly benefit from new transit services will be crucial to successful implementation. Key elements of the financial strategy and assumptions are as follows:

- Operating expenses for existing service range from \$21.1 million in 2012 to \$41.6 million in 2035 and there are adequate revenues to support service.

**LONG RANGE SERVICE PLAN | EXECUTIVE REPORT**  
DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA)

- Capital outlays needed to support existing service primarily consist of replacing vehicles that have reached the end of their useful life. Although no capital revenues have been committed beyond 2014, DCTA should be able to continue using FTA Section 5307 funds for fleet replacement as well as discretionary Section 5309 funds.
- DCTA will need to commit dedicated capital funds to a new bus operations and maintenance facility, as well as for positive train control (PTC) for A-train.
- Projected operating expenses for phased implementation of recommended services start at \$100,300 in 2013 and grow to \$38 million in 2035. Due to the expected modest increase in service between 2012 and 2016, existing revenues may be able to fund the increase in operating expenses. However, between 2016 and 2035, the projected annual funding requirement (or deficit) to pay for the projected operating expenses ranges from nearly \$6 million to almost \$17 million. Without new funding to support operations or make capital investments, DCTA will be unable to introduce new or enhanced services.
- The most promising funding opportunity is additional sales tax or other revenues from new DCTA member cities. Specifically, Argyle, Flower Mound, Frisco, Little Elm, Lake Dallas, Corinth, The Colony and Northlake will all benefit from one or more of the new long-range corridor services, and may be willing to transfer some of their local revenues to DCTA to help pay for these new services.
- Once more detailed implementation plans for new services are developed; DCTA will be able to finalize project-specific funding strategies that combine new sales tax revenues with other funding sources.



**DENTON COUNTY TRANSPORTATION AUTHORITY  
RESOLUTION NO. R20-22**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPROVING THE DENTON COUNTY TRANSPORTATION AUTHORITY TRANSPORTATION REINVESTMENT PROGRAM (TRiP) POLICY; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the DCTA Transportation Reinvestment Program (TRiP) Policy's objective is to provide financial assistance to DCTA member cities for transit-supportive projects consistent with and beneficial to DCTA's Long-Range Service Plan Goals; and

**WHEREAS**, DCTA Board of Directors has been presented with the DCTA TRiP Policy attached hereto as Exhibit "A" and incorporated herein by reference; and

**WHEREAS**, upon full review and consideration of the DCTA TRiP Policy, and all matters related thereto, the Board of Directors of the Denton County Transportation Authority is of the opinion and finds that the DCTA TRiP Policy should be approved;

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

**SECTION 1.** The DCTA TRiP Policy, attached hereto as Exhibit "A", be and the same is hereby approved.

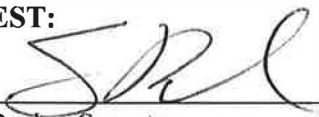
**SECTION 2.** This Resolution shall become effective immediately upon its passage and approval.

**DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 12<sup>TH</sup> DAY OF NOVEMBER 2020.**

**APPROVED:**

  
\_\_\_\_\_  
Chris Watts, Chair

**ATTEST:**

  
\_\_\_\_\_  
Sam Burke, Secretary

**EXHIBIT “A”**  
**DCTA TRiP Policy**



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

### I. POLICY STATEMENT

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

### II. SCOPE

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

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

### III. FUNDING

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

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

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

Actual cost up to and not to exceed five percent of the annual program budget shall be set aside for DCTA program administration, including project selection, monitoring and financial reporting, and 95 percent split among member cities proportional to sales and use tax receipts, as estimated by DCTA financial staff, for the previous fiscal year. Prior to award of the TRiP projects, DCTA staff will present anticipated TRiP administrative costs for Board approval. Unspent administrative budget shall be returned to TRiP reserve balances.

Multiple municipalities may pool their allocated amounts to allow more flexibility in financing larger, mutually beneficial projects. Member cities could accrue allocated funds each fiscal year in order to fund a larger project. Funds remain with DCTA, designated to each member city,

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

until dispersed to an approved project. Funds will remain with DCTA until reimbursements have been made to the member city for an approved project. Unobligated funds designated to each member city may rollover for up to three years.

### **IV. ELIGIBLE PROJECTS**

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

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

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

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

### **V. PROJECT SELECTION**

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

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

In subsequent years, should a member city have a project that timing would necessitate an application prior to the call for projects, a city may submit an application for pre-award

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

authority. Any cost difference between the member city's allocated funding for that year and the project cost, would be borne by the member city.

DCTA staff will have 45 days to review the pre-award authority application to determine minimum project eligibility or request more information. Subsequent to completing the review, if no additional information was requested, the application will be placed on the agenda for the next regularly scheduled DCTA Board of Directors meeting for consideration. Following the review of each application, the DCTA Board will lead the approval and award process.

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

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

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

### **VI. DISBURSEMENT**

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

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

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

- Project identifier
- Approved project budget
- TRiP funds programmed for the project

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

- Expenses incurred
- Percentage completion

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

DCTA does not assume or incur any liability, obligation or financial responsibility for a contract between an eligible city and a contractor, employee or agent for an approved project or any liability for a result, occurrence, injury or damages resulting from or caused, directly or indirectly, by an approved project.

### **VII. PERFORMANCE EVALUATION AND REPORTING**

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

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

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

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

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

Procedures when identifying a potential conflict of interest will comply with Chapter 171 of Texas Local Government Code regarding conflicts of interest. If an officer or employee involved in the project selection process has a substantial interest in a business entity or in real property,

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

that person must file an affidavit stating the nature and extent of the interest and abstain from further participation.<sup>1</sup>

**IX. SUBJECT TO AUDIT**

DCTA shall establish a system of written internal controls which will be reviewed annually with the independent auditor of DCTA. The controls shall be designed to prevent loss of public funds due to error, misrepresentation, or oversight. A formal annual review of these internal controls as well as disbursements and receipts associated with the Transportation Reinvestment Program will be performed by an independent auditor. Results of the audit shall be reported to the Board.

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<sup>1</sup> Legal exceptions and situations not requiring abstention should be reviewed and documented with DCTA counsel.

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

**IN THE SECTION BELOW, PLEASE INDICATE HOW THE PROPOSED PROJECT  
SUPPORTS DCTA LONG-RANGE SERVICE PLAN GOALS**

☐ Increase service efficiency and reliability

☐ Increase service effectiveness for DCTA  
customer

☐ Increase the visibility and elevate the image  
of DCTA

☐ Expand DCTA services into areas where  
transit has a strong likelihood of success

☐ Coordinate with regional transportation  
providers

☐ Pair transit facilities to existing and planned  
transit-supportive development

☐ Advocate sustainable development practices  
that support transit

☐ Strive for financial excellence by maintaining  
fiscally sound and sustainable financial plans  
and budgets that reflect community priorities and  
values



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

**THIS SECTION TO BE COMPLETED BY DCTA STAFF**

Transportation Reinvestment Program Project Identifier: \_\_\_\_\_

- ☐ Meets minimum project eligibility requirements
- ☐ Multiple project selection

Rank: \_\_\_\_\_

Initial Member City Transportation Reinvestment Program Balance: \_\_\_\_\_

Recommended Project FY \_\_\_\_\_ Programmed Amount: \_\_\_\_\_

Remaining Member City Balance: \_\_\_\_\_

Recommended Disbursement Schedule:

- ☐ Lump Sum
- ☐ Quarterly
- ☐ Monthly
- ☐ As defined through Inter-local Agreement

**PLEASE ATTACH PROJECT COST BACKUP. ACCEPTABLE COST BACKUP FOR CAPITAL PROJECTS INCLUDES PROJECT DRAWINGS, DESIGN SHEETS, COST WORKBOOK, OR BID SHEET. FOR SERVICE REQUESTS, PLEASE INCLUDE A SUMMARY OF DISCUSSIONS WITH DCTA SERVICE PLANNING STAFF OR AN ESTIMATE FROM AN ALTERNATE TRANSPORTATION SERVICE PROVIDER.**

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

**ATTACHMENT A**

<b>Improvement Type</b>	<b>Restrictions</b>
<b>Transit Stop Amenities</b>	Along existing or planned DCTA fixed routes
<b>Sidewalks</b>	Within one mile and/or along existing or planned DCTA fixed routes/demand response zones
<b>Crosswalks/Median Island</b>	Within one mile and/or of planned DCTA fixed routes/demand response zones
<b>Bike/Ped Trail Connections</b>	Provides connection to existing or planned transit network
<b>Bus Bulb Out/Turning Pocket</b>	N/A
<b>Transit Lane</b>	N/A
<b>Bike Lane (on-street)</b>	N/A
<b>Other Lane reconfiguration</b>	Must serve a transit-related purpose
<b>Traffic Calming</b>	N/A
<b>Landscaping/streetscaping</b>	Along existing or planned route DCTA fixed routes/on-demand response zones
<b>Street lighting/ Other public safety improvements</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Transit Signal Priority (TSP)</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Signal Timing</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Other Intersection improvements</b>	Along existing or planned DCTA fixed routes/on-demand response zones
<b>Street Improvements</b>	Along existing or planned DCTA fixed routes/ on-demand response zones
<b>Shared Parking, Kiss &amp; Ride/Drop-off Zones</b>	Within 500 feet of DCTA stations or facilities
<b>Transit Oriented Development</b>	Planning and site development activities
<b>Transit Adjacent Development</b>	Planning and site development activities
<b>Wayfinding/Placemaking signage</b>	N/A

*Note: all improvements should be consistent with approved local and regional plans, including DCTA's Long Range Service Plan*

**DENTON COUNTY TRANSPORTATION AUTHORITY**  
**FY22 Transportation Reinvestment Program (TRiP) Funding Allocation**  
**Original Adopted Budget**



FY22 Adopted TRiP Budget	DCTA Program/ Project Administration	Funding Available to Cities
\$ 7,119,429	\$ 100,000	\$ 7,019,429

Sales Generated in Month of:	Received in Month of:	CITY OF DENTON	CITY OF HIGHLAND VILLAGE	CITY OF LEWISVILLE	
		2020-2021 Year Actual Sales Tax	2020-2021 Year Actual Sales Tax	2020-2021 Year Actual Sales Tax	
October	December	\$ 3,174,573	\$ 341,390	\$ 3,348,633	
November	January	3,050,388	354,573	3,755,579	
December	February	4,149,443	503,020	4,903,701	
January	March	3,086,526	320,412	3,072,003	
February	April	2,606,494	288,219	2,971,403	
March	May	4,277,512	436,049	4,956,466	
April	June	3,557,513	353,678	3,990,693	
May	July	3,442,340	371,973	6,076,775	
June	August	4,173,943	449,307	5,447,446	
July	September	3,845,740	395,735	4,010,507	
August	October	3,749,030	370,264	3,945,754	
September	November	4,385,475	412,047	4,735,921	
YTD TOTAL		\$ 43,498,977	\$ 4,596,666	\$ 51,214,879	\$ 99,310,522
% of Sales Tax by Member City		43.801%	4.629%	51.570%	100.000%

Sales Tax Data from Texas Comptroller of Public Accounts, compiled by DCTA Finance Department

**FY22 Adopted TRiP Budget to Include Member City Allocations With FY21 Program Rollover**

	General Program Tasks	CITY OF DENTON	CITY OF HIGHLAND VILLAGE	CITY OF LEWISVILLE	Total
Funding Available to Cities		\$ 3,074,578	\$ 324,900	\$ 3,619,951	\$ 7,019,429
FY21 Rollover		\$ 906,969	\$ 90,797	\$ 1,246,222	\$ 2,243,988
Program/Project Administration	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Member City Allocation	\$ 100,000	\$ 3,981,547	\$ 415,697	\$ 4,866,173	\$ 9,363,417

- (A) Per TRiP policy, actual cost up to and not to exceed five percent of the annual program budget shall be set aside for DCTA program and project administration, including project selection, monitoring and financial reporting, and 95 percent split among member cities proportional to sales and use tax receipts, as estimated by DCTA financial staff, for the previous fiscal year. Per DCTA Board discussion, \$100k will be set aside annually as initial program/project administration funding with actual costs tracked by member city as applicable.

S:\TRiP\FY22\FY22 Call for Projects\[Call for Projects FY22 TRiP Funding Allocation with FY22 Rollovers\_121621.xlsx\FY22 with FY21 Rollover  
1/10/2022



## Board of Directors Memo

January 27, 2022

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 50.93% for the Fiscal Year 2022 budget. The sales tax budget for FY22 is \$32,088,804. 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 January, receipts were favorable compared to budget.

- Sales tax for sales generated in the month of November and received in January was \$3,097,630.
- This represents an increase of 14.88% or \$401,213 compared to budget for the month.
- Compared to the same month last year, sales tax receipts are \$479,749 or 18.33% higher.
- Member city collections for the month compared to prior year are as follows:
  - City of Lewisville up 18.40%
  - City of Denton up 21.56%
  - City of Highland Village up 25.24%

### 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: FY22 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:	2021-2022 Adopted Budget	2021-2022 Year Actual	Variance Actual to Adopted Budget	CY Actual to CY Original Adopted % Variance	2020-2021 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 3,032,911	\$ 2,925,241	\$ (107,670)	-3.55%	\$ 2,944,573	\$ (19,333)	-0.66%
November	January	\$ 2,696,417	\$ 3,097,630	\$ 401,213	14.88%	\$ 2,617,881	\$ 479,749	18.33%
December	February	\$ 3,457,647			0.00%	\$ 3,356,939		0.00%
January	March	\$ 2,365,559			0.00%	\$ 2,296,659		0.00%
February	April	\$ 2,143,386			0.00%	\$ 2,080,957		0.00%
March	May	\$ 3,470,214			0.00%	\$ 3,369,140		0.00%
April	June	\$ 2,567,236			0.00%	\$ 2,839,395		0.00%
May	July	\$ 2,258,937			0.00%	\$ 3,171,719		0.00%
June	August	\$ 2,663,784			0.00%	\$ 3,583,080		0.00%
July	September	\$ 2,248,852			0.00%	\$ 2,903,336		0.00%
August	October	\$ 2,471,690			0.00%	\$ 2,878,254		0.00%
September	November	\$ 2,712,171			0.00%	\$ 3,346,913		0.00%
YTD TOTAL		\$ 5,729,328	\$ 6,022,870	\$ 293,542	5.12%	\$ 5,562,454	\$ 460,416	8.28%
FISCAL YEAR TOTAL		\$ 32,088,804				\$ 35,388,847		

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
 Prepared By: Denton County Transportation Authority Finance Department  
 January 18, 2022

# 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:	2020-2021 Year Actual	2021-2022 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance	Sales Generated in Month of:	Received in Month of:	2020-2021 Year Actual	2021-2022 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 3,348,633	\$ 4,067,980	\$ 719,347	21.48%	October	December	\$ 341,390	\$ 409,602	\$ 68,213	19.98%
November	January	\$ 3,755,579	\$ 4,446,756	\$ 691,177	18.40%	November	January	\$ 354,573	\$ 444,066	\$ 89,493	25.24%
December	February	\$ 4,903,701			0.00%	December	February	\$ 503,020			0.00%
January	March	\$ 3,072,003			0.00%	January	March	\$ 320,412			0.00%
February	April	\$ 2,971,403			0.00%	February	April	\$ 288,219			0.00%
March	May	\$ 4,956,466			0.00%	March	May	\$ 436,049			0.00%
April	June	\$ 3,990,693			0.00%	April	June	\$ 353,678			0.00%
May	July	\$ 6,076,775			0.00%	May	July	\$ 371,973			0.00%
June	August	\$ 5,447,446			0.00%	June	August	\$ 449,307			0.00%
July	September	\$ 4,010,507			0.00%	July	September	\$ 395,735			0.00%
August	October	\$ 3,945,754			0.00%	August	October	\$ 370,264			0.00%
September	November	\$ 4,735,921			0.00%	September	November	\$ 412,047			0.00%
YTD TOTAL		\$ 7,104,211	\$ 8,514,736	\$ 1,410,524	19.85%	YTD TOTAL		\$ 695,962	\$ 853,668	\$ 157,706	22.66%
FISCAL YEAR TOTAL		\$ 51,214,879				FISCAL YEAR TOTAL		\$ 4,596,666			

CITY OF DENTON					
Sales Generated in Month of:	Received in Month of:	2020-2021 Year Actual	2021-2022 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 3,174,573	\$ 3,676,801	\$ 502,228	15.82%
November	January	\$ 3,050,388	\$ 3,708,019	\$ 657,631	21.56%
December	February	\$ 4,149,443			0.00%
January	March	\$ 3,086,526			0.00%
February	April	\$ 2,606,494			0.00%
March	May	\$ 4,277,512			0.00%
April	June	\$ 3,557,513			0.00%
May	July	\$ 3,442,340			0.00%
June	August	\$ 4,173,943			0.00%
July	September	\$ 3,845,740			0.00%
August	October	\$ 3,749,030			0.00%
September	November	\$ 4,385,475			0.00%
YTD TOTAL		\$ 6,224,961	\$ 7,384,820	\$ 1,159,859	18.63%
FISCAL YEAR TOTAL		\$ 43,498,977			

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
Prepared By: Denton County Transportation Authority Finance Department  
January 18, 2022



**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%	\$ 28,967,482	\$ 21,222,140	36.49%	\$ 28,967,482	\$ 21,222,140	36.49%
Corpus Christi MTA	0.50%	\$ 3,082,635	\$ 2,616,619	17.80%	\$ 3,082,635	\$ 2,616,619	17.80%
Dallas MTA	1.00%	\$ 61,886,055	\$ 49,268,059	25.61%	\$ 61,886,055	\$ 49,268,059	25.61%
Denton CTA	0.50%	\$ 3,097,630	\$ 2,617,881	18.32%	\$ 3,097,630	\$ 2,617,881	18.32%
El Paso CTD	0.50%	\$ 5,112,315	\$ 3,985,874	28.26%	\$ 5,112,315	\$ 3,985,874	28.26%
Fort Worth MTA	0.50%	\$ 8,206,180	\$ 6,953,464	18.01%	\$ 8,206,180	\$ 6,953,464	18.01%
Houston MTA	1.00%	\$ 78,264,838	\$ 61,151,779	27.98%	\$ 78,264,838	\$ 61,151,779	27.98%
Laredo CTD	0.25%	\$ 886,328	\$ 699,761	26.66%	\$ 886,328	\$ 699,761	26.66%
San Antonio ATD	0.25%	\$ 7,324,587	\$ 5,750,699	27.36%	\$ 7,324,587	\$ 5,750,699	27.36%
San Antonio MTA	0.50%	\$ 16,336,591	\$ 12,745,076	28.17%	\$ 16,336,591	\$ 12,745,076	28.17%
TOTALS		\$ 213,164,641	\$ 167,011,352	27.63%	\$ 213,164,641	\$ 167,011,352	27.63%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
 Prepared By: Denton County Transportation Authority Finance Department  
 January 18, 2022

## Board of Directors Memo

January 27, 2022

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 September 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. In April 2021, the Board authorized a task order in the amount of \$33,520,691 for a period of four years, with a yearly breakdown presented below in the Financial Impact section.

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. Services provided by DCTA to MUTD terminated on December 31, 2021. The DART Board of Directors approved an agreement with Spare Labs at its September 28<sup>th</sup> Board meeting. Spare Labs and DART began providing services to MUTD in January 2022.

### Identified Need

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

### Financial Impact

The breakdown of Task Order #2 with Via is included in the table below. As of December 31, 2021, \$125,100 has been paid towards up front hard costs, and DCTA has been invoiced for \$1,795,516 related to GoZone service hours and an additional \$16,500 towards up front hard costs. An amendment of \$74,900 was approved in September 2021 for scheduling and customer support; \$47,437 has been incurred on this project as of December 31, 2021.

	Year 1	Year 2	Year 3	Year 4
Up Front Hard Costs	\$ 238,000	\$ 10,500	\$ -	\$ -
Base Service	4,068,910	5,512,341	5,623,176	5,735,345
Phase I Add-Ons	1,266,455	1,629,446	1,662,208	1,695,365
Phase II Add-Ons	1,405,426	1,527,013	1,557,716	1,588,790
	<u>\$ 6,978,791</u>	<u>\$ 8,679,300</u>	<u>\$ 8,843,100</u>	<u>\$ 9,019,500</u>
				\$ 33,520,691

### Exhibits

N/A

Submitted By:   
Brandy Hazel, Manager of Contracts & Procurement

Final Review:   
Athena Forrester, AVP of Regulatory Compliance



## Board of Directors Memo

January 27, 2022

SUBJECT: Budget Information

### Recommendation

This item is presented for informational purposes only. No action is required.

### Background

There were no budget transfers completed in the months of November or December to report.

### 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 any budget transfers completed.

### Financial Impact

This item is included for informational purposes only; there is no financial impact associated with this informational item.

### Exhibits

N/A

Submitted By:

A handwritten signature in blue ink that reads "Amanda Riddle".

Amanda Riddle  
Senior Manager of Budget

Final Review:

A handwritten signature in blue ink that reads "Marisa Perry".

Marisa Perry, CPA  
Chief Financial Officer/VP of Finance

## Board of Directors Memo

January 27, 2022

SUBJECT: Ridership Trends 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, FY21 and FY22.

The summary table below shows that December 2021 month-over-month bus trips declined substantially from November levels as a result of GoZone service increasing its share of the overall transit market combined with the onset of UNT winter break and the elimination of Connect routes 1, 21, and 22.

December A-train boardings decreased by approximately 20 percent over the same period. This historic winter decline aligns with prior year trends as seen in Exhibit 1. However, A-train boardings are still over 33 percent higher than the average monthly A-train monthly ridership in FY21.

Unlinked Passenger Trips				
	2021			
	October	November	December	Nov.-Dec. % Change
<b>Bus</b>	166,652	133,347	41,749	-219.4%
<b>Rail</b>	18,455	15,313	12,679	-20.8%
<b>Access</b>	1,725	1,758	1,693	-3.8%
<b>On-Demand</b>	441	435	438	0.7%

Ridership recovery from the COVID-19 pandemic continues with December 2021 bus ridership being more than twice (130%) above reported December 2020 levels and recorded A-train boardings being about 68 percent above December 2020 levels.

Unlinked Passenger Trips						
	Nov 2020	Nov 2021	% Change	Dec 2020	Dec 2021	% Change
<b>Bus</b>	42,194	133,347	216%	18,149	41,749	130%
<b>Rail</b>	7,819	15,313	96%	7,564	12,679	68%
<b>Access</b>	1,041	1,758	69%	1,166	1,693	45%
<b>On-Demand</b>	640	435	-32%	584	438	-25%
<b>ALL MODES</b>	<b>51,694</b>	<b>150,853</b>	<b>192%</b>	<b>27,463</b>	<b>56,559</b>	<b>106%</b>

Monthly A-train boardings are continuing to recover from early pandemic lows as depicted by the trend depicted in Exhibits 1 and 5.

### Rail Trail Utilization Reports

Attached as Exhibit 6 are Rail Trail Utilization Reports for November and December 2021. These reports are generated by the agency's network of four permanent bicycle-pedestrian counters spaced along the A-train Rail Trail.

### Exhibits

Exhibit 1: FY19 - FY22 Total Monthly Ridership – Rail

Exhibit 2 FY19 - FY22 Total Monthly Ridership – Bus

Exhibit 3 FY19 - FY22 Total Monthly Ridership – Access

Exhibit 4: FY19 - FY22 Total Monthly Ridership – On-Demand

Exhibit 5: A-train Boardings as a Percentage of February 2020

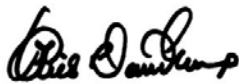
Exhibit 6: September 2021 Rail Trail Utilization Report



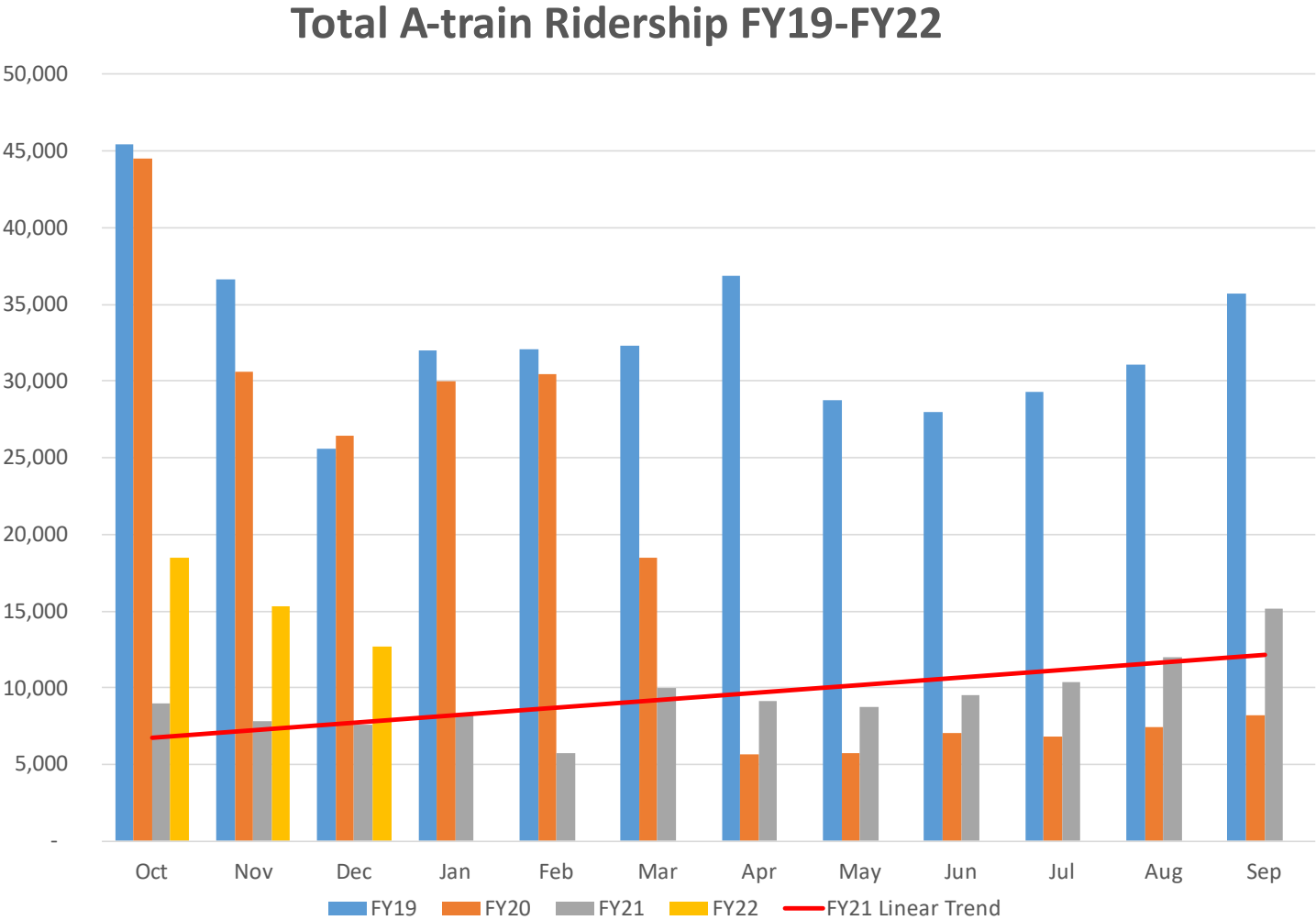
Submitted By: \_\_\_\_\_  
Tim Palermo, Planning & Data Analytics Manager



Final Review: \_\_\_\_\_  
Troy Raley, Senior Director – Mobility Services

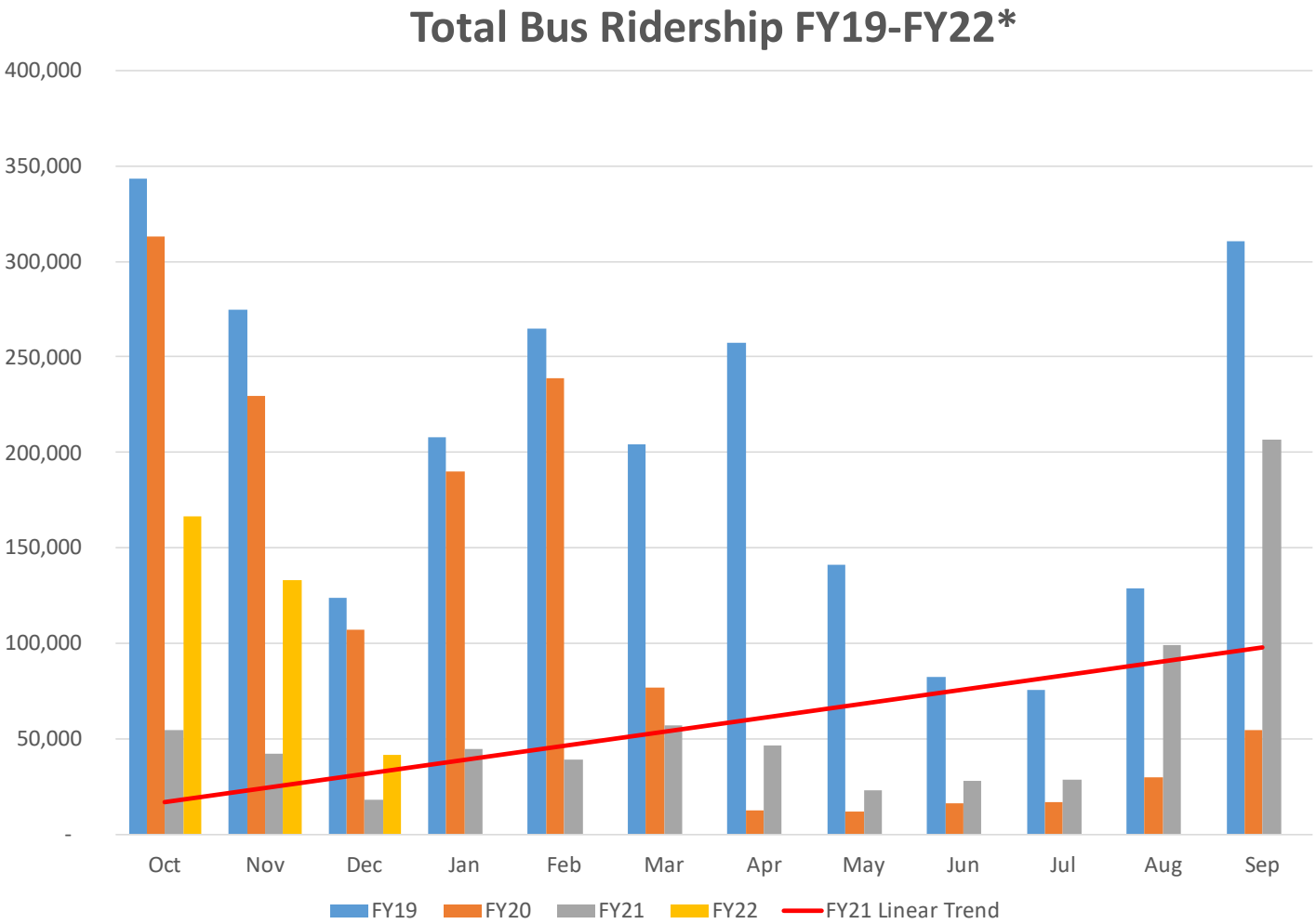


Final Review: \_\_\_\_\_  
Rony Philip Sr. Director – Rail Operations



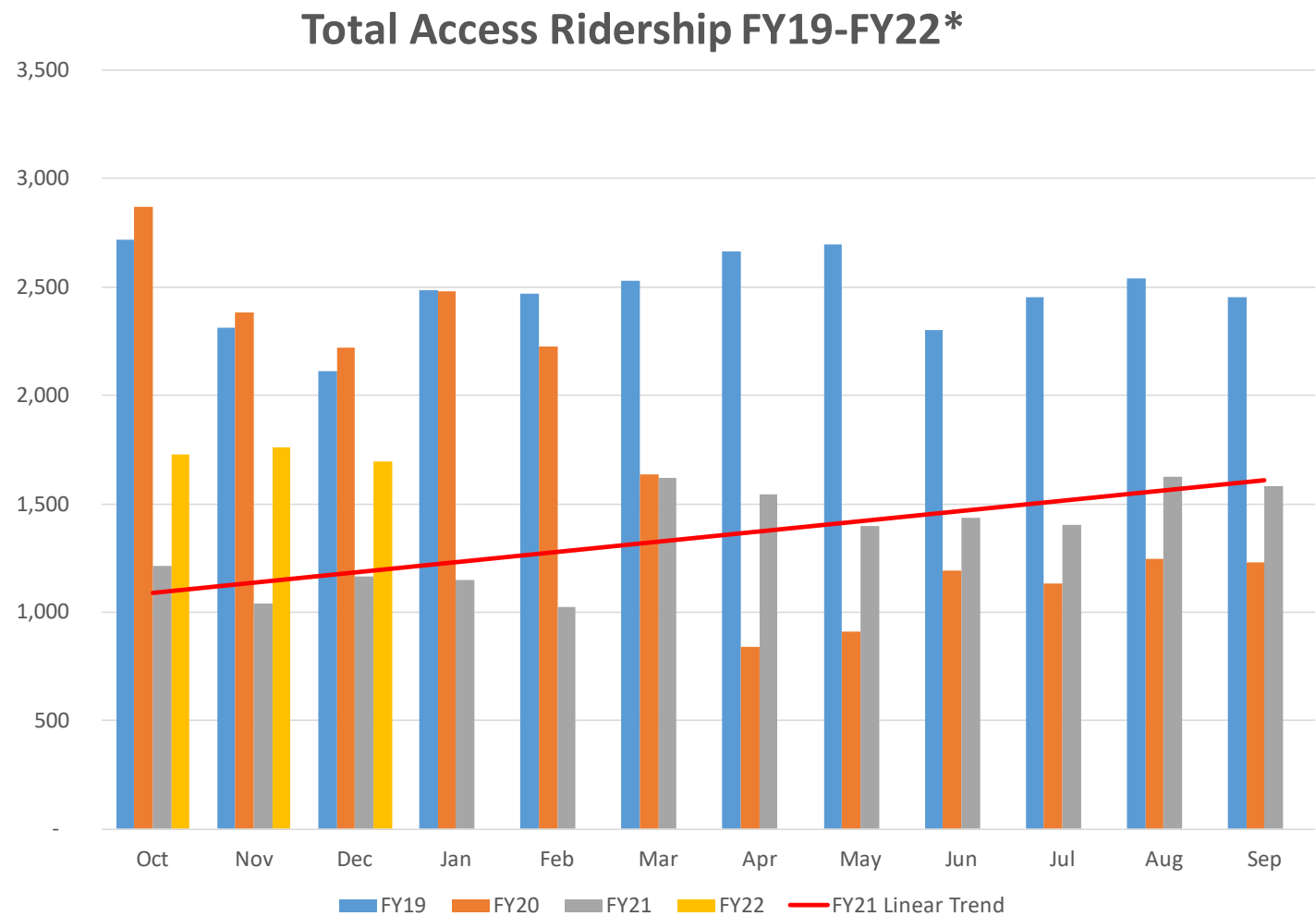


# FY19-FY22 Total Monthly Ridership – Bus



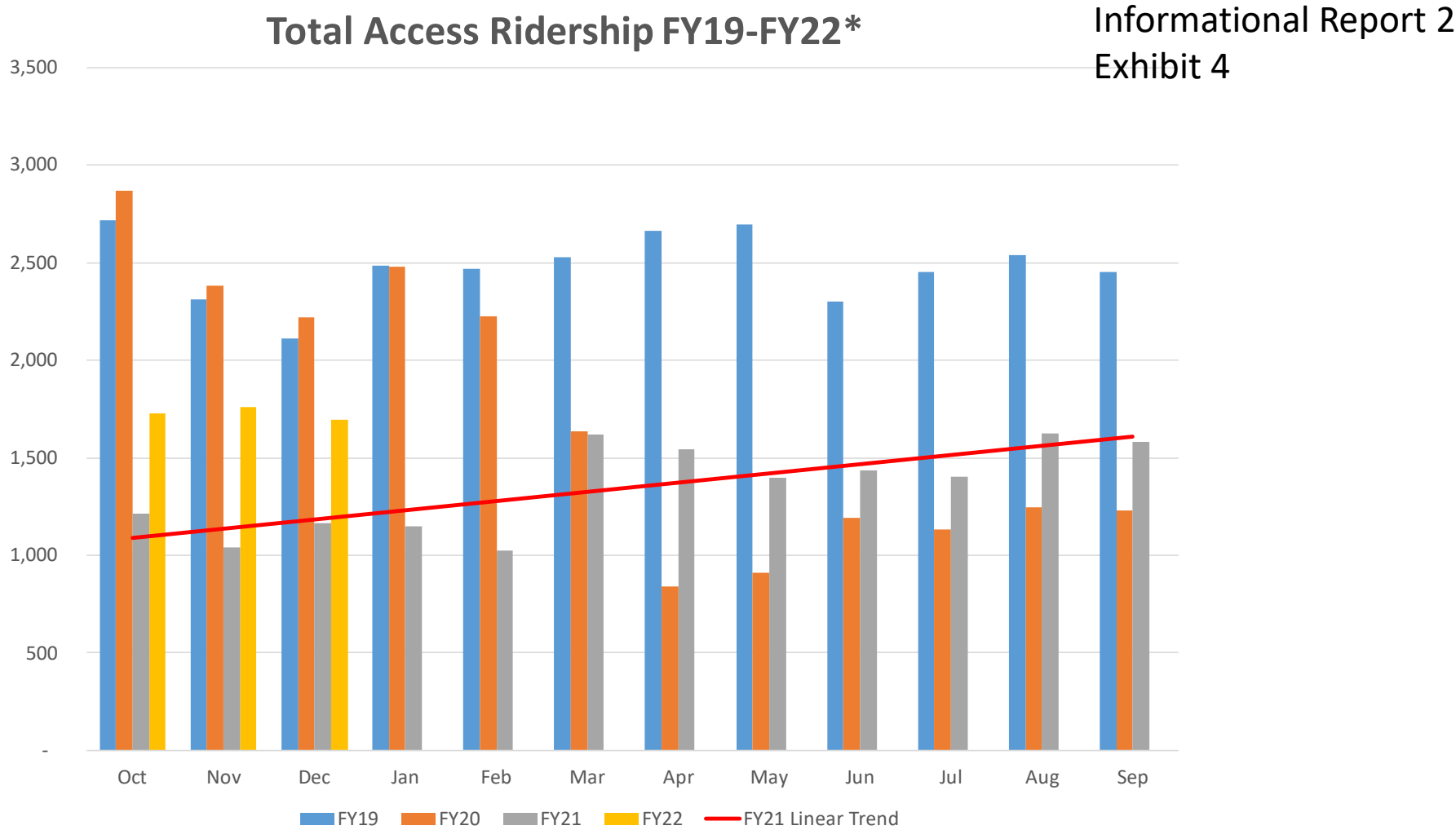
\*UNT, NCTC, Denton, Lewisville, and Highland Village Connect Service

# FY19-FY22 Total Monthly Ridership – Access



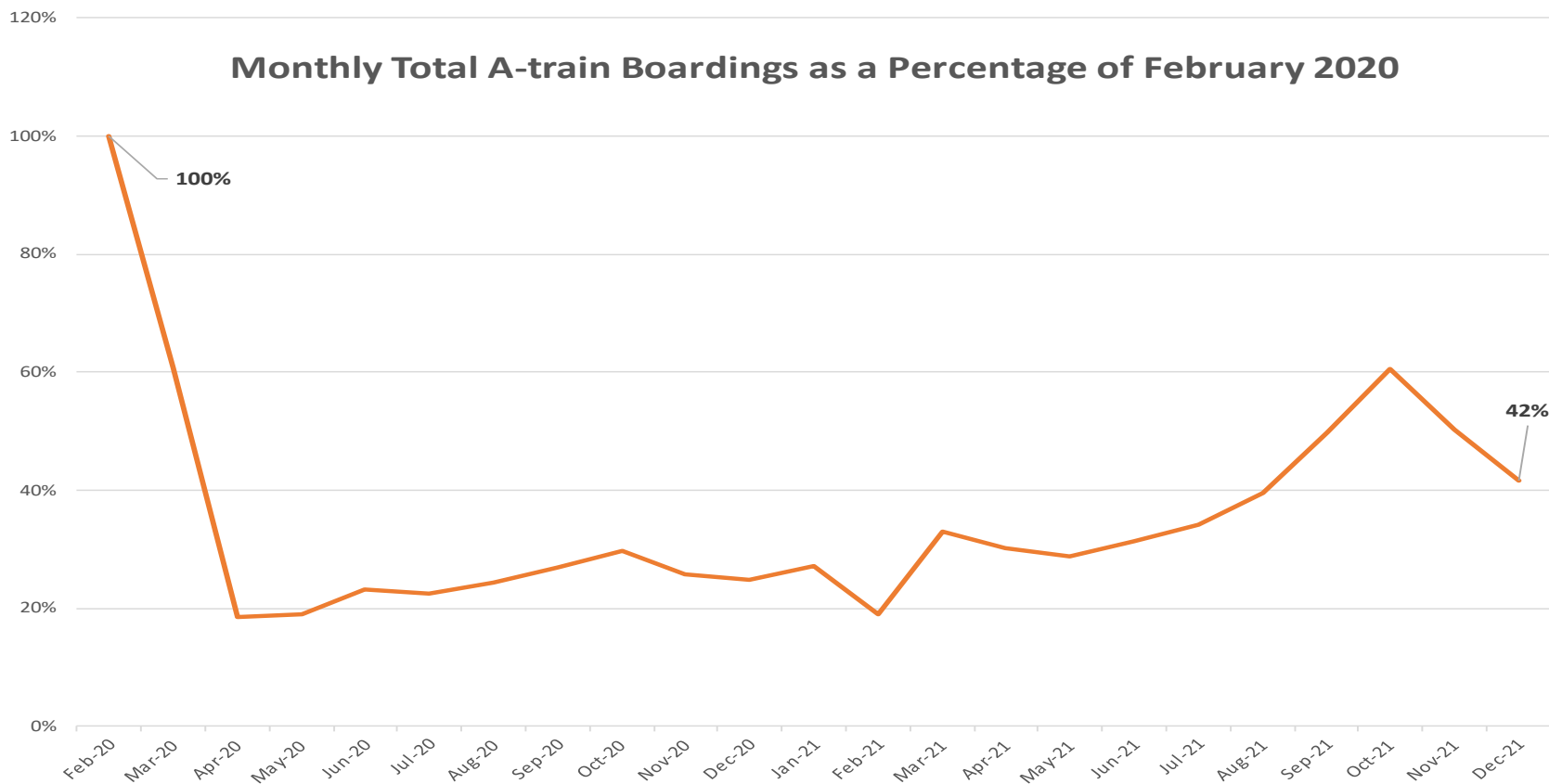
\*ADA & Non-ADA Service in Denton, Lewisville & Highland Village

# FY19-FY22 Total Monthly Ridership – On-Demand



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

# A-train Boardings as a Percentage of February 2020



# Denton County Transportation Authority

DCTA  
November 2021

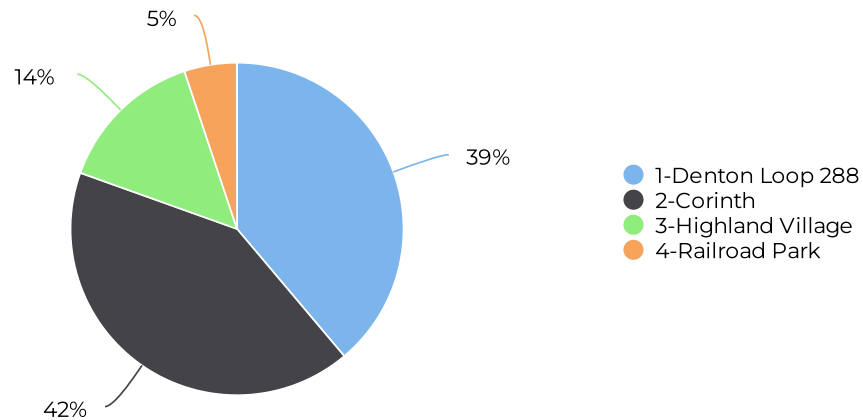


November 1, 2021 → November 30, 2021

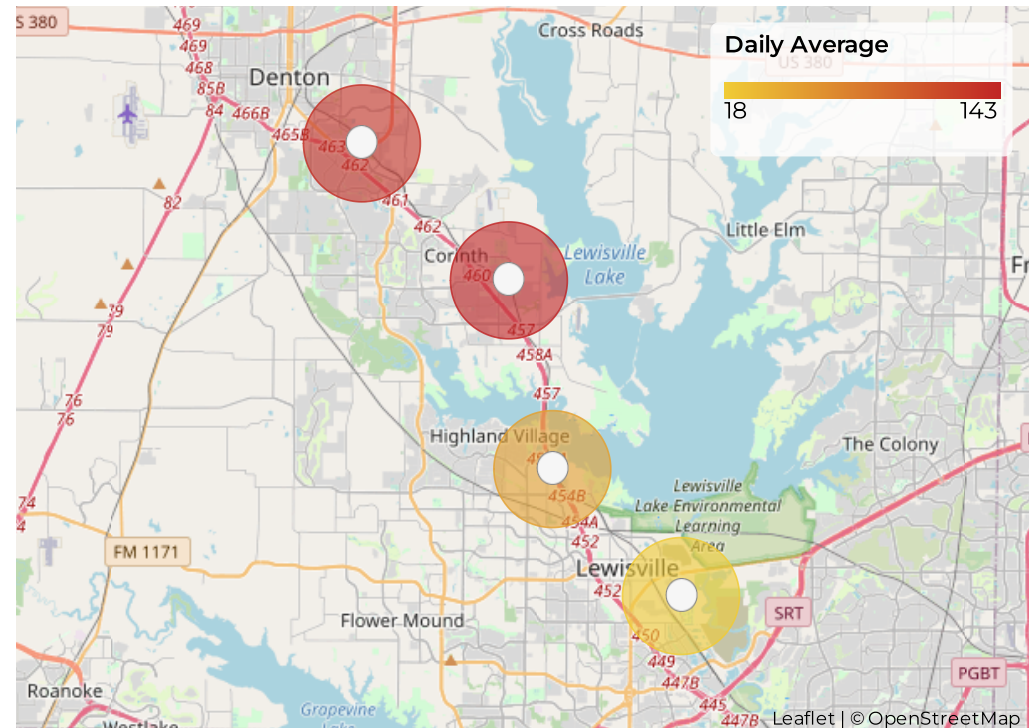
Total  
**10,338**

Peak Day  
Sunday  
Nov 7, 2021  
**580**

### Distribution



### Key Figures Map




Compared to 11/02/2020 → 12/01/2020

November 1, 2021 → November 30, 2021

## Key Figures Summary

Site	Average	Peak Count	Peak Period
2-Corinth	143	275	Sun Nov 7, 2021
1-Denton Loop 288	134	251	Sat Nov 6, 2021
3-Highland Village	50	93	Sun Nov 7, 2021
4-Railroad Park	18	43	Mon Nov 1, 2021

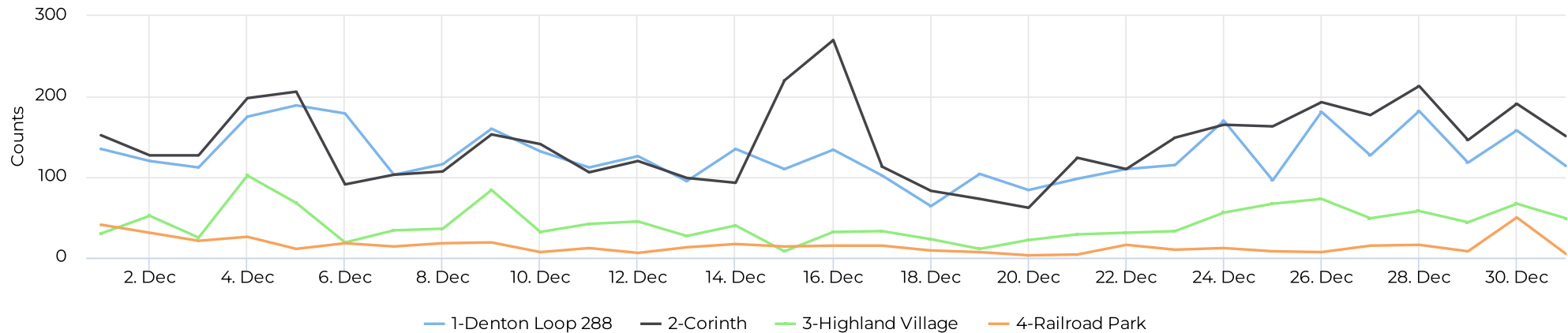
 Compared to 11/02/2020 → 12/01/2020



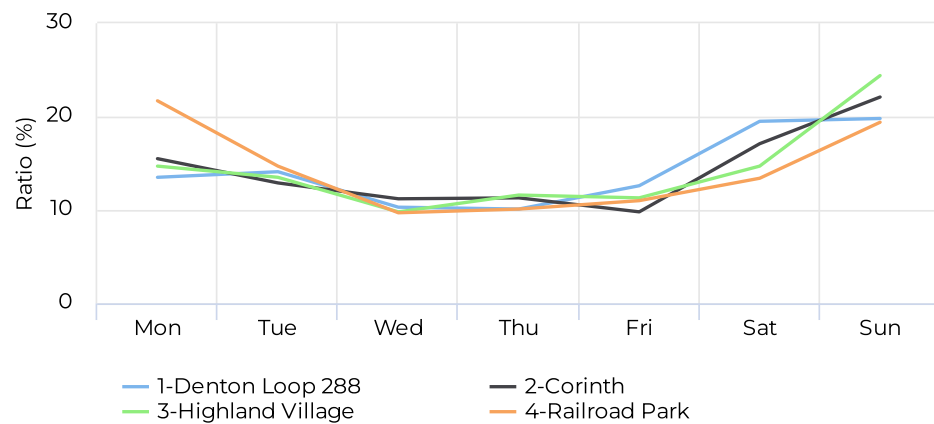
November 1, 2021 → November 30, 2021

### Daily traffic

12/01/2021 → 12/31/2021

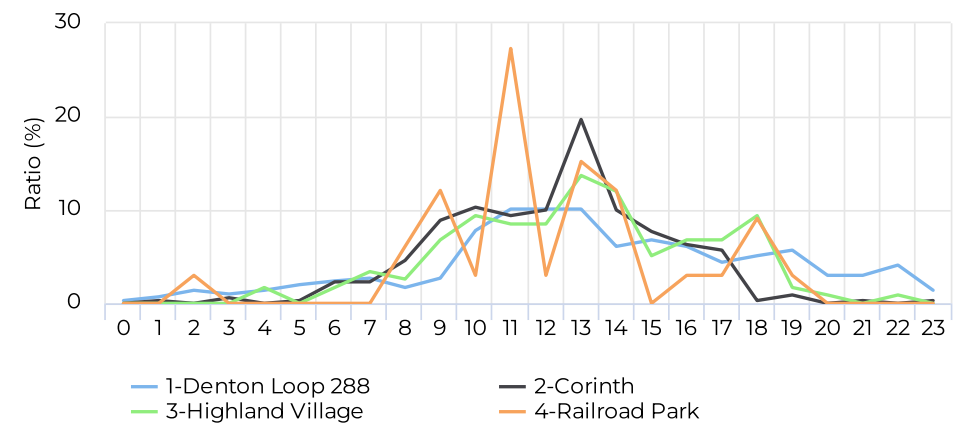


### Daily Profile



### Hourly Profile - Weekend

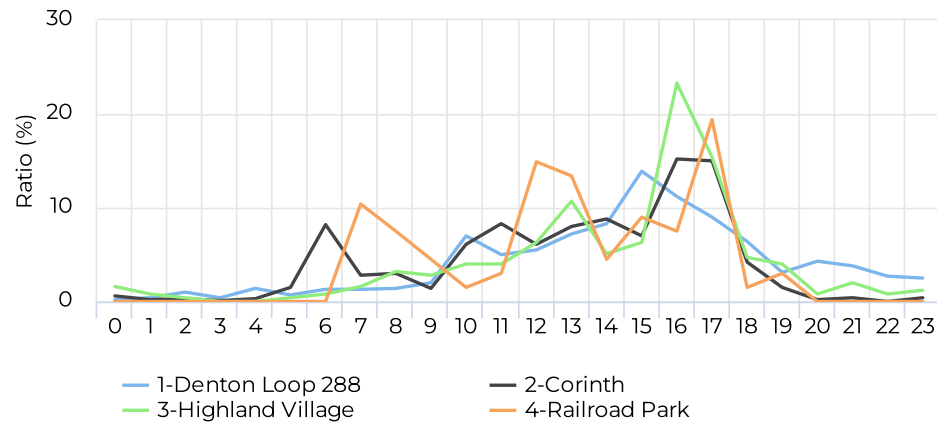
01/01/2022 → 01/13/2022



November 1, 2021 → November 30, 2021

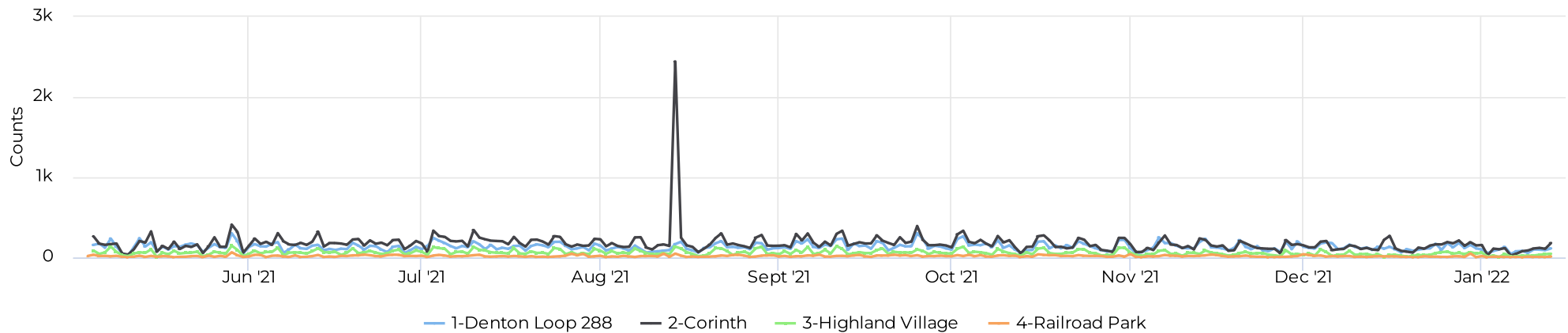
## Hourly Profile - Weekdays

01/01/2022 → 01/13/2022



## Trend to Date

Whole Period



# Denton County Transportation Authority

DCTA  
December 2021

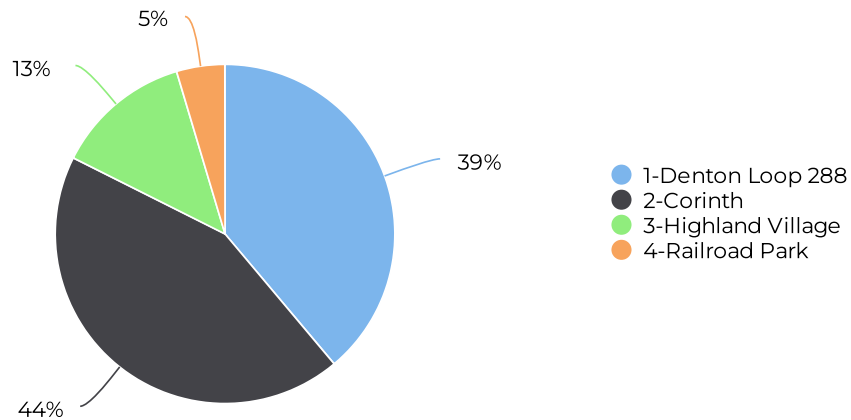


December 1, 2021 → December 31, 2021

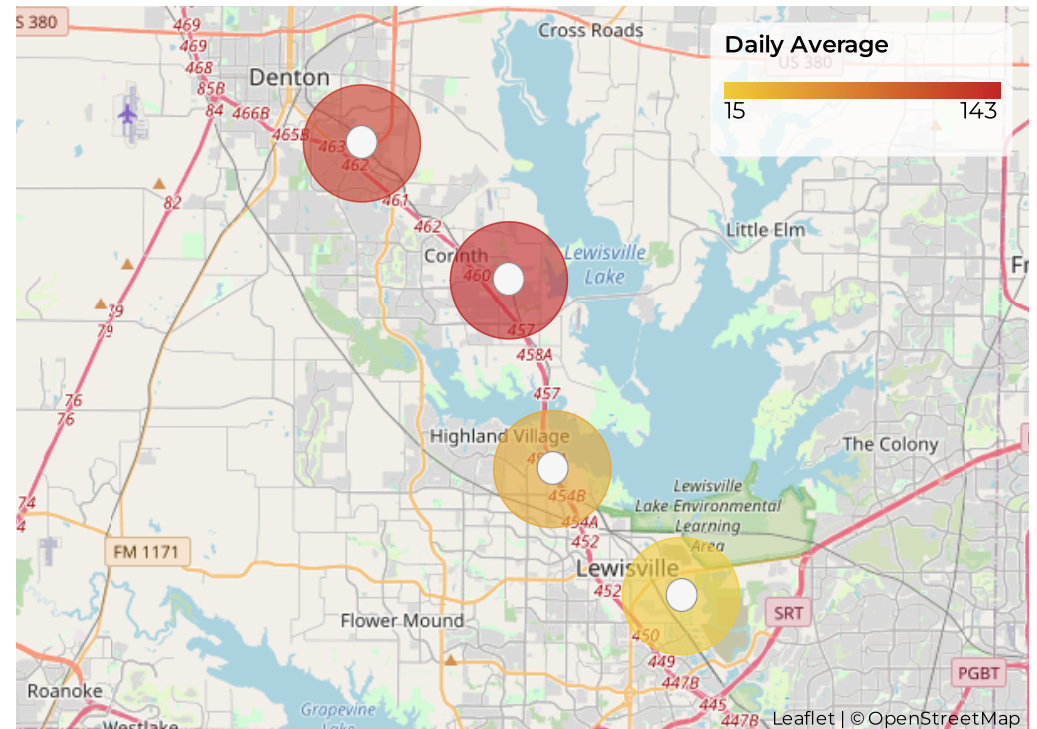
Total  
**10,171**

Peak Day  
Saturday  
Dec 4, 2021  
**501**

### Distribution



### Key Figures Map




Compared to 12/02/2020 → 01/01/2021

December 1, 2021 → December 31, 2021

## Key Figures Summary

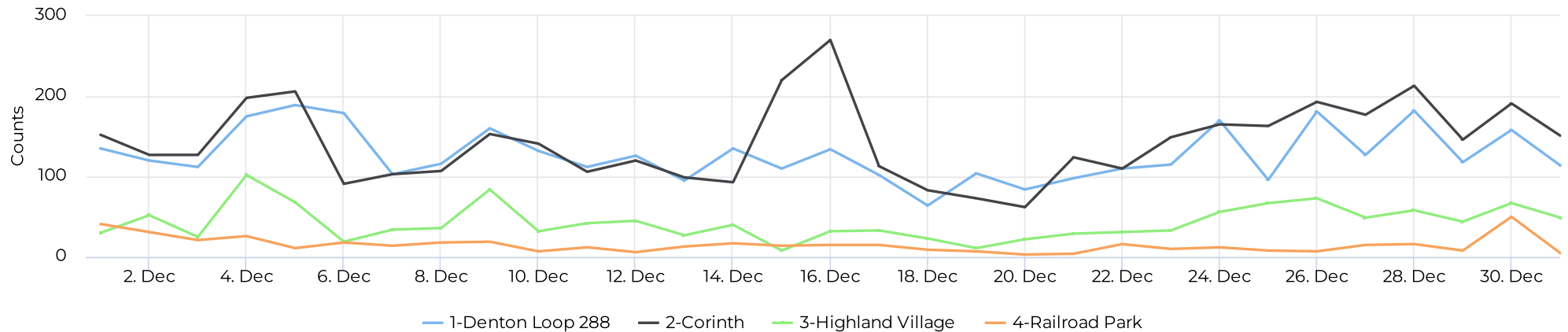
Site	Average	Peak Count	Peak Period
2-Corinth	143	270	Thu Dec 16, 2021
1-Denton Loop 288	128	189	Sun Dec 5, 2021
3-Highland Village	43	102	Sat Dec 4, 2021
4-Railroad Park	15	50	Thu Dec 30, 2021

 Compared to 12/02/2020 → 01/01/2021

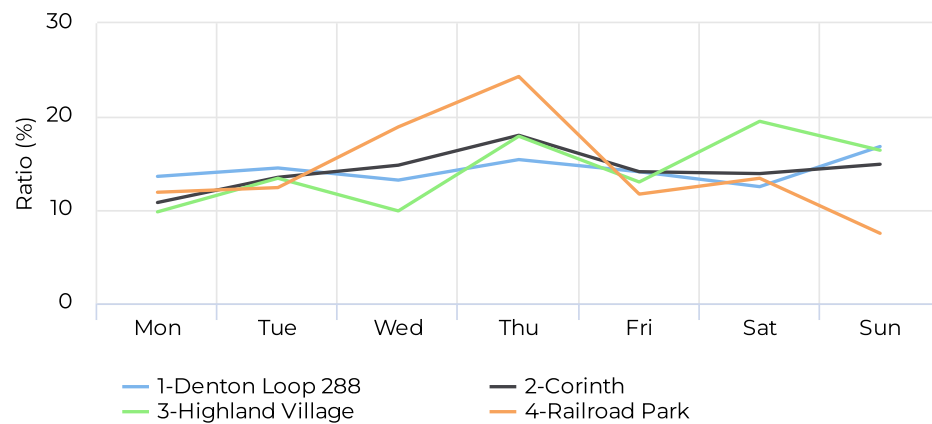
December 1, 2021 → December 31, 2021

### Daily traffic

12/01/2021 → 12/31/2021

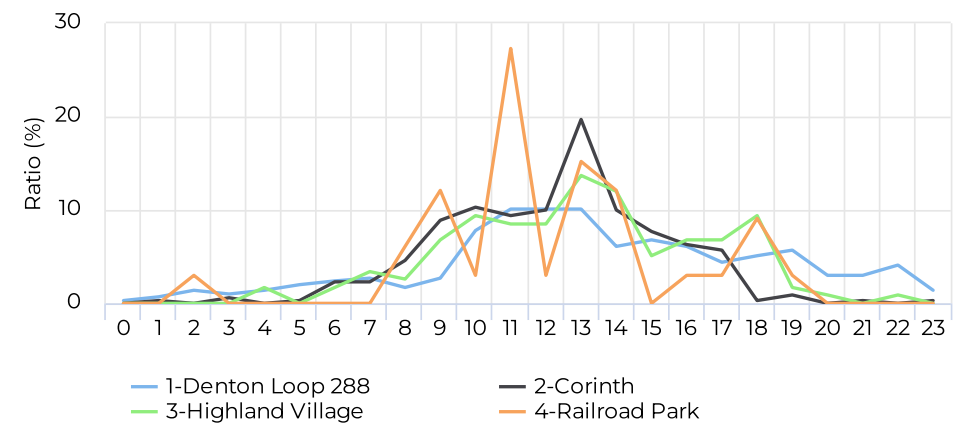


### Daily Profile



### Hourly Profile - Weekend

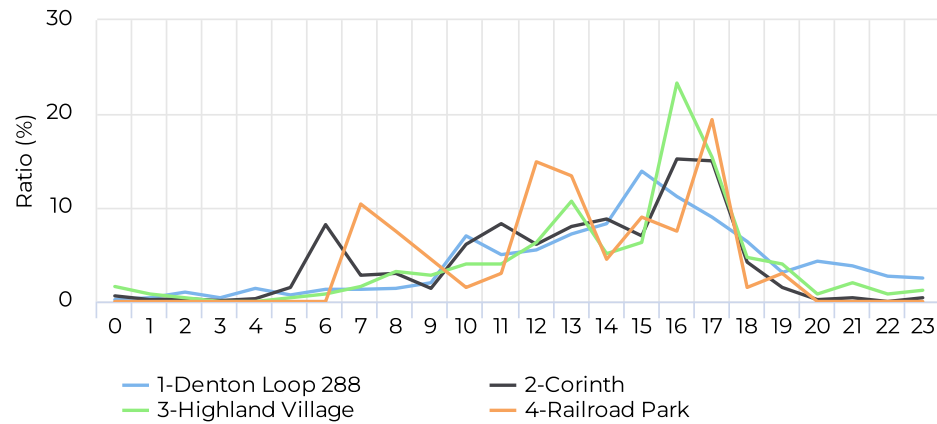
01/01/2022 → 01/13/2022



December 1, 2021 → December 31, 2021

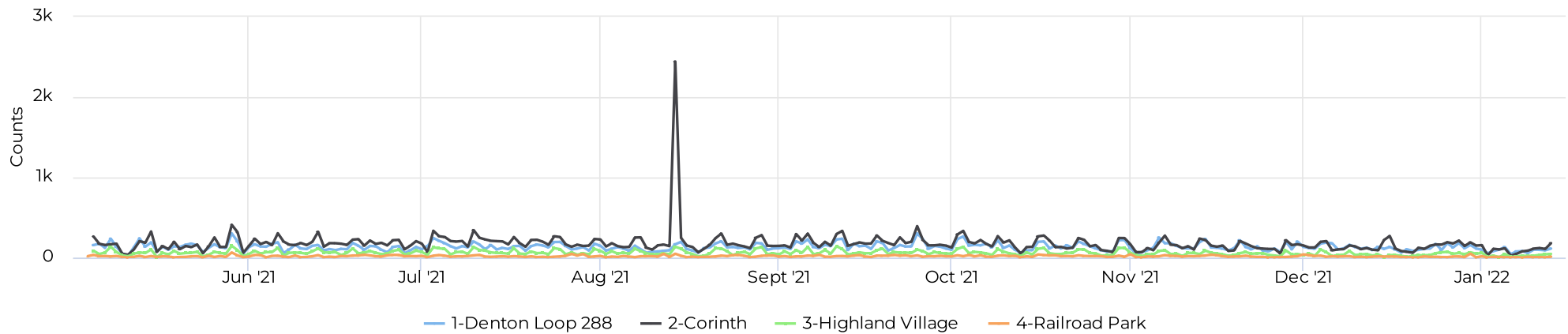
### Hourly Profile - Weekdays

01/01/2022 → 01/13/2022



### Trend to Date

Whole Period





## Board of Directors Memo

January 27, 2022

SUBJECT: Capital Edge Federal Legislative Briefing

### Recommendation

Information item only. No action is required.

### Background

#### Federal Infrastructure Package

The Department of Transportation has started the process of implementing programs funded by the \$1.2 trillion Infrastructure Investment and Jobs Act (IIJA) that was enacted in November 2021. Much of the funding is spread over five years, so in 2022 we will likely see about one-fifth of the funding released, through both competitive programs and formula programs. In some cases, the IIJA law prescribed that a Notice of Funding Opportunity (NOFO) be issued within 60 days of enactment of the bill.

That 60-day deadline came on January 15, and as a result, DOT in January announced a competitive NOFO for the 2022 round of the \$1.5 billion Rebuilding American Infrastructure with Sustainability and Equity (RAISE) discretionary grant program, for which DCTA would be eligible to apply. In addition, DOT also announced state allocations for the Federal Highway Administration's \$27 billion Bridge Formula Program, through which TxDOT will receive \$107 million.

#### "Build Back Better"

Negotiations continue regarding a second infrastructure plan that the Biden Administration refers to as the "Build Back Better" (BBB) initiative. The House approved its version of the BBB just prior to Thanksgiving and the \$2.2 trillion "human" infrastructure initiatives include childcare, Medicare expansion, universal Pre-K, affordable housing construction, and "green" tax incentives.

In the area of public transportation, the BBB in its current form includes:

- \$10 billion over five years for a new joint competitive grant program between the federal Departments of Transportation and Housing and Urban Development to expand transit services near affordable housing.
- A 30 percent federal tax credit toward the purchase of electric buses. Public entities with no tax liability such as DCTA would be eligible for a rebate from the IRS under the proposal.

There is growing concern that the BBB will not be approved by the Senate in its current form and given that the IIJA was already enacted and includes transit funding, the transit items mentioned above may be left out of any final, slimmed down agreement (if there is one) on the BBB.

#### Department of Transportation Budget

Congress has yet to enact a budget for FY 2022 and as a result, DOT and all other federal agencies are operating at their FY 2021 funding levels under what is known as a Continuing Resolution (CR), which Congress enacted to avoid a government shutdown.

The current CR expires on February 18 and Congress is hoping to finalize the budget prior to that date. Completion of a final budget is important to implementation of some aspects of the IIJA. For example, if a final FY 2022 DOT budget cannot be achieved, the increases that the IIJA enacted for federal transit formula programs would not be realized and they would be funded at current FY 2021 levels. This would represent about a \$3 million loss of expected federal formula funds for DCTA.

### Department of Transportation Officials

The Senate earlier this month approved the nomination of Amit Bose as Administrator of the Federal Railroad Administration (FRA), elevating him from his previous post of Deputy Administrator. Bose most recently worked for the architectural and engineering firm HNTB and served in a number of roles at DOT during the Obama Administration. Bose joins Federal Transit Administrator Nuria Fernandez as DOT “modal administrators” heading DOT agencies directly related to DCTA operations.

### Vaccine Mandates

The U.S. Supreme Court this month blocked implementation of the Biden Administration’s vaccine and mask mandates for businesses with more than 100 employees. The majority of justices in the 6-3 decision decided that the 1970 Occupational Safety Health Act, enacted to expand worker protections, did not allow for mandated vaccinations like those proposed by the White House. The Court did uphold the President’s mandate for COVID-19 vaccines and testing for hospital and nursing home employees.

The TSA/CDC face mask requirement for public transportation remains in place through March 18, 2022.

### 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: *Christopher F. Giglio*

Chris Giglio, DCTA Federal Advocate, CapitalEdge



## Board of Directors Memo

January 27, 2022

SUBJECT: Request for Proposals (RFP) 22-01 Commuter Vanpool Program

### Recommendation

This is an informational item only. Staff will bring an action item to the Board in February for consideration of approval.

### Background

DCTA began the Commuter Vanpool Program in 2010 and has grown the program to sixty-five (65) vans traveling throughout Denton County. Current vanpools average approximately ninety-two (92) miles round trip per day. The program requires that commute trips originate in Denton County (Texas) for destinations throughout the DFW metroplex. Commute trips originating in Collin and Wise Counties with destinations within Denton County also qualify for DCTA's Commuter Vanpool Program. Vanpool vehicles range in size from 8 to 15 passengers and operate along routes not currently served by DCTA or other regional transit providers.

The current contract is in place from May 19, 2016 through May 18, 2022. A request for proposal (RFP) was released on January 7, 2022 on Bid Sync for Commuter Vanpool Program Services. The proposals will be evaluated, and staff plans to bring a final recommendation to the Board for formal action during the February 24, 2022 meeting.

### Previous Board Activity & Action

Previous Board approval was in 2016, we awarded the contract May 19, 2016 through May 18, 2022. No Board Activity has taken place for this new contract. There has been no previous Board-level activity on this item.

### Identified Need

The DCTA Commuter Vanpool Program provides Denton County residents and employees with an additional viable alternative to single-occupancy vehicle commuting and operate along routes not currently served by DCTA or other regional transit providers.

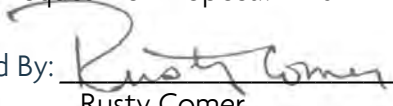
### Financial Impact

The cost for the service is incorporated within the proposed FY2022 Budget. The Commuter Vanpool Program is funded by Transportation Program - Metro Mobility (STP-MM) grant funds, split 35 percent Federal and 65 locally. The local match is paid for by the vanpool participants.

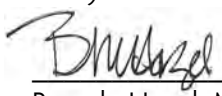
### Exhibits

Exhibit A: Request for Proposal 22-01

Submitted By:

  
Rusty Comer

Final Review:

  
Brandy Hazel, Manager of Contracts & Procurement

## **Solicitation 22-01**

### **Commuter Vanpool Program Services**

#### **Bid Designation: Public**



**Denton County Transportation Authority**

## Bid 22-01 Commuter Vanpool Program Services

Bid Number **22-01**  
Bid Title **Commuter Vanpool Program Services**

Bid Start Date **Jan 7, 2022 5:03:58 PM CST**  
Bid End Date **Feb 3, 2022 4:00:00 PM CST**  
Question &  
Answer End Date **Jan 27, 2022 2:00:00 PM CST**

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

Bid Contact **Brandy Hazel**  
**Manager of Contracts and Procurement**  
**bhazel@dcta.net**

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

Bid Comments **DCTA seeks to continue to operate the Commuter Vanpool Program in partnership with a private vanpool provider. DCTA seeks fixed-rate proposals from qualified firms to provide vehicles and fleet management services for the operation of DCTA's Commuter Vanpool Program. The DCTA Commuter Vanpool Program provides Denton County residents and employees with an additional viable alternative to single-occupancy vehicle commuting. Vanpool vehicles range in size from 8 to 15 passengers and operate along routes not currently served by DCTA or other regional transit providers.**

### Item Response Form

Item **22-01--01-01 - Proposal**

Quantity **1 each**

Prices are not requested for this item.

Delivery Location **Denton County Transportation Authority**  
DCTA - Bus Operations & Maintenance  
1101 Teasley Lane  
Denton TX 76205  
**Qty 1**

#### Description

The proposal, attachment, and form to be uploaded

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Item **22-01--01-02 - Price Proposal**

Quantity **1 each**

Prices are not requested for this item.

Delivery Location **Denton County Transportation Authority**

DCTA - Bus Operations & Maintenance

1101 Teasley Lane

Denton TX 76205

**Qty 1**

**Description**

Price Proposal to be uploaded.



## SOLICITATION OVERVIEW AND ENDORSEMENT

<b>SOLICITATION No./TYPE</b>	22-01		
<b>TITLE</b>	Commuter Vanpool program		
<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>	N/A
<b>QUESTIONS DUE</b>	January 24, 2022 by 11:00 am CST	<b>RESPONSES TO QUESTIONS RELEASED</b>	January 27, 2022 by 2:00 pm CST
<b>DUE DATE/TIME</b>	February 3, 2022 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>1. Prior to the time and date indicated above, it is preferred, that all proposals be received electronically at <a href="http://www.bidsync.com">www.bidsync.com</a></p> <p>2. Prior to the time and date indicated above, proposal packages must be hand-delivered or mailed to Procurement at:</p> <p>DCTA 1955 Lakeway Drive, Suite 260 ATTN: Geri Osinaike SOLICITATION #22-01 Lewisville, Texas 75057</p> <p><b>Proposal packages received after the due time and date shall not be considered and will be returned unopened.</b> All proposals shall be submitted in a sealed package with the company name and RFP number clearly marked on the outside. <u>The price proposal will be sealed in a separate envelope marked with the Price Proposal and the Proposers company name.</u> The clock in the reception area of DCTA is the official time for receipt of bids. 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, commencing on May 19, 2022, through and including May 18, 2025, with the option to renew for three (3) additional one (1) year terms through May 18, 2028 upon mutual agreement of both parties.

### **3. AGENCY BACKGROUND**

About 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. PROGRAM DESCRIPTION**

The Denton County Transportation Authority (DCTA), a county-wide transportation authority and political subdivision of the State of Texas, requests proposals for the operation of a Commuter Vanpool Program in Denton County.

The DCTA Commuter Vanpool Program provides Denton County residents and employees with an additional viable alternative to single-occupancy vehicle commuting. Vanpool vehicles range in size from 8 to 15 passengers and operate along routes not currently served by DCTA or other regional transit providers.

### **5. OBJECTIVES OF THE COMMUTER VANPOOL PROGRAM**

- Provide Cost effective transportation services to commuters who are not in the traditional service area.
- Enhance the effectiveness of Vanpool initiatives in reducing vehicle miles traveled, traffic congestion, and air pollution in Denton County.
- Improve operating efficiencies of acquiring and retaining Vanpool participants.
- Maximize marketplace awareness and potential for Vanpooling initiatives present to area commuters, employers, and sponsors.
- Increase the leverage of available federal and local funds to maximize the long-term potential for Vanpooling in Denton County.
- Expand the range of services provided by DCTA.

### **6. COMMUTER VANPOOL PROGRAM BACKGROUND**

DCTA began the Commuter Vanpool Program in 2010 and has grown the program to sixty-five (65) vans traveling throughout Denton County. Current vanpools average about ninety-two (92) miles round trip commute mileage per day. Commute trips must originate in Denton County (Texas) for destinations throughout the DFW metroplex. Commute trips originating in Collin and Wise Counties with destinations in Denton County also qualify for DCTA's Commuter Vanpool Program.

Fares per rider are currently based on a percentage of the price of the van. Drivers can ride free if the vanpool group so chooses and have two hundred (200) miles for the personal use of the vehicle on evenings and weekends per month. DCTA is not committed to leasing any minimum number of vans. As a public agency, DCTA has tax-exempt status and is not subject to state, federal, or local taxes associated with the lease of vehicles.

**7. SCOPE OF SERVICES**

DCTA seeks to continue to operate the Commuter Vanpool Program in partnership with a private vanpool provider. DCTA seeks fixed-rate proposals from qualified firms to provide vehicles and fleet management services for the operation of DCTA's Commuter Vanpool Program.

**8. OWNERSHIP AND OPERATION OF VANPOOL FLEET**

DCTA does not wish to own, maintain, license, or insure vanpool vehicles. Proposers shall describe their capabilities to own, operate and support the van fleet for DCTA's Commuter Vanpool Program.

- 8.1 Proposers shall specifically address how the administration and costs of the items below will be handled.
1. Vehicle provision for sourcing and inventory
  2. Vehicle delivery to vanpoolers
  3. Registration and licensing
  4. Title fees
  5. Insurance
  6. Maintenance
  7. Vans taken out of service
- 8.2 Proposers shall describe their capabilities to provide operational and vehicle support services for DCTA Commuter Vanpool Program, including but not limited to:
1. Ability to guarantee the availability of current year, make, and model vehicles as demand increases or as needs arise for backup vehicles. Provide vans in a uniform color acceptable to DCTA.
  2. Manage printing and application of DCTA graphics on each new vehicle that is placed into service and replace any damaged graphics with a turnaround time designed to meet operational services. Proposers should specifically address how the costs of this would be covered.
  3. Provide vans equipped with running boards and reading lights for passenger convenience.
  4. Provide vans accommodating 8 and 15 passengers, including the make and model for each size of the van.
  5. Provide all vanpool shuttle services including, but not limited to, shuttles maintenance, vehicle switch-outs, switch-outs due to crashes/disabled vehicles, delivery to new drivers, and pick up of vans when a vanpool group has disbanded. Proposer and DCTA project manager may adjust turn around schedule and number of backup vehicles as needed.
  6. Previous experience with this type of program with other transportation authorities and/with a minimum of two or more years' experience is preferred.
  7. Proof of vehicle registration, licensing, title and insurance.
  8. Ability of the Proposer to provide DCTA with a vehicle\vanpool van at no additional charge to DCTA.

9. Indicate ability to provide wheelchair accessible vans, other ADA equipment for vans and the lead time for securing ADA accessible vans.

## **9. MAINTENANCE AND REPAIR OF VANS**

### **9.1 Proposers shall describe**

1. How they will ensure that the vanpool fleet is reliable and well-maintained. Proposers shall specifically address how maintenance and repairs will be scheduled and managed, how costs will be covered, and who will be responsible for taking vehicles in for maintenance and repair.
2. Who will provide maintenance and where the maintenance facilities will be located?
3. How emergency calls and/or repairs would be handled during the week, holidays and weekends.
4. How maintenance and repairs would impact vanpoolers. For example, would minor repairs such as windshield replacement be done where the van is parked? Would the contractor shuttle the vans to and from the site? Would the driver be required to take vehicles to a repair facility and, if so, would a loaner van be available when needed during repair or maintenance work?
5. Policies and schedule for replacing vehicles / life cycle. No van operating should be in excess of 100,000 miles or four years old, whichever comes first.
6. How any factory recall would be handled.
7. Indicate how maintenance records and receipts by van will be kept and reported to DCTA.
8. Address the policies for replacing vehicles (both temporarily and permanently).
9. Indicate the ability to provide a replacement van with seating capacity to accommodate all current participants of the vanpool within 45 minutes of notification by DCTA or the vanpool captain, in case of an emergency.
10. Address how any towing service will be handled when necessary and how the cost will be covered and by who. Indicate ability to provide 24-hour, 7-day/week emergency and towing assistance. This should include repair of flat tires, gas delivery, battery jumps, and lock-out services.

## **10. INSURANCE COVERAGE FOR PROPOSERS' VEHICLES**

### **10.1 Proposers shall**

1. Indicate how the cost of insurance will be charged to vanpoolers.
2. Indicate the type of coverage available and the amount of coverage. Insurance should be full coverage for vanpool vehicles and commuter groups and should include but not be limited to:
  - a. Automotive Liability (Preferred minimum of \$1,000,000 and \$1,500,000 for 15 passenger vehicles)
  - b. Uninsured Motorist – minimum statutory limits for the State of Texas
  - c. Collision Coverage
  - d. Comprehensive Coverage
3. Provide an estimate of the costs to vanpoolers for insurance described above.
4. Describe how insurance claims and repairs will be managed and who will be responsible for the administration of claims and repairs.

## **11. RECRUITMENT, USER AND ADMINISTRATIVE SERVICES**

### **11.1 Proposers shall describe**

1. Capability to provide matching and coordination services to fill seats in established vans or to match potential vanpoolers to a new van. Indicate lead time for placing a new vanpool group in a van.
2. How your matching software will work in conjunction with North Texas Central Texas Council of Governments NCTCOG's Try Parking It rideshare site. [www.tryparkingit.com](http://www.tryparkingit.com)
3. Ability to provide experienced and trained personnel who are knowledgeable of the DCTA program and dedicated exclusively to providing administrative support to the DCTA Commuter Vanpool Program.
4. Ability to provide DCTA with ongoing vanpool marketing support. Describe the marketing support your firm will provide. Describe how your firm's marketing staff will work jointly with DCTA staff.
5. Ability to conduct meetings to allow Commuter Vanpool Program participants to form groups, participate in promotional events, fairs, and other activities to promote the expansion of the Commuter Vanpool Program. Describe what your firm will do.
6. Promotions or incentives that Proposer shall conduct or provide to expand the Commuter Vanpool Program at no cost to DCTA.
7. Ability to provide recruitment and screening services, perform driving record checks, and other background screening.
8. Capability to be the primary point of contact for prospective and established vanpoolers in the implementation of the driver selection and orientation program.
9. Vanpool group formation and the process of selecting drivers.
10. Driver and vanpoolers\rider responsibilities regarding fare payment and collection, vehicle care, and reporting.
11. How revocation or suspension of driver privileges will be handled if problems arise.
12. How customer service needs of established vanpoolers will be administered, and who will be the primary point of contact regarding customer service.
13. How administrative services will be performed, by paper, online or electronic forms. Describe the Proposer's capability to process driver and passenger forms, obtain driving records, credit checks where necessary. Forms required include vanpool application forms, volunteer driver agreement forms, accident report forms, reimbursement forms, and all other forms and documents necessary for the administration of the program.
14. Period of notice required for a driver or passenger to start the Commuter Vanpool Program or leave the program. Describe the process for placing new riders into existing vans. This period should not exceed 30 days in any of these cases.
15. How driver safety training will be conducted. Will a videotape, class, or online driver orientation be provided? Will this be required annually? Is this available as needed if driver complaints arise.

16. Training and information for vanpool drivers and passengers on the rules and operations of the vehicles that could be provided. This should be available in English, Spanish, and any additional languages to meet DCTA's Limited English Proficiency (LEP) obligations. See Attachment H DCTA Limited English Proficiency Plan or the website <https://www.dcta.net/about-dcta/projects-reports/limited-english-proficiency-plan> for the LEP obligations.
  17. Availability of staff contacts, both primary and a backup. Local staff coverage is expected at a minimum between 7 a.m. and 6 p.m. Central Time, Monday through Friday. The Proposer will provide cell phone, office phone, and email to DCTA project manager before the start of services and will update as needed.
  18. Availability of a toll-free number and/or website for use by vanpool participants and potential participants for administrative matters.
- 11.2 Describe contractor's ability to provide screening services, perform driving records checks and credit checks to Vanpool Captains/drivers, and driving record checks to alternates at a minimum of every three years to ensure that each vanpool captain and alternate co-captain meets the following minimums:
1. Must be at least 25 years of age.
  2. Must have five years of uninterrupted license driving experience.
  3. Must maintain a valid Texas driver's license.
  4. Must have; no at-fault accidents, no outstanding warrants for unresolved driving issues, and no more than one moving violation within the previous three years.
  5. Must not have any DWI/DUI or related convictions.
  6. Must never have been convicted of a felony.
  7. Must not have any health-related driving restrictions.

## **12. COVID-19 PROTOCOLS**

Proposer shall provide an outline of the procedures and practices provided to vanpool participants regarding the use of face coverings and personal protective equipment to reduce the likelihood that vanpool participants contract or spread the novel coronavirus that causes COVID-19. These procedures and practices shall be consistent with all applicable guidance and information provided by the Centers for Disease Control and Prevention (CDC) and the Federal Transit Administration (FTA).

## **13. CUSTOMER SERVICE**

When Proposer's performance fails to meet the expectations of passengers, DCTA will oversee and implement a process for working with passengers to reach a positive resolution. Typically, inquiries and complaints will come through DCTA within one (1) business day of the incident being reported. However, complaints may come from a variety of sources including DCTA staff or from the public directly. Throughout this process, the Proposer shall engage the complainant in a professional, constructive, and collaborative manner in order to reach a positive resolution.

- 13.1 Proposer shall design operating policies and practices around the following requirements intended to ensure passengers receive timely responses to their inquiries:
1. Preliminary Contact - Within one (1) business day of receiving the complaint from DCTA, Proposer may be required to contact the individual(s) and let him/her know that the Proposer has received and is investigating the complaint and will be working to resolve the specific and fundamental issues involved.

13.2 Final Contact - Communication to the passenger of formal responses, results of investigations, or action taken will be made to complainants in no more than five (5) business days. DCTA will be kept aware of the status of all complaints received through the regular updating of a complaint's resolution report. Proposer shall also conform to the following requirements:

1. Proposer will coordinate all inquiries or complaints received from individuals. DCTA will be kept aware of the status of all complaints received through the completion of a complaint log (see Attachment A Requested Logs). At a minimum, the log shall contain basic information about the complainant, day/time/route information, the issue, communications, status, and information on action taken/resolution.
2. When Proposer is contacted directly by passengers outside the DCTA process, Proposer shall be required to receive and respond to passenger/resident complaints in the same manner stipulated above but must also forward the information to DCTA for inclusion in the customer contact database. At any time, DCTA may direct Proposer to give priority to a certain complaint or type of complaint.

#### **14. GUARANTEED/EMERGENCY RIDE HOME PROGRAM**

Describe contractor's ability to provide and administer a Guaranteed/Emergency Ride Home (GRH) Program providing for the reimbursement of user's emergency transportation costs. Eligible uses for vanpoolers include, but are not limited to, unexpected overtime at a supervisor's request, personal or family illness or emergency, and unexpected departure of the vanpool.

The Guaranteed/Emergency Ride Home Program shall follow the guidelines outlined below:

##### **14.1 Eligibility**

1. Customer must be an active full-time member of DCTA's vanpool.
2. Customer must have utilized the DCTA Vanpool the day of the request.

##### **14.2 Level of Service Available**

1. DCTA vanpool participants may utilize the GRH Program during scheduled workdays at times which the van is not scheduled to operate.
2. Each customer may use the GRH Program up to four (4) times in a 12-month period.
3. DCTA will reimburse up to \$50 for each use.

##### **14.3 Usage of Guaranteed Ride Home**

1. Personal illness during normal work hours
2. Family emergency during normal work hours
3. Unscheduled, employer mandated overtime

##### **14.4 Guaranteed Ride Home Restrictions**

1. Getting to work
2. Traveling between worksites
3. Scheduled meetings or doctor's appointments
4. Trips to the hospital in place of ambulance service
5. Weather, including snow or act of nature
6. Any other non-emergency trip during normal work hours

#### **15. FINANCIAL ADMINISTRATION AND BILLING**

All costs of operating and maintaining the Commuter Vanpool Program must be covered by fare revenue and predetermined subsidies per vehicle.

DCTA will provide no other funding for the Commuter Vanpool Program. The exact amount of the fare subsidy, if any at all, is defined annually by mutual agreement between the (NCTCOG) and DCTA. DCTA does not guarantee that any fare subsidies will be provided, and subsidies may be terminated or reduced at any time.

DCTA will not be responsible for collecting fares or covering the cost of any uncollected fares. DCTA will not be responsible for any costs associated with operating or maintaining the Commuter Vanpool Program.

15.1 Proposers shall describe

1. Process for accepting, recording, and tracking vanpooler fare payments.
2. The billing schedule established vanpoolers and new vanpoolers.
3. The schedule for invoicing DCTA for fare subsidies.
4. Capability of the contractor to provide financial management, record keeping, accounting, and reporting of the status of payments of vanpool participants, as well as the status of any collection efforts.
5. Capability of the contractor to support an automatic payment system for vanpool participants.

**16. DATA COLLECTION AND REPORTING**

16.1 Proposers shall describe

1. Ability to maintain a current database on all vans, drivers, and passengers, including
  - a. Current vans in operation
  - b. Current van drivers and passengers
  - c. Contact information for all passengers and drivers
  - d. Origination and destination locations for each van
  - e. Number of riders for each van
  - f. Number of empty seats for each van
  - g. Number of commuter days per month
  - h. Daily round trip miles
  - i. Daily passenger count
2. Ability to provide DCTA with a list of all active vanpools that includes the origin and destination of the vanpool, the number of riders and empty seats, the daily round trip miles, number of commute days per month, the primary driver's name and email address, and the names and email addresses of all vanpool passengers. This report must be provided to DCTA at no additional expense, on a monthly basis. Proposer shall provide all reports as needed based on the reporting cycle, to be determined by the DCTA project manager.
3. Ability to provide a monthly fleet activity report that lists all vanpool starts (by van ID number and driver), vanpool terminations (by van ID number and driver), driver switches (by van ID number and driver), van switches (by van ID number and driver) and lists all vans that are out of service (by van ID number). The report should also provide a summary that shows the total number of vans in service, the total number of vans out of service, the total number of vans in the fleet, total number of active riders, total seating capacity of the active fleet, and capacity utilization as a percent of total seating capacity. Finally, the report must summarize all administrative and sales activities for the month. The report must be provided to DCTA at no additional expense.



4. Capability to provide sampled data reports or other information for monthly analysis and reporting to the DCTA Board, National Transit Database (NTD), FTA, and (NCTCOG).
- 16.2 Capability to provide status updates on the groups in the program on a monthly basis including, but not limited to, additions or removal of a group, a change in van size, or a change in vanpool captain.
- 16.3 Proposer shall demonstrate their capability to collect, validate, document, summarize and provide NTD data from riders and other sources as necessary to meet NTD monthly and annual reporting requirements. These reports may include route, vehicle and ridership data, cost data, service and schedule data, financial data, and any other data that may be required for NTD or by DCTA to support NTD reporting. Contractor shall utilize processes for gathering and documenting data required for NTD on a continuous basis.
- 16.4 Proposer shall demonstrate their capability to provide reporting. Contractor is responsible for remaining up to date on the FTA's NTD reporting requirements. For example, FTA grantees have three options for reporting passenger mile data, two of which involve sampling and one a 100% count. The current version of FTA Circular 2710.1A describes both the sampling procedures and the 100% count, and a process for ensuring that any samples are randomly selected and meet sample size requirements.

The data required includes but is not limited to

1. Maximum number of vehicles in service
2. Maximum number of vehicles available for service
3. Revenue Miles
4. Revenue Hours
5. Total Miles
6. Fuel Consumption by Type
7. Major Mechanical Systems Failures
8. Minor Mechanical Systems Failures
9. Provide status updates on the vanpool groups monthly (see Attachment G Current Vanpool Group
10. The NTD definitions of these data elements are provided online at: <https://www.transit.dot.gov/ntd/national-transit-database-ntd-glossary>.

## **17. SERVICE CONTINUITY**

- 17.1 The Proposer should recognize that the services under this Agreement are vital to DCTA and therefore must be continued without interruption. As such, upon the expiration of this, or any other related agreement, a successor, another Proposer, or DCTA may continue to provide these services.
- 17.2 Proposer agrees to cooperate in effecting an orderly and efficient transition to a successor. Proposer should, upon DCTA's written notice:
  1. Furnish phase-in, phase-out services for up to 60 days after this Agreement expires.

2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required to ensure a smooth transition and continuity of services.

- a. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan and shall be subject to DCTA's approval.

17.3 Proposer shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this agreement are maintained at the required level of proficiency.

The current contract for the commuter Commuter Vanpool Program will expire on May 18, 2022.

## **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 in compliance with Texas Government Code 2251.030.

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 will 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. PROHIBITION OF BOYCOTT ENERGY COMPANIES**

Professional (Contractor) verifies that it does not Boycott Energy Companies and agrees that during the term of this Agreement will not Boycott Energy Companies as that term is defined in Texas Government Code Section 809.001, as amended. This section does not apply if Professional (or Contractor) is a sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) Professional (or Contractor) has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Agreement.



**20. PROHIBITION OF DISCRIMINATION AGAINST FIREARM ENTITIES AND FIREARM TRADE ASSOCIATIONS.**

Professional (Contractor) verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (ii) will not discriminate during the term of the contract against a firearm entity or firearm trade association. This section only applies if: (i) Professional (or Contractor) has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Agreement; and does not apply: (i) if Professional (or Contractor) is a sole proprietor, a non-profit entity, or a governmental entity; (ii) to a contract with a sole-source provider; or (iii) to a contract for which none of the bids from a company were able to provide the required certification.

**21. 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.

**22. 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.

**23. 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.

**24. 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.

**25. 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.

**26. 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.

**27. INSPECTION OF WORK**

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

**28. 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.

**29. 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.

**30. 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.

**31. MAINTENANCE OF RECORDS**

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

**32. 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.

**33. 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.

**34. 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.

**35. 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.

**36. 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.

**37. 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.

**38. 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.

**39. 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, subcontracts and sub-recipients.

**40. 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.

**41. 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>

**42. 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

#### **43. 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.

#### **44. 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.

#### **45. 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.

#### **46. 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.

#### **47. 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

### RFP 22-01

Vendors 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. Bidders 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 bidder'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 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.

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
  - Up to 8 passengers .....1,000,000
  - 15 passengers .....1,500,000

#### 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

#### ADDITIONAL INSURED:

The Commercial General Liability and Business Automobile Liability policies shall 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 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. For policies dedicated to a specific project or with a separate aggregate limit for a specific project, 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. 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.

Certificate Holder  
Denton County Transportation Authority  
PO Box 96  
Lewisville TX 75067

**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.

## DISADVANTAGED BUSINESS ENTERPRISE PROVISIONS

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### I. Bidder/Proposer Information

**Policy Statement:** It is the policy of Denton County Transportation Authority and the Department of Transportation with respect to DOT-assisted contracts that Disadvantaged Business Enterprises as defined in 49 CFR Part 26 shall have the maximum opportunity to participate in the performance of DCTA contracts. DCTA also encourages the use of small business enterprises in performance on all contracts.

To attain these policy objectives, DCTA's overall agency goal for DBE participation is 10 % of federally funded contract amounts.

**DBE Obligation:** DCTA and its contractors agree to ensure that DBEs as defined in 49 CFR Part 26 have the maximum opportunity to participate in the performance of contracts and subcontracts awarded by DCTA. In this regard, DCTA and its contractors shall take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that DBEs have the maximum opportunity to compete for and perform contracts. DCTA and its contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of DCTA contracts, including DOT-assisted contracts.

"Disadvantaged Business Enterprise (DBE)" means a for-profit small business concern which (a) is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged, or, in the case of any publicly owned business in which 51 percent of the stock is owned by one or more such individuals, (b) whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it, and (c) is a small business concern as defined by the U.S. Small Business Administration (SBA).

DCTA shall make a refutable presumption that individuals in the following groups are socially and economically disadvantaged. DCTA may also determine, on a case-by-case basis, that individuals who are not a member of one of the following groups are DBEs:

1. Black Americans
2. Hispanic Americans
3. Native Americans
4. Asian-Pacific Americans
5. Subcontinent Asian Americans
6. Women, regardless of race, ethnicity, or origin

**Failure to achieve DBE contract goals.** If the contractor fails to achieve the minimum goal established in the contract at the time the contract is awarded or later modified, the contract payments may be reduced as a liquidated damage, and not as a penalty, by the amount equal to the mathematical dollar difference between the total contract amount multiplied by the DBE percentage goal and the actual dollar



amount of documented DBE participation in the contract. However, any authorized adjustment in the percentage of DBE participation approved by DCTA may be substituted in this formula for the DBE percentage goal as originally established.

**Breach of Contract.** All sub recipients, subcontractors, or contractors are advised that failure to carry out the requirements set forth in the Program shall constitute a breach of contract, and, after DOT is notified (on DOT-assisted agreements and/or contracts), may result in termination by DCTA of the agreement or contract, debarment, and/or such other remedy as DCTA deems appropriate.

DCTA has a written document that fully describes its DBE policy and program. The document is available upon request at the following address:

Athena Forrester, CPPO, CPPB  
DCTA DBE Liaison Officer  
1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75057

## II. Compliance Requirements

Compliance with the DBE Policy and Program is essential in order for a Bidder/Proposer to be eligible to enter into a contract with DCTA. Compliance consists of:

- a. Meeting or exceeding the DCTA DBE percentage participation goals established for this solicitation; or
- b. Demonstrating "Good Faith Efforts" to meet such participation goals; or
- c. Demonstrating that the solicitation comes within the exception to the DBE percentage participation goals as being procurement for a standard manufactured item or other similar procurement not open to subcontracting opportunities.

In order to demonstrate compliance through "Good Faith Efforts", a Bidder/Proposer must submit with its bid/proposal sufficient information to enable DCTA to determine that the efforts made by the Bidder/Proposer to obtain DBE participation were such efforts that a Bidder/Proposer actively and aggressively seeking to meet those goals would make.

Actions or efforts, which are merely "pro forma" or "going through the motions," do not constitute "Good Faith Efforts" to obtain the participation of DBEs. Similarly, even efforts which are sincerely motivated but which, given all circumstances relevant to the particular solicitation, could not be reasonably expected to produce a level of DBE participation sufficient to meet the goal do not constitute "Good Faith Efforts." In determining whether a Bidder/Proposer made a Good Faith Effort to obtain the DBE participation percentage goal, DCTA will look at not only the different kinds of efforts that the Bidder/Proposer has made, but also the quality and intensity of these efforts.

To assist DCTA in making the required judgment concerning fulfillment of "Good Faith Efforts," the Department of Transportation has prepared a list illustrating the kinds of

actions, which would indicate that a Bidder/Proposer has made a Good Faith Effort. These kinds of efforts include:

- a. Whether the Bidder/Proposer attended pre-bid meetings that were scheduled by DCTA to inform DBEs of contracting and sub-contracting opportunities; or
- b. Whether the Bidder/Proposer selected portions of the work to be performed by certified DBEs in order to increase the likelihood of meeting the DBE goal (including, where appropriate, breaking down contracts into economically feasible units to facilitate DBE participations); or
- c. Whether the Bidder/Proposer advertised in general circulation, trade association, and/or minority focus media concerning the sub-contracting opportunities; or
- d. Whether the Bidder/Proposer provided written notice to a reasonable number of specified DBEs that their interest in the procurement was being solicited, in sufficient time to allow such DBEs to participate effectively, or
- e. Whether the Bidder/Proposer followed up initial solicitation of interest by contacting DBEs to determine with certainty whether the DBEs were interested; or
- f. Whether the Bidder/Proposer provided interested DBEs with adequate information about the plans, specifications, and requirements of the solicitation; or
- g. Whether the Bidder/Proposer negotiated in good faith with interested DBEs, not rejecting DBEs as unqualified without sound reasons based on their investigation of the capabilities; or
- h. Whether the Bidder/Proposer made efforts to assist interested DBEs in obtaining bonding, lines of credit, or insurance required by DCTA or the Bidder/Proposer as Contractor; or
- i. Whether the Bidder/Proposer effectively used the services of available minority community organizations; minority contractor groups; local, state, and federal minority business assistance offices; and other organizations that provide assistance in the recruitment and placement of DBEs.

The above criterion is not intended to be an inventory or checklist. DCTA does not require any Bidder/Proposer to do any particular one or any combination of the items on the above list. It is not intended to be an exclusive or exhaustive list of all steps a Bidder/Proposer, acting in good faith, actively and aggressively seeking to obtain DBE participation would make. Other types of efforts or factors may be relevant in appropriate cases.

Competitors that fail to meet DBE goals and fail to demonstrate ““Good Faith Efforts”” may be considered non-responsive to the specifications and may be considered not eligible to be awarded the contract.

To ensure that all obligations under contracts awarded to DBEs are met, DCTA shall review the contractor’s DBE involvement efforts during the performance of the contract. The contractor shall bring to the attention of DCTA any situation in which regularly scheduled progress payments are not made to DBE contractors.

### III. Compliance Documentation

To demonstrate compliance with DCTA DBE Policy and Program, it is essential that all required documentation be submitted with the bid/proposal. This documentation consists of the following fully completed forms: DCTA Commitment Agreement Form 4906, and DCTA Good Faith Effort Form GFE, which appear in this Attachment, and additional relevant documentation and information where specified.

DCTA DBE Commitment Agreement Form 4906 **must** be completed by **all** Bidders/Proposers. DCTA Good Faith Effort Documentation also must be completed by a Bidder/Proposer who does not meet the DBE percentage participation goals established for this procurement but who wishes to show compliance with the Policy and Program because of having made Good Faith Efforts to meet those goals.

All information relative to the particular method of Bidder/Proposer's compliance as set out in this document **must be submitted with the bid/proposal**. Any bidder/proposer may also include any additional information it believes would be helpful in demonstrating to DCTA its compliance with DCTA DBE Policy Program. **Information submitted after the deadline for the submission of bids will not be considered.**

### IV. Counting Participation Toward Meeting DBE Goal

DBE participation shall be counted toward meeting goals set in accordance with DOT's DBE regulations at 49 CFR Part 26 and DCTA's program as follows:

1. Once a firm is determined to be a certified DBE in accordance with the provisions specified in this program, the total dollar value of the contract or subcontract awarded to it is counted toward the applicable goal, if the contract is a fixed price contract. For other types of contracts, only actual payments to the certified DBE will be counted toward the applicable goal, if the contract is a fixed price contract. For other types of contracts, only actual payments to the certified DBE will be counted toward the applicable goal.
2. DCTA or the contractor employing a certified DBE firm may count toward its goals a portion of the total dollar value of a contract with a joint venture eligible under the DBE eligibility criteria specified herein equal to the percentage of the ownership and control of the certified DBE partner in the joint venture.
3. DCTA or a contractor will count toward its goals only expenditures to certified DBEs that perform a commercially useful function in the work of a contract. A certified DBE is considered to perform a commercially useful function when it is responsible for execution of a distinct element of the work of a contract and carrying out its responsibilities by actually performing, managing, and supervising the work involved. To determine whether a certified DBE is performing a commercially useful function, DCTA or a contractor shall evaluate the amount of work subcontracted, industry practices, and other relevant factors.
4. Consistent with normal industry practices, a DBE may enter into subcontracts. If a

DBE contractor subcontracts a significantly greater portion of the work of the contract than would be expected on the basis of normal industry practices, the DBE shall be presumed not to be performing a commercially useful function. The DBE may present evidence to rebut this presumption to DCTA. DCTA's decision on the rebuttal of this presumption is final, subject to review by the Department of Transportation in instances of DOT-assisted contracts.

5. DCTA or a contractor may count toward its DBE goals expenditures for materials and supplies obtained from certified DBE suppliers and manufacturers provided that the DBEs assume the actual and contractual responsibility for the provision of the materials and supplies. DCTA or a contractor may count its entire expenditure to a certified DBE manufacturer (i.e., a supplier that produces goods from raw materials or substantially alters them before resale). DCTA will count 60 percent of its expenditures to certified DBE suppliers that are not manufacturers, provided that such suppliers perform a commercially useful function in the supply process.

## ACCESS TO RECORDS AND REPORTS

- a. Record Retention. The Contractor will retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, sub-Contracts, leases, subcontracts, arrangements, other third party Contracts of any type, and supporting materials related to those records.
- b. Retention Period. The Contractor agrees to comply with the record retention requirements in accordance with 2 C.F.R. § 200.333. The Contractor shall maintain all books, records, accounts and reports required under this Contract for a period of at not less than three (3) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.
- c. Access to Records. The Contractor agrees to provide sufficient access to FTA and its contractors to inspect and audit records and information related to performance of this contract as reasonably may be required.
- d. Access to the Sites of Performance. The Contractor agrees to permit FTA and its contractors access to the sites of performance under this contract as reasonably may be required.

## AMERICANS WITH DISABILITIES ACT(ADA)

The contractor agrees to comply with the requirements of 49 U.S.C. § 5301 (d), which states the Federal policy that the elderly and persons with disabilities have the same right as other persons to use mass transportation service and facilities, and that special efforts shall be made in planning and designing those services and facilities to implement that policy. The contractor also agrees to comply with all applicable requirements of section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of handicaps, with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 et seq., which requires that accessible facilities and services be made available to persons with disabilities, including any subsequent amendments to that Act, and with the Architectural Barriers act of 1968, as amended, 42 U.S.C. §§ 4151 et seq., which requires that buildings and public accommodations be accessible to persons with disabilities, including any subsequent amendments to that Act. In addition, the contractor agrees to comply with any and all applicable requirements issued by the FTA, DOT, DOJ, U.S. GSA, U.S. EEOC, U.S. FCC, any subsequent amendments thereto and any other nondiscrimination statute(s) that may apply to the Project.

## BYRD ANTI-LOBBYING AMENDMENT

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the Agency."

## CHARTER SERVICE

The contractor agrees to comply with 49 U.S.C. 5323(d), 5323(r), and 49 C.F.R. part 604, which provides that Recipients and subrecipients of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except as permitted under: 1. Federal transit laws, specifically 49 U.S.C. § 5323(d); 2. FTA regulations, "Charter Service," 49 C.F.R. part 604; 3. Any other federal Charter Service regulations; or 4. Federal guidance, except as FTA determines otherwise in writing.

The contractor agrees that if it engages in a pattern of violations of FTA's Charter Service regulations, FTA may require corrective measures or impose remedies on it. These corrective measures and remedies may include: 1. Barring it or any subcontractor operating public transportation under its Award that has provided prohibited charter service from receiving federal assistance from FTA; 2. Withholding an amount of federal assistance as provided by Appendix D to part 604 of FTA's Charter Service regulations; or 3. Any other appropriate remedy that may apply. The contractor should also include the substance of this clause in each subcontract that may involve operating public transit services.

## CIVIL RIGHTS LAWS AND REGULATIONS

The following Federal Civil Rights laws and regulations apply to all contracts.

### 1 Federal Equal Employment Opportunity (EEO) Requirements. These include, but are not limited to:

- a) Nondiscrimination in Federal Public Transportation Programs. 49 U.S.C. § 5332, covering projects, programs, and activities financed under 49 U.S.C. Chapter 53, prohibits discrimination on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), disability, or age, and prohibits discrimination in employment or business opportunity.
- b) Prohibition against Employment Discrimination. Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, and Executive Order No. 11246, "Equal Employment Opportunity," September 24, 1965, as amended, prohibit discrimination in employment on the basis of race, color, religion, sex, or national origin.

**2 Nondiscrimination on the Basis of Sex.** Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681 et seq. and implementing Federal regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 C.F.R. part 25 prohibit discrimination on the basis of sex.

**3 Nondiscrimination on the Basis of Age.** The "Age Discrimination Act of 1975," as amended, 42 U.S.C. § 6101 et seq., and Department of Health and Human Services implementing regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, prohibit discrimination by participants in federally assisted programs against individuals on the basis of age. The Age Discrimination in Employment Act (ADEA), 29 U.S.C. § 621 et seq., and Equal Employment Opportunity Commission (EEOC) implementing regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, also prohibit employment discrimination against individuals age 40 and over on the basis of age.

**4 Federal Protections for Individuals with Disabilities.** The Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. § 12101 et seq.,

### **Civil Rights and Equal Opportunity**

The Agency is an Equal Opportunity Employer. As such, the Agency agrees to comply with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, the Agency agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications. Under this Contract, the Contractor shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

**1. Nondiscrimination.** In accordance with Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

**2. Race, Color, Religion, National Origin, Sex.** In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

**3. Age.** In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

**4. Disabilities.** In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against individuals on the basis of disability. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

**5. Promoting Free Speech and Religious Liberty.** The Contractor shall ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements: including, but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

### **CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT**

The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). Violations must be reported to FTA and the Regional Office of the Environmental Protection Agency. The following applies for contracts of amounts in excess of \$150,000:

#### Clean Air Act

(1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.

(2) The contractor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.

#### Federal Water Pollution Control Act

(1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

(2) The contractor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA."



## CONFORMANCE WITH ITS NATIONAL ARCHITECTURE

Intelligent Transportation Systems (ITS) projects shall conform to the National ITS Architecture and standards. Conformance with the National ITS Architecture is interpreted to mean the use of the National ITS Architecture to develop a regional ITS architecture in support of integration and the subsequent adherence of all ITS projects to that regional ITS architecture. Development of the regional ITS architecture should be consistent with the transportation planning process for Statewide and Metropolitan Transportation Planning (49 CFR Part 613 and 621).

## CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

- a. Applicability: This requirement applies to all FTA grant and cooperative agreement programs.
- b. Where applicable (see 40 U.S.C. § 3701), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II.
- c. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.
- d. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- e. The regulation at 29 C.F.R. § 5.5(b) provides the required contract clause concerning compliance with the Contract Work Hours and Safety Standards Act:

### Compliance with the Contract Work Hours and Safety Standards Act.

- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section."

## DEBARMENT AND SUSPENSION

- a. Applicability: This requirement applies to all FTA grant and cooperative agreement programs for a contract in the amount of at least \$25,000
- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the contractor is required to verify that none of the contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (2) C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- (3) The accompanying certification is a material representation of fact relied upon by the subrecipient. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Agency and subrecipient, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions."

## DISADVANTAGED BUSINESS ENTERPRISE (DBE)

The contractor 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 C.F.R. 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 Agency 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 bidding as non-responsible. 49 C.F.R. § 26.13(b).

Prime contractors are required to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment the Agency makes to the prime contractor. 49 C.F.R. § 26.29(a).



Finally, for contracts with defined DBE contract goals, each FTA Recipient must include in each prime contract a provision stating that the contractor shall utilize the specific DBEs listed unless the contractor obtains the Agency's written consent; and that, unless the Agency's consent is provided, the contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE. 49 C.F.R. § 26.53(f) (1).

It is the policy of the Agency and the United States Department of Transportation ("DOT") that Disadvantaged Business Enterprises ("DBE's"), as defined herein and in the Federal regulations published at 49 C.F.R. part 26, shall have an equal opportunity to participate in DOT-assisted contracts.

## DHS SEAL, LOGO, AND FLAGS

The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FTA pre-approval.

## ENERGY CONSERVATION

The contractor agrees to comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

## EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- (4) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (7) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

## FEDERAL CHANGES

49 CFR Part 18 Federal Changes - Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Purchaser and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

## FLY AMERICA

a) Definitions. As used in this clause—

1) "International air transportation" means transportation by air between a place in the United States and a place outside the United States or between two places both of which are outside the United States. 2) "United States" means the 50 States, the District of Columbia, and outlying areas. 3) "U.S.-flag air carrier" means an air carrier holding a certificate under 49 U.S.C. Chapter 411.

b) When Federal funds are used to fund travel, Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) (Fly America Act) requires contractors, Agencies, and others use U.S.-flag air carriers for U.S. Government-financed international air transportation of personnel (and their personal effects) or property, to the extent that service by those carriers is available. It requires the Comptroller General of the United States, in the absence of satisfactory proof of the necessity for foreign-flag air transportation, to disallow expenditures from funds, appropriated or otherwise established

c) If available, the Contractor, in performing work under this contract, shall use U.S.-flag carriers for international air transportation of personnel (and their personal effects) or property.

d) In the event that the Contractor selects a carrier other than a U.S.-flag air carrier for international air transportation, the Contractor shall include a statement on vouchers involving such transportation essentially as follows:

Statement of Unavailability of U.S.-Flag Air Carriers

International air transportation of persons (and their personal effects) or property by U.S.-flag air carrier was not available or it was necessary to use foreign-flag air carrier service for the following reasons. See FAR § 47.403. [State reasons]:

e) Contractor shall include the substance of this clause, including this paragraph (e), in each subcontract or purchase under this contract that may involve international air transportation.

**INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS**

Incorporation of Federal Transit Administration (FTA) Terms - The provisions within include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in the current FTA Circular 4220 are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any request which would cause a violation of the FTA terms and conditions.

## NO GOVERNMENT OBLIGATION TO THIRD PARTIES

The Agency and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Agency, Contractor or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract. The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by the FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

## NOTIFICATION TO FTA

If a current or prospective legal matter that may affect the Federal Government emerges, the Recipient must promptly notify the FTA Chief Counsel and FTA Regional Counsel for the Region in which the Recipient is located. The Recipient must include a similar notification requirement in its Third Party Agreements and must require each Third Party Participant to include an equivalent provision in its sub agreements at every tier, for any agreement that is a "covered transaction" according to 2 C.F.R. §§ 180.220 and 1200.220.

(1) The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.

(2) Matters that may affect the Federal Government include, but are not limited to, the Federal Government's interests in the Award, the accompanying Underlying Agreement, and any Amendments thereto, or the Federal Government's administration or enforcement of federal laws, regulations, and requirements.

(3) The Recipient must promptly notify the U.S. DOT Inspector General in addition to the FTA Chief Counsel or Regional Counsel for the Region in which the Recipient is located, if the Recipient has knowledge of potential fraud, waste, or abuse occurring on a Project receiving assistance from FTA. The notification provision applies if a person has or may have submitted a false claim under the False Claims Act, 31 U.S.C. § 3729 et seq., or has or may have committed a criminal or civil violation of law pertaining to such matters as fraud, conflict of interest, bribery, gratuity, or similar misconduct. This responsibility occurs whether the Project is subject to this Agreement or another agreement between the Recipient and FTA, or an agreement involving a principal, officer, employee, agent, or Third Party Participant of the Recipient. It also applies to subcontractors at any tier. Knowledge, as used in this paragraph, includes, but is not limited to, knowledge of a criminal or civil investigation by a Federal, state, or local law enforcement or other investigative agency, a criminal indictment or civil complaint, or probable cause that could support a criminal indictment, or any other credible information in the possession of the Recipient.

## PROMPT PAYMENT

The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work. In addition, the contractor is required to return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to this contract is satisfactorily completed.

The contractor must promptly notify the Agency, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of the Agency.

## PROCUREMENT OF RECOVERED MATERIALS

(1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA- designated items unless the product cannot be acquired—

- i. Competitively within a timeframe providing for compliance with the contract performance schedule;
- ii. Meeting contract performance requirements; or
- iii. At a reasonable price.

(2) Information about this requirement, along with the list of EPA-designate items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>."

## PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS

The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract."

## PUBLIC TRANSPORTATION EMPLOYEE PROTECTIVE ARRANGEMENTS

The Contractor agrees to comply with the following employee protective arrangements of 49 U.S.C. § 5333(b):

1. U.S. DOL Certification. Under this Contract or any Amendments thereto that involve public transportation operations that are supported with federal assistance, a certification issued by U.S. DOL is a condition of the Contract.

2. Special Warranty. When the Contract involves public transportation operations and is supported with federal assistance appropriated or made available for 49 U.S.C. § 5311, U.S. DOL will provide a Special Warranty for its Award, including its Award of federal assistance under the Tribal Transit Program. The U.S. DOL Special Warranty is a condition of the Contract.

1. Special Arrangements. The conditions of 49 U.S.C. § 5333(b) do not apply to Contractors providing public transportation operations pursuant to 49 U.S.C. § 5310. FTA reserves the right to make case-by-case determinations of the applicability of 49 U.S.C. § 5333(b) for all transfers of funding authorized under title 23, United States Code (flex funds), and make other exceptions as it deems appropriate, and, in those instances, any special arrangements required by FTA will be incorporated herein as required.

## SAFE OPERATION OF MOTOR VEHICLES

### Seat Belt Use

The Contractor is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company rented vehicles, or personally operated vehicles. The terms "company-owned" and "company-leased" refer to vehicles

**Distracted Driving**

The Contractor agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Contractor owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this Contract.

**SCHOOL BUS OPERATIONS**

The contractor agrees to comply with 49 U.S.C. 5323(f), and 49 C.F.R. part 604, and not engage in school bus operations using federally funded equipment or facilities in competition with private operators of school buses, except as permitted under:

1. Federal transit laws, specifically 49 U.S.C. § 5323(f);
2. FTA regulations, "School Bus Operations," 49 C.F.R. part 605
3. Any other Federal School Bus regulations; or
4. Federal guidance, except as FTA determines otherwise in writing.

If Contractor violates this School Bus Agreement, FTA may:

1. Bar the Contractor from receiving Federal assistance for public transportation; or
2. Require the contractor to take such remedial measures as FTA considers appropriate.

When operating exclusive school bus service under an allowable exemption, the contractor may not use federally funded equipment, vehicles, or facilities.

The Contractor should include the substance of this clause in each subcontract or purchase under this contract that may operate public transportation services.

**SPECIAL NOTIFICATION REQUIREMENTS FOR STATES**

Applies to States –

a. To the extent required under federal law, the State, as the Recipient, agrees to provide the following information about federal assistance awarded for its State Program, Project, or related activities:

- (1) The Identification of FTA as the federal agency providing the federal assistance for a State Program or Project;
- (2) The Catalog of Federal Domestic Assistance Number of the program from which the federal assistance for a State Program or Project is authorized; and
- (3) The amount of federal assistance FTA has provided for a State Program or Project.

b. Documents - The State agrees to provide the information required under this provision in the following documents: (1) applications for federal assistance, (2) requests for proposals or solicitations, (3) forms, (4) notifications, (5) press releases, and (6) other publications.

**SUBSTANCE ABUSE REQUIREMENTS**

The Contractor agrees to establish and implement a drug and alcohol testing program that complies with 49 C.F.R. part 655, produce any documentation necessary to establish its compliance with part 655, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency, or Agency, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 C.F.R. part 655 and review the testing process. The Contractor agrees further to certify annually its compliance with part 655 and to submit the Management Information System (MIS) reports to the Agency.

**SIMPLIFIED ACQUISITION THRESHOLD**

Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. § 1908, or otherwise set by law, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. (Note that the simplified acquisition threshold determines the procurement procedures that must be employed pursuant to 2 C.F.R. §§ 200.317–200.327. The simplified acquisition threshold does not exempt a procurement from other eligibility or processes requirements that may apply. For example, Buy America's eligibility and process requirements apply to any procurement in excess of \$150,000. 49 U.S.C. § 5323(j)(13).

**TERMINATION**Termination for Convenience (General Provision)

The Agency may terminate this contract, in whole or in part, at any time by written notice to the Contractor when it is in the Agency's best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to Agency to be paid the Contractor. If the Contractor has any property in its possession belonging to Agency, the Contractor will account for the same, and dispose of it in the manner Agency directs.

Termination for Default [Breach or Cause] (General Provision)

If the Contractor does not deliver supplies in accordance with the contract delivery schedule, or if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the Agency may terminate this contract for default. Termination shall be effected by serving a Notice of Termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will be paid only the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract. If it is later determined by the Agency that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Contractor, the Agency, after setting up a new delivery of performance schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

Opportunity to Cure (General Provision)

The Agency, in its sole discretion may, in the case of a termination for breach or default, allow the Contractor [an appropriately short period of time] in which to cure the defect. In such case, the Notice of Termination will state the time period in which cure is permitted and other appropriate conditions

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receipt by Contractor of written notice from Agency setting forth the nature of said breach or default, Agency shall have the right to terminate the contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude Agency from also pursuing all available remedies against Contractor and its sureties for said breach or default.

#### Waiver of Remedies for any Breach

In the event that Agency elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this contract, such waiver by Agency shall not limit Agency's remedies for any succeeding breach of that or of any other covenant, term, or condition of this contract.

#### Termination for Convenience (Professional or Transit Service Contracts)

The Agency, by written notice, may terminate this contract, in whole or in part, when it is in the Agency's interest. If this contract is terminated, the Agency shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.

#### Termination for Default (Supplies and Service)

If the Contractor fails to deliver supplies or to perform the services within the time specified in this contract or any extension, or if the Contractor fails to comply with any other provisions of this contract, the Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. The Contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract. If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Agency.

#### Termination for Default (Transportation Services)

If the Contractor fails to pick up the commodities or to perform the services, including delivery services, within the time specified in this contract or any extension, or if the Contractor fails to comply with any other provisions of this contract, the Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. The Contractor will only be paid the contract price for services performed in accordance with the manner of performance set forth in this contract.

If this contract is terminated while the Contractor has possession of Agency goods, the Contractor shall, upon direction of the Agency, protect and preserve the goods until surrendered to the Agency or its agent. The Contractor and Agency shall agree on payment for the preservation and protection of goods. Failure to agree on an amount will be resolved under the Dispute clause.

If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Agency.

#### Termination for Default (Construction)

If the Contractor refuses or fails to prosecute the work or any separable part, with the diligence that will ensure its completion within the time specified in this contract or any extension or fails to complete the work within this time, or if the Contractor fails to comply with any other provision of this contract, Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. In this event, the Agency may take over the work and complete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the work site necessary for completing the work. The Contractor and its sureties shall be liable for any damage to the Agency resulting from the Contractor's refusal or failure to complete the work within specified time, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the Agency in completing the work.

The Contractor's right to proceed shall not be terminated nor shall the Contractor be charged with damages under this clause 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: acts of God, acts of Agency, acts of another contractor in the performance of a contract with Agency, epidemics, quarantine restrictions, strikes, freight embargoes; and 2. The Contractor, within [10] days from the beginning of any delay, notifies Agency in writing of the causes of delay. If, in the judgment of Agency, the delay is excusable, the time for completing the work shall be extended. The judgment of Agency shall be final and conclusive for the parties, but subject to appeal under the Disputes clause(s) of this contract. 3. 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 Agency.

#### Termination for Convenience or Default (Architect and Engineering)

The Agency may terminate this contract in whole or in part, for the Agency's convenience or because of the failure of the Contractor to fulfill the contract obligations. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the Agency's Contracting Officer all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process. Agency has a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, all such data, drawings, specifications, reports, estimates, summaries, and other information and materials.

If the termination is for the convenience of the Agency, the Agency's Contracting Officer shall make an equitable adjustment in the contract price but shall allow no anticipated profit on unperformed services. If the termination is for failure of the Contractor to fulfill the contract obligations, the Agency may complete the work by contract or otherwise and the Contractor shall be liable for any additional cost incurred by the Agency. If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of Agency.

#### Termination for Convenience or Default (Cost-Type Contracts)

The Agency may terminate this contract, or any portion of it, by serving a Notice of Termination on the Contractor. The notice shall state whether the termination is for convenience of Agency or for the default of the Contractor. If the termination is for default, the notice shall state the manner in which the Contractor has failed to perform the requirements of the contract. The Contractor shall account for any property in its possession paid for from funds received from the Agency, or property supplied to the Contractor by the Agency. If the termination is for default, the Agency may fix the fee, if the contract provides for a fee, to be paid the Contractor in proportion to the value, if any, of work performed up to the time of termination. The Contractor shall promptly submit its termination claim to the Agency and the parties shall negotiate the termination settlement to be paid the Contractor.

If the termination is for the convenience of Agency, the Contractor shall be paid its contract close-out costs, and a fee, if the contract provided for payment of a fee, in proportion to the work performed up to the time of termination.

If, after serving a Notice of Termination for Default, the Agency determines that the Contractor has an excusable reason for not performing, the Agency, after setting up a new work schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

## **VIOLATION AND BREACH OF CONTRACT**



The Agency shall have the following rights in the event that the Agency deems the Contractor guilty of a breach of any term under the Contract.

1. The right to take over and complete the work or any part thereof as agency for and at the expense of the Contractor, either directly or through other contractors; 2. The right to cancel this Contract as to any or all of the work yet to be performed; 3. The right to specific performance, an injunction or any other appropriate equitable remedy; and 4. The right to money damages.

For purposes of this Contract, breach shall include.

#### Rights and Remedies of Contractor

Inasmuch as the Contractor can be adequately compensated by money damages for any breach of this Contract, which may be committed by the Agency, the Contractor expressly agrees that no default, act or omission of the Agency shall constitute a material breach of this Contract, entitling Contractor to cancel or rescind the Contract (unless the Agency directs Contractor to do so) or to suspend or abandon performance.

#### Remedies

Substantial failure of the Contractor to complete the Project in accordance with the terms of this Contract will be a default of this Contract. In the event of a default, the Agency will have all remedies in law and equity, including the right to specific performance, without further assistance, and the rights to termination or suspension as provided herein. The Contractor recognizes that in the event of a breach of this Contract by the Contractor before the Agency takes action contemplated herein, the Agency will provide the Contractor with sixty (60) days written notice that the Agency considers that such a breach has occurred and will provide the Contractor a reasonable period of time to respond and to take necessary corrective action.

#### Disputes

Disputes arising in the performance of this Contract that are not resolved by agreement of the parties shall be decided in writing by an authorized representative of Agency. This decision shall be final and conclusive unless within [10] days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the Agency's authorized representative. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Agency's authorized representative shall be binding upon the Contractor and the Contractor shall abide by the decision.

In the event that a resolution of the dispute is not mutually agreed upon, the parties can agree to mediate the dispute or proceed with litigation. Notwithstanding any provision of this section, or any other provision of this Contract, it is expressly agreed and understood that any court proceeding arising out of a dispute under the Contract shall be heard by a Court de novo and the court shall not be limited in such proceeding to the issue of whether the Authority acted in an arbitrary, capricious or grossly erroneous manner.

Pending final settlement of any dispute, the parties shall proceed diligently with the performance of the Contract, and in accordance with the Agency's direction or decisions made thereof.

#### Performance during Dispute

Unless otherwise directed by Agency, Contractor shall continue performance under this Contract while matters in dispute are being resolved.

#### Claims for Damages

Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of its employees, agents or others for whose acts it is legally liable, a claim for damages therefor shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

#### Remedies

Unless this Contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the Agency and the Contractor arising out of or relating to this Contract or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which the Agency is located.

#### Rights and Remedies

The duties and obligations imposed by the Contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the Agency or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

## 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 with all material aspects of the solicitation. Proposals who 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 clarity and completeness. A committee of DCTA staff will evaluate the responses and will make a recommendation for an award based on the best value to the agency. Evaluation will be based on the following criteria:

SCORING CRITERIA	WEIGHT
<b>Qualifications and Experience</b> Evaluation based on the proposer's experience in providing similar vanpool services as requested by DCTA in this procurement and demonstrated ability to meet the outlined goals and objectives.	30
<b>Scope of work, Project Approach, and Program Management Plan and Services</b> The proposers will be evaluated on their ability to demonstrate a well-defined organization structure specifying key personnel to be involved in this project, A process flow chart is required, responsibility, coordination and communications, as well as the level of service offered to both DCTA and vanpool participants. Proposer must submit technical information of the vehicles available for the service.  <b>References: Tab 3, see form List of References</b>	30
<b>DBE Utilization</b> DBE participation is encouraged on this project and part of the base evaluation criteria. Proposers shall receive points for these criteria for Good Faith Efforts to commit to engaging DBE firms as a subcontractor on this project.	10
<b>Price - PRICE PROPOSAL OPENING FOR QUALIFIED VENDORS</b> The proposer will be evaluated on the price competitiveness of their submittal, including all costs and fees.  Following the first three evaluation factors and ranking, the evaluation committee will open the price proposals of those firms most technically qualified to perform the service. The sum total score on both technical and price will be considered in award of a contract	30
<b>Total</b>	100
<b>Required Forms and Certifications</b> All applicable forms and certifications listed in Tab 7 Appendix of the proposal and submittal information sections must be included with the proposal in Tab 6 Attachments.	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.

**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 is 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.

## PROPOSAL SUBMITTAL INFORMATION

The responses shall be submitted on standard 8½"x11" standard paper. The proposal shall not exceed 35 single-sided pages. All information must be assembled and indexed in the order described below. 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 Proposer. The respondent shall submit one (1) signed hardcopy original, three (3) hard copies, and one (1) electronic copy in a searchable format (USB Flash Drive). The proposal is clearly marked with the contents and RFP number on the outside. The price proposal shall be provided in a separate sealed envelope, placed within the package/box marked Attachment B Price Proposal and the company name.

DCTA prefers to receive proposals electronically through Periscope S2G. Copies of the documents are available for download at [www.bidsync.com](http://www.bidsync.com).

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:

### COVER LETTER / 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 is 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.
- Contain a commitment to provide the services with the team described in the offer and the commitment to meet the DBE goals established by the Denton County Transportation Authority. The contractor should identify any sub-contractors if any, including those required to fulfill the DBE commitment
- The cover letter should also contain a certification that no member of the governing body of Denton County Transportation Authority or staff exercising any functions or responsibilities with respect to this project shall during his/her tenure, or for one year thereafter, have any interest, direct or indirect, in any proceeds thereof.
- 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.
- Provide a list of any exceptions taken to the solicitation or statement no exceptions taken. Provide the section number, the language and describe the exception taken included with the cover letter/letter of transmittal. Pages will not be part of the total page count.

**TAB 1: QUALIFICATIONS AND EXPERIENCE**

- Qualifications of key personnel: Submit an organization chart with the proposed management structure and identify the assigned Key Personnel and other support staff necessary to complete these services. Submit resumes for each of the Key Personnel and relevant support staff shown in the organization chart and whom the Contractor will commit to the performance of this contract.
- Statement of Contractor's experience and qualifications: The proposing Contractor should provide background information and examples of work in performing similar projects. No more than five (5) examples undertaken within the last ten (10) years should be provided. Each example should include:
  1. A brief narrative describing each project
  2. Key staff involved
  3. Location of contractors' office(s) where the work was performed
  4. Client's name and reference for each project including phone number.
- Other Projects: The proposal must indicate other contracts currently underway or likely to be undertaken during the period of this contract term by those with a principal role in this contract, their role and their commitment (as a percentage of available time) to those other contracts.

**TAB 2: SCOPE OF WORK, PROJECT APPROACH, AND PROGRAM MANAGEMENT PLAN AND SERVICES**

This section should include a detailed summary of the approach to be undertaken for the 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.

Respond to each item in sections 7 through 17 of the scope of work, use the number structure and include the complete language for each item and state the response directly after each item. Example responses (N/A, Agree, Acknowledged or information).

Additionally, this section must:

- Detail the firm's approach to meeting the scope of services defined herein
- Provide in a narrative format the Proposer's understanding of the scope of work, including a detailed project plan for this engagement outlining 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 the 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. Complete form List of References.

**TAB 4: DBE**

DBE participation is encouraged on this project and part of the base evaluation criteria. Complete Attachment I Form 4906 and Attachment J Form GFE, provide the forms in Tab 6: Attachments.

**TAB 5: 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. The price proposal shall be provided in a separate sealed envelope marked Attachment B Price Proposal and the company name. It is the intention of the contract documents to include and require from all proposers, the following pricing information:

- Attachment B Price Proposal
- Submitted by: Proposers Company, Name (Authorized to Representative) and Signature

**TAB 6: ATTACHMENTS**

Copies of referenced certifications, acknowledgment of any Addenda issued, certifications and required forms, and any other attachments or acknowledgment required as part of this submittal.

**TAB 7: APPENDIX**

The following documents/forms will be completed by the Proposer and must be submitted, the attachments under Reference Information shall be acknowledged with a confirmation statement in Tab 6 Attachments.

**Technical Proposal:**

Attachment A	Requested Logs
Attachment I	Form 4906
Attachment J	Form GFE
Attachment E	Certification and Restrictions on Lobbying
Attachment F	Wide Debarment and Suspension
Form	Bidders Questionnaire
Form	CIQ Conflict of Interest Questionnaire
Form	Non-Collusion Affidavit
Form	Prohibition of Contracts with Companies Boycotting Israel
Form	Prohibition of Boycott Energy Companies
Form	Prohibition of Boycott of Firearm entity or Firearm Trade Association
Form	Authorization for Release of Financial Information (Required)
Form	List of References

**Price Proposal:**

Attachment B	Price Proposal see Tab 5
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**Reference Information:**

Attachment C	DCTA Commuter Vanpool Program
Attachment D	Vanpool Artwork
Attachment G	Current Vanpool Group
Attachment H	DCTA Limited English Proficiency Plan

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 35-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 or DCTA employees 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.

**BIDDER'S QUESTIONNAIRE**

1. Name of Contractor ("Business", herein)
2. Doing Business As (other business name if applicable)
3. Federal Tax ID Number
4. Business Mailing Address (include City/State/Zip Code)
5. Business Email Address:
6. Business Telephone  Business Fax Number
7. Business Type: ☐ Individual ☐ Partnership ☐ Corporation ☐ Joint Venture
8. Number of Years in Business
9. Annual Gross Revenue for the past three years (M=Millions) ☐ \$1M or Less ☐ \$1M-\$5M ☐ \$5M-\$10M ☐ \$10M-\$16M ☐ \$16M+
10. Number of Employees ☐ 100 or Less ☐ 101-500 ☐ 501-700 ☐ 751-1,000 ☐ 1,001+
11. Is Business a DBE Firm? ☐ Yes ☐ No
12. Is Business Owned by Minority Ethnicity? ☐ Yes ☐ No
13. Ethnic Group: ☐ Black American ☐ Hispanic American ☐ Native American ☐ Asian Pacific American ☐ Subcontinent Asian American ☐ White/Caucasian ☐ Other
14. Woman Owned? ☐ Yes ☐ No
15. Veteran Owned ☐ Yes ☐ No
16. Type of Work Performed: ☐ Construction ☐ Manufacturing ☐ Retail ☐ Wholesale/Distributor ☐ Professional service ☐ General/Technical Service
17. Has the Business, or any officer or partner thereof, failed to complete a contract? ☐ Yes ☐ No
18. Is any litigation pending against the Business? ☐ Yes ☐ No
19. Has the Business ever been declared "Not Responsible" ☐ Yes ☐ No
20. Has the Business been debarred, suspended, proposed for debarment, and declared ineligible, voluntarily excluded or otherwise disqualified from bidding, proposing or contracting? ☐ Yes ☐ No
21. Has the Business ever been a defaulter, as principal, surety or otherwise? ☐ Yes ☐ No
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? ☐ Yes ☐ No
23. Is the Business in arrears upon a contract or debt?
24. Are there any proceedings pending relating to the Business' responsibility, debarment, suspension, voluntary exclusion or qualification to receive a public contract? ☐ Yes ☐ No
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? ☐ Yes ☐ No
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.
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).

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.**

Printed Name

Title

Signature

Date

Email Address

*(Owner, CEO, President, Majority Stockholder or Designated Representative) Questions about this document should be directed to [procurement@dcta.net](mailto:procurement@dcta.net)*



**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 Boycott of Firearm Entity or Firearm Trade Association

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

*Effective September 1, 2021, House Bill 19 amended Texas Government Code by adding Chapter 2274. Chapter 2274 prohibits a political subdivision (city, appraisal district, transportation authority) from entering a contract with a value of \$100,000 or more that is to be paid from public funds with a for-profit company excluding sole proprietorships with more than 10 full-time employees for goods and services unless the contract contains a written verification from the company that it: (i) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (ii) will not discriminate during the term of the contract against a firearm entity or firearm trade association. The prohibition does not apply to a governmental entity that contracts with a sole-source provider; or when it does not receive any bids from a company that is able to provide the required certification.*

*Company is defined under Section 2274.001 to mean “a for-profit 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 it does not have  
a practice, policy, guidance, or directive that discriminates against a firearm entity or  
firearm trade association; and (ii) will not discriminate during the term of the contract  
against a firearm entity or firearm trade association. This section only applies if: (i)  
Professional (or Contractor) has ten (10) or more fulltime employees and (ii) this  
Agreement has a value of \$100,000.00 or more to be paid under the terms of this  
Agreement; and does not apply: (i) if Professional (or Contractor) is a sole proprietor,  
a non-profit entity, or a governmental entity; (ii) to a contract with a sole-source  
provider; or (iii) to a contract for which none of the bids from a company were able to  
provide the required certification.

Signature of Certifying Official

Title:

Date:

## **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:

## **Prohibition of Boycott Energy Companies**

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

*Effective September 1, 2021, House Bill 13 amended the Texas Government Code by adding Chapter 809 and Chapter 2274. Chapter 2274 prohibits a political subdivision (city, appraisal district, transportation authority from entering a contract with a value of \$100,000 or more that is to be paid from public funds with a for-profit company excluding sole proprietorships with more than 10 full-time employees for goods and services unless the contract contains a written verification from the company that it: (i) does not boycott energy companies; and (ii) will not boycott energy companies during the term of the contract.*

*Company is defined under Texas Government Code Section 809.001 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." Section 2274.001 (2) excludes sole proprietorships from the definition of "Company".*

*The prohibition however does not apply to a governmental entity that determines the requirements of Subsection (b) are inconsistent with the governmental entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.*

---

"I,  (Name of certifying official), the  (title or position of certifying official) of  (name of company), verifies that it does not Boycott Energy Companies and agrees that during the term of this Agreement will not Boycott Energy Companies as that term is defined in Texas Government Code Section 809.001, as amended. This section does not apply if Professional (or Contractor) is a sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) Professional (or Contractor) has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Agreement.

Signature of Certifying Official

Title:

Date:







## 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:

---



## 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

Vanpool Complaints Log

Date	Complainant Name	Complainant Phone	Complainant Email	Van #	Captain Name	Message	Resolution (C/C)	Resolution (Captain)
2/26/16	Gary Anderson	(817) 292-1086	garyanderscpa-2005@yahoo.com	DC050	Derek Jackson	Driver of vanpool #DC050 was driving east on IH 30 in Fort Worth at a high rate of speed, weaving in and out of traffic, and tail gating. Driver then exited on to Bridge St and then on to Bridgewood Dr and then Handley Ederville Rd where they continued to tail gate and drive above the posted speed limit. There are school children located along this thoroughfare waiting for their bus. The DCTA is very fortunate that this driver did not cause or have an accident based upon my observation.	I spoke to Gary's wife and thanked them for taking the time to send in the report and that the situation has been addressed with the driver.	I reemphasize to the driver the importance of safe driving and that two more incidents could cause him to lose his driving privileges.

### Group Change Log

Date	Van #	Captain Name	Change Type	Reason for Change	Actions Taken
2/10/16	DC051	Nicole Spencer	Moved from 8 to 15 passenger van	Added more members and switched to a 15 passenger van	
1/31/16	DC025	Jane Smith	Dissolved	Due to company layoffs	Contacted potential client on waitlist





## Attachment B Pricing Proposal RFP 22-01 Commuter Vanpool program

Vehicle Types	Make and Model Options	Unit Price Per Month					
		2022 Year 1	2023 Year 2	2024 Year 3	2025 Opt Year 1	2026 Opt Year 2	2027 Opt Year 3
8 Passenger Van	Ford Transit, Chevy Express						
12 Passenger Van	Ford Transit, Chevy Express						
15 Passenger Van	Ford Transit, Chevy Express						
8 Passenger Minivan							
8 Passenger SUV	Toyota Sienna						
Total Year Cost							
Total Cost for all Six (6) Years							
Wheelchair accessible Van (per ADA)	Ford Transit, Chevy Express						
Total Year Cost							
Additional Option Vehicle	TBD						
Additional Option Vehicle	TBD						

**Proposers Company****Name (Authorized to Representative)****Signature**



**Denton County Transportation Authority  
Vanpool Program  
Effective March 3, 2016**

**I. Introduction**

DCTA operates the Commuter Vanpool Program in partnership with a third party provider. Vanpool participants lease the vehicles from the third party provider. The provider is responsible for all maintenance, vehicle insurance, and participant background checks. DCTA staff and the provider work together on vanpool coordination functions, including marketing, customer services, and matching perspective participants with available vanpool openings.

The goal of the Commuter Vanpool Program is to provide Denton County residents and workers with an alternative to single-occupancy vehicle commuting. Vanpools allow for more regional travel options by serving destinations both within and beyond the DCTA service area that are not served by any other transit service providers. Vanpools will be used for home-based-work trips by groups of Denton County residents and workers with similar travel patterns with all trips either beginning or ending in Denton County.

Overall the Commuter Vanpool program will:

- Minimize the impact of service area boundaries to the delivery of seamless transportation services.
- Eliminate service gaps both within and between service areas.
- Provide service where public transportation is limited or nonexistent.

DCTA and the third party provider will provide a vanpool when six (6) to 15 interested individuals are identified who live in the same general area and have similar work schedules. There must be volunteer drivers with a principal driver or co-drivers and one or more alternate drivers to act as back-up(s).

**II. Vanpool Rate Structure**

It is the intent of DCTA to provide funding equal to half the costs associated with leasing a vanpool. The remaining expenses, including fuel, tolls, and the like are to be incurred by vanpool participants.

Passenger fares are based on vanpool price and other additional commuting expenses divided by the number of paying riders. The minimum number of passengers for an 8-passenger van is 6; for a 15-passenger van, 10 passengers, and for a wheelchair accessible van, 5 passengers. Failure to maintain a minimum number of paying passengers may cause one of the following:

- A prorating of the monthly vanpool costs to the remaining riders.
- The captain to lose his/her free commute (if under minimum by one passenger).
- The loss of the van to the vanpool group.

The captain and participants must agree on which one of the three will apply.

The following additional costs are **not** covered by fares and are shared equally by members of the vanpool group:

- **Parking** for the van while passengers are at work.
- **Tolls** incurred traveling to and from work.
- **Excess miles** exceeding the allotted miles per month are charged at the rate of

\$.25 per mile.

- o Formula to figure allotted miles per month

$$\begin{array}{rcl} & \text{Total miles to work} & \\ + & \text{Total miles home} & \\ \hline = & \text{Total daily commute} & \\ \times & \text{Average workdays} & 22 \\ \hline = & \text{Monthly commute miles} & \\ + & \text{Personal miles} & 200 \\ \hline = & \text{Total monthly allotted miles} & \end{array}$$

- Traffic/parking tickets, fines, etc., will be paid by the driver that incurred them.

### III. Ride Matching

Those interested in joining a vanpool can contact DCTA directly at 972-221-4600; sign up online at [www.dcta.net](http://www.dcta.net) or at <http://www.tryparkingit.com/>. DCTA will make every effort to coordinate with NCTCOG, Dallas Area Rapid Transit, and the Fort Worth Transportation Authority on regional ride-matching efforts. If an existing vanpool route is available, or another transit provider is more appropriate for a particular travel pattern, DCTA will refer potential passengers to that provider (and of course accept referrals as well).

### IV. Vanpool Captain

A vanpool captain and/or alternate driver applicant must meet the following criteria at the time of application.

- Driver is 25 years of age or older.
- Driver has volunteered to be a vanpool driver and has not been designated by a group or company as a driver and receives no compensation from a group or company for driving.
- Driver has had a valid driver's license for at least three years.
- Driver has a valid Texas driver's license.
- Driver must have: no at-fault accidents, no outstanding warrants for unresolved driving issues, and no more than one moving violation within the past year and no more than two in the past three years.
- Driver must not have any DWI/DUI or related convictions.
- Driver must have never been convicted of a felony.
- Driver must not have any health-related driving restrictions.

### V. Vanpool Vehicle Usage

Personal use of the vehicle by the vanpool captain is allowed, however it is limited to 200 miles per month, but must be less than 20% of total operating miles. The captain is responsible for the cost of fuel used for any personal-use miles.

### VI. Vanpool Schedule, Stops

Vanpool riders select their own schedule and pick-up locations (based on total consensus). Passenger drop-off at place of employment should allow ample time for a timely arrival at work. Departure time should provide riders ample time to leave work at normal quitting time.

## **VII. Vanpool Vehicle Maintenance**

The vanpool captain is responsible for taking the van in for routine preventive maintenance at the manufactures recommended mileage interval for items such as oil changes, tire rotation, etc. An email is sent to the Captain to let them know when it is time for the maintenance to be completed. The provider has contracted with national maintenance facilities to perform stated work. The service facility bills the provider directly. Unscheduled service and repairs will require pre-authorization by the provider and a loaner van will be provided if necessary. A list of authorized service facilities on the home and/or work end of your commute will be provided at your vanpool delivery orientation.

## **VIII. Guaranteed Ride Home**

The Guaranteed Ride Home Program is intended to provide DCTA vanpool participants with a subsidized ride home in the case of an emergency or unexpected overtime on a day the person used a vanpool to get to work. The program is an attempt to ease the fears of some commuters who are worried about how they will get home when an emergency arises.

- Each participant may use the Program up to four (4) times in a 12 month period.
- DCTA will reimburse up to \$50 per use.

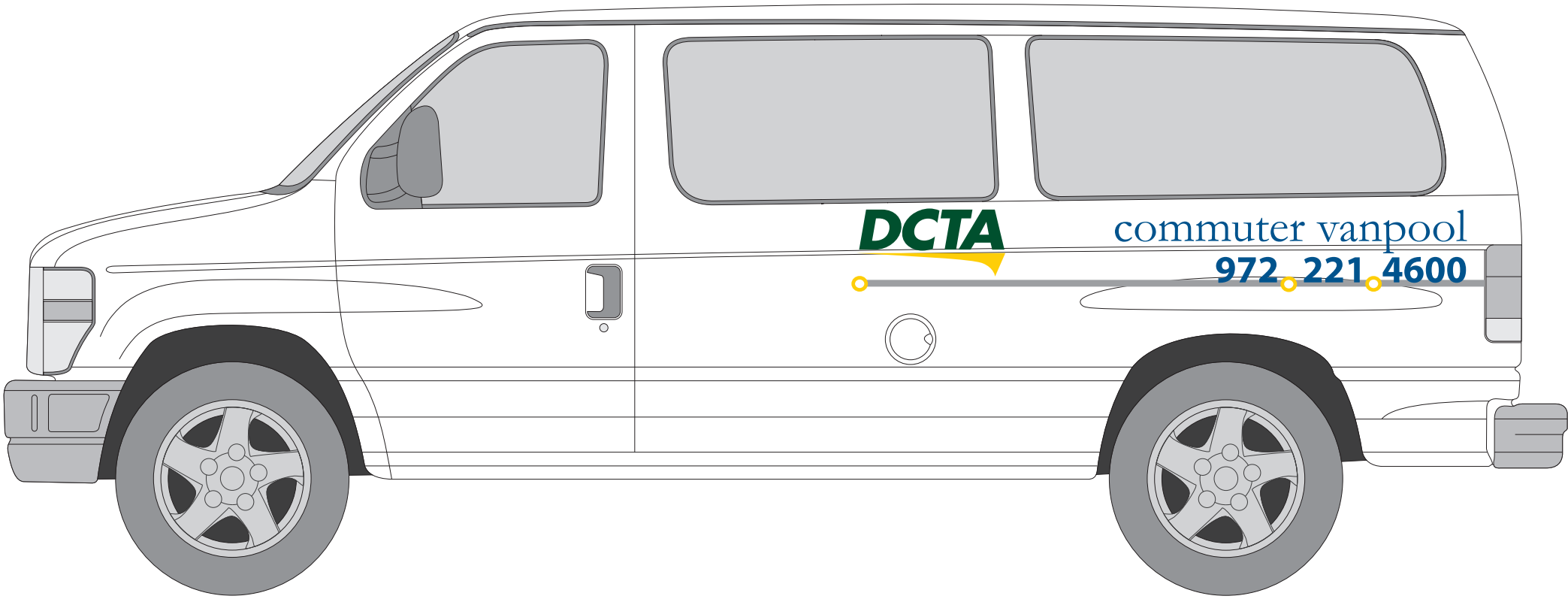
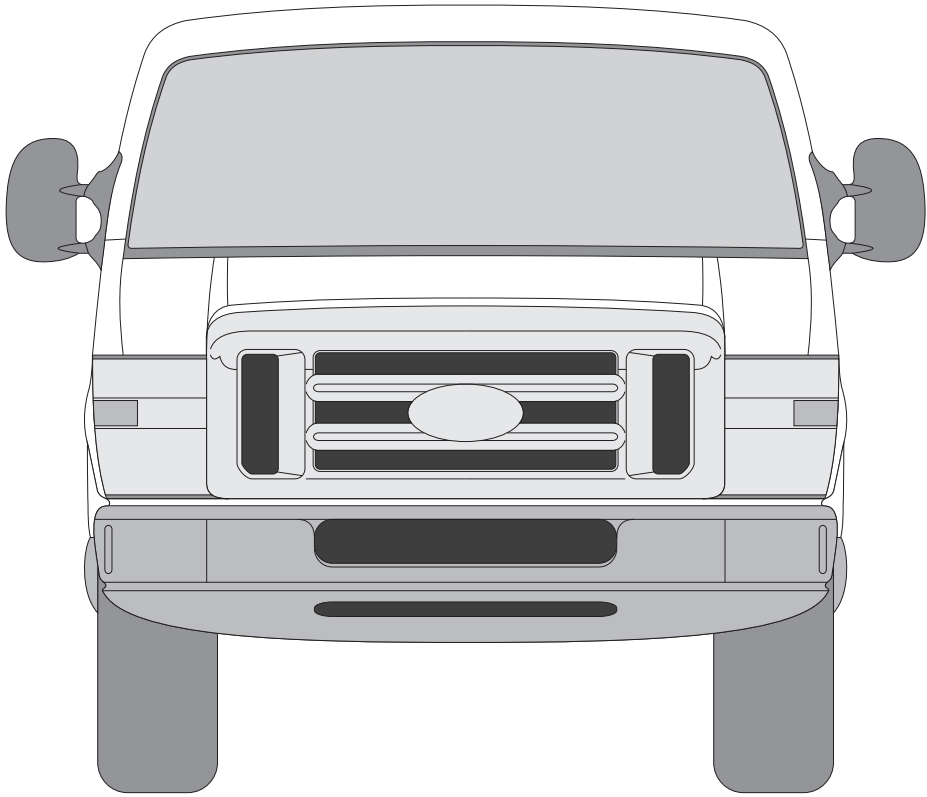
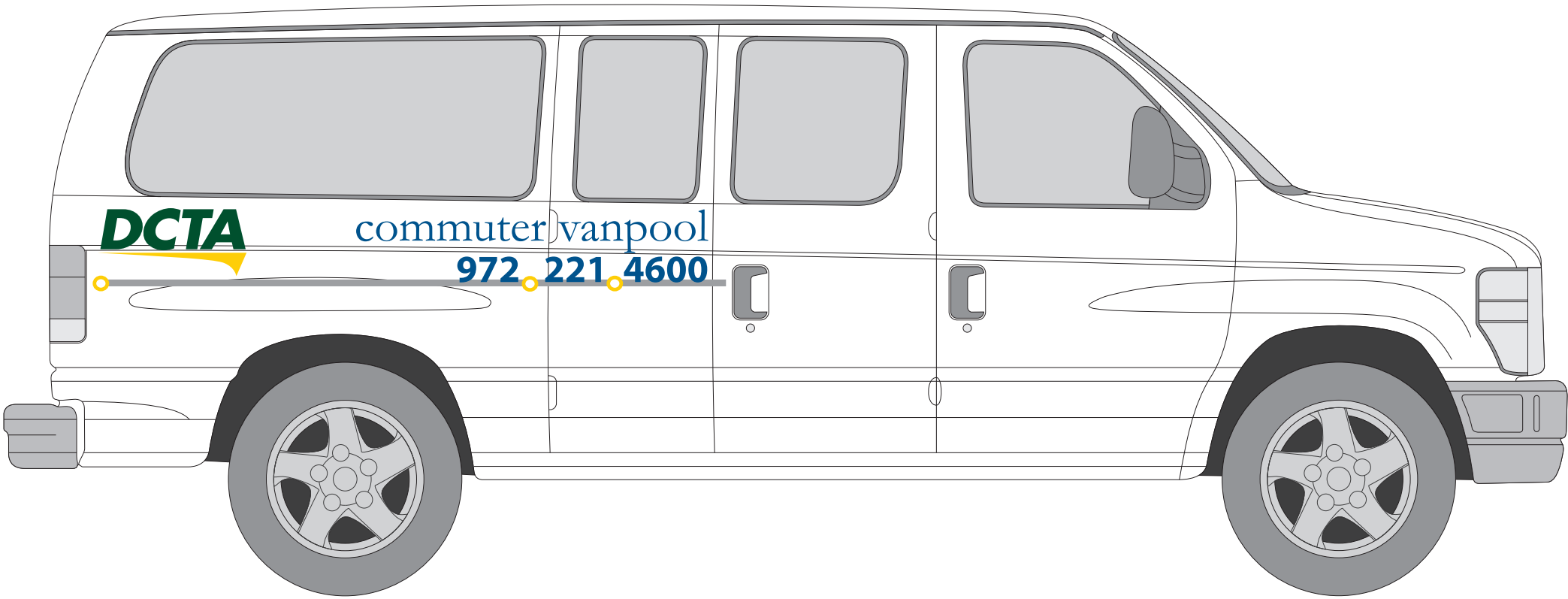
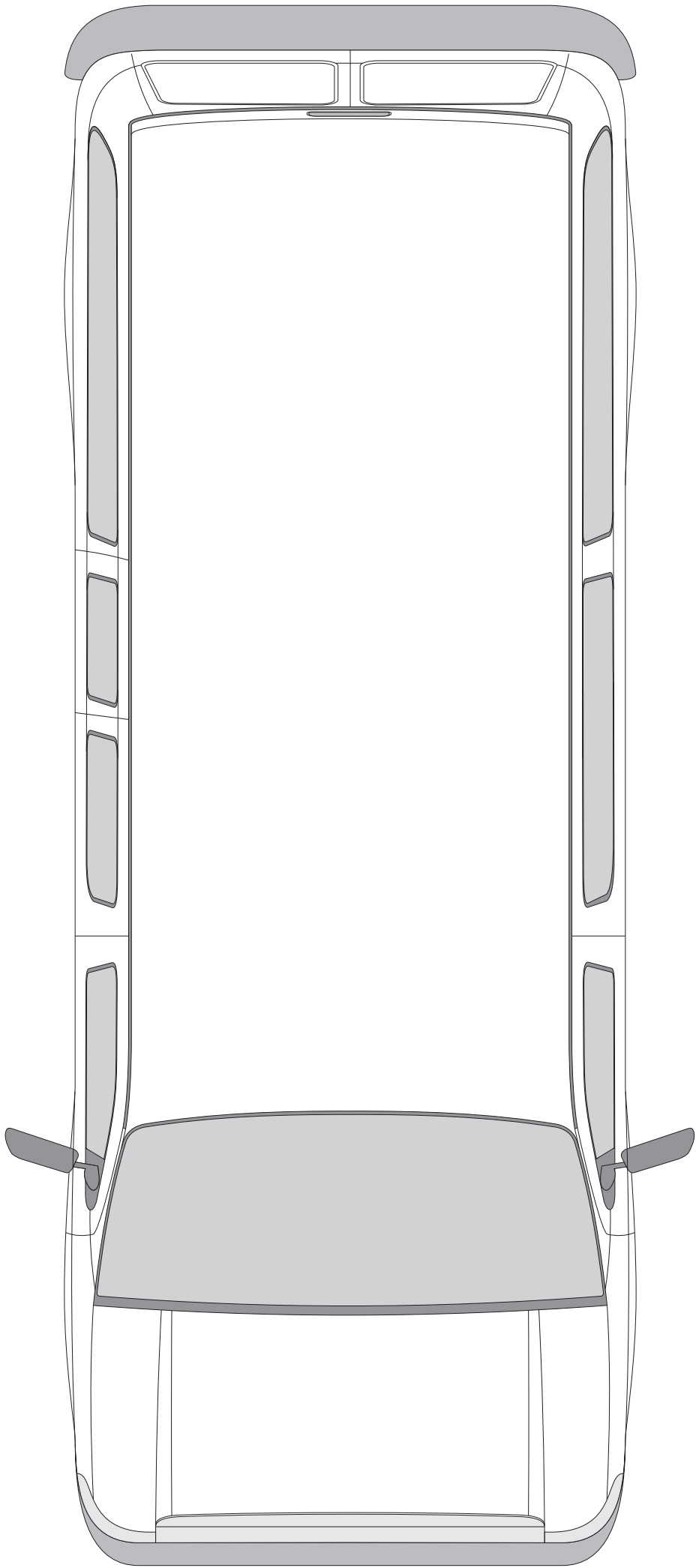
Guaranteed Ride Home **may** be used for:

- Personal illness during normal work hours
- Family emergency during normal work hours
- Unscheduled, employer mandated overtime

Guaranteed Ride Home may **not** be used for:

- Getting to work
- Traveling between worksites
- Scheduled meetings or doctor's appointments
- Trips to the hospital in place of ambulance service
- Weather, including snow or act of nature
- Any other non-emergency trip during normal work hours

Attachment D Vanpool Artwork



5505 mm / 216.7"

## CERTIFICATION AND RESTRICTIONS ON LOBBYING

I, \_\_\_\_\_ hereby certify  
(Name and title of official)

On behalf of \_\_\_\_\_ that:  
(Name of Bidder/Company Name)

- No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- If any funds other than federal appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form – LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.
- The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. Section 3801, et seq., are applicable thereto.

Name of Bidder/Company Name: \_\_\_\_\_

Type or print name: \_\_\_\_\_

Signature of authorized representative: \_\_\_\_\_ Date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Signature of notary and SEAL: \_\_\_\_\_

## GOVERNMENT-WIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT)

**Instructions for Certification:** By signing and submitting this bid or proposal, the prospective lower tier participant is providing the signed certification set out below.

(1) It will comply and facilitate compliance with U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR part 1200, which adopts and supplements the U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 CFR part 180,

(2) To the best of its knowledge and belief, that its Principals and Subrecipients at the first tier:

- a. Are eligible to participate in covered transactions of any Federal department or agency and are not presently:
  1. Debarred,
  2. Suspended,
  3. Proposed for debarment,
  4. Declared ineligible,
  5. Voluntarily excluded, or
  6. Disqualified,
- b. Its management has not within a three-year period preceding its latest application or proposal been convicted of or had a civil judgment rendered against any of them for:
  1. Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction, or contract under a public transaction,
  2. Violation of any Federal or State antitrust statute, or,
  3. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making any false statement, or receiving stolen property,
- c. It is not presently indicted for, or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses listed in the preceding subsection 2.b of this Certification,
- d. It has not had one or more public transactions (Federal, State, or local) terminated for cause or default within a three-year period preceding this Certification,
- e. If, at a later time, it receives any information that contradicts the statements of subsections 2.a – 2.d above, it will promptly provide that information to FTA,
- f. It will treat each lower tier contract or lower tier subcontract under its Project as a covered lower tier contract for purposes of 2 CFR part 1200 and 2 CFR part 180 if it:
  1. Equals or exceeds \$25,000,,
  2. Is for audit services, or,
  3. Requires the consent of a Federal official, and
- g. It will require that each covered lower tier contractor and subcontractor:
  1. Comply and facilitate compliance with the Federal requirements of 2 CFR parts 180 and 1200, and
  2. Assure that each lower tier participant in its Project is not presently declared by any Federal department or agency to be:
    - a. Debarred from participation in its federally funded Project,
    - b. Suspended from participation in its federally funded Project,
    - c. Proposed for debarment from participation in its federally funded Project,
    - d. Declared ineligible to participate in its federally funded Project,
    - e. Voluntarily excluded from participation in its federally funded Project, or
    - f. Disqualified from participation in its federally funded Project, and
  3. It will provide a written explanation as indicated on a page attached in FTA's TrAMS platform or the Signature Page if it or any of its principals, including any of its first tier Subrecipients or its Third-Party Participants at a lower tier, is unable to certify compliance with the preceding statements in this Certification Group.

(3) It will provide a written explanation as indicated on a page attached in FTA's TrAMS platform or the Signature Page if it or any of its principals, including any of its first tier Subrecipients or its Third-Party Participants at a lower tier, is unable to certify compliance with the preceding statements in this Certification Group.

### Certification

Contractor: \_\_\_\_\_

Signature of Authorized Official: \_\_\_\_\_ Date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Name and Title of Contractor's Authorized Official: \_\_\_\_\_



Van Pool Number	Van Pool ID	Size	Unit #	Monthly Fare	Rider Count	Work City	Work Zip	Home City	Home Zip	Start Date	Origin	Destination
DC004	09V3-004045	8	7RMNRN	\$850.00	8	Dallas	75216	Frisco	75033	6/1/2013	Frisco	Dallas
DC005	09V3-004027	15	7R8KLR	\$900.00	8	Denton	76207	Muenster	76252	6/1/2013	Muenster	Denton
DC006	09V3-004028	15	7R66Q2	\$900.00	11	Denton	76207	Whitesboro	76273	6/1/2013	Whitesboro	Denton
DC007	09V3-004026	15	7S8CRW	\$900.00	9	Denton	76207	Lindsay	76250	6/1/2013	Lindsay	Denton
DC008	09V3-004048	15	7NNMP81	\$900.00	9	Denton	76207	Gainesville	76240	6/1/2013	Muenster	Denton
DC009	09V3-004049	15	7S4J2R	\$900.00	8	Denton	76207	Muenster	76252	6/1/2013	Muenster	Denton
DC010	09V3-004025	15	7D820F	\$900.00	10	Denton	76207	Gainesville	76240	6/1/2013	Gainesville	Denton
DC011	09V3-004023	15	7R1PKH	\$900.00	10	Denton	76207	Whitesboro	76273	6/1/2013	Gainesville	Denton
DC012	09V3-004047	15	7RHCC9	\$900.00	10	Denton	76207	Bowie	76230	6/1/2013	Bowie	Denton
DC013	09V3-004059	15	7S8DCY	\$900.00	10	Denton	76207	Collinsville	76233	11/1/2014	Gainesville	Denton
DC016	09V3-004029	15	7TR3JC	\$900.00	11	Denton	76207	Marietta, OK	73449	6/1/2013	Marietta, OK	Denton
DC023	09V3-004313	15	7S9M9Q	\$900.00	12	Denton	76207	Muenster	76252	8/1/2013	Muenster	Denton
DC024	09V3-004314	15	7NT3GP	\$900.00	10	Denton	76207	Gainesville	76240	8/1/2013	Gainesville	Denton
DC031	09V3-005496	15	7R33W8	\$900.00	11	Denton	76207	Lindsay	76250	11/1/2014	Lindsay	Denton
DC032	09V3-005698	15	7QV15M	\$900.00	11	Denton	76207	Gainesville	76240	1/1/2015	Gainesville	Denton
DC034	09V3-005784	15	7PYKKK	\$900.00	12	Denton	76207	Chico	76431	2/1/2015	Chico	Denton
DC036	09V3-005782	15	7S327J	\$900.00	7	Denton	76207	Alvord	76225	2/1/2015	Alvord	Denton
DC038	09V3-005780	15	7Q772C	\$900.00	10	Denton	76207	Bowie	76230	2/1/2015	Bowie	Denton
DC041	09V3-006374	15	7TNN4S	\$900.00	11	Denton	76207	Bonham	75418	9/1/2015	Bonham	Denton
DC042	09V3-006501	15	7SSR1Q	\$900.00	10	Denton	76207	Denison	75020	9/1/2015	Denison	Denton
DC054	09V3-020792	8	7T2XK2	\$950.00	6	Dallas	75216	Anna	75409	2/1/2019	Anna	Dallas
DC055	09V3-020788	8	7TN2LN	\$950.00	6	Grand Prairie	75051	Frisco	75036	2/1/2019	Frisco	Grand Prairie
DC056	09V3-020855	8	7RQ54D	\$950.00	4	Grand Prairie	75051	Plano	75093	2/1/2019	McKinney	Grand Prairie
DC057	09V3-020946	8	7T9J17	\$950.00	5	Dallas	75216	Allen	75093	3/1/2019	Allen	Dallas
DC058	09V3-021125	8	7TXWW4	\$950.00	6	Bonham	75418	Allen	75093	3/1/2019	Allen	Bonham
DC059	09V3-021138	8	7R855Y	\$950.00	5	Bonham	75418	Pottsboro	75076	3/1/2019	Pottsboro	Bonham
DC060	09V3-021305	8	7TN6QS	\$950.00	4	Bonham	75418	Paris	75460	4/1/2019	Paris	Bonham
DC062	09V3-022048	8	7RTN1T	\$900.00	8	Denton	76208	Gainesville	76240	7/1/2019	Gainesville	Denton
DC063	09V3-021977	8	7SXN8N	\$950.00	7	Bonham	75418	Corinth	76210	6/1/2019	Corinth	Bonham
DC064	09V3-022376	8	7RV5TH	\$950.00	7	Bonham	75419	Southmayd	76268	8/1/2019	Southmayd	Bonham
DC065	09V3-022374	8	7SS4N5	\$950.00	8	Bonham	75420	Carrollton	75010	8/1/2019	Lewisville	Bonham
DC068	09V3-023548	7	7TFFHB	\$950.00	5	Dallas	75216	Allen	75093	1/1/2020	Allen	Dallas
DC074	09V3-025840	8	7S7T6V	\$950.00	4	Dallas	75216	Richardson	75080	3/1/2020	McKinney	Dallas
DC080	09V3-025862	8	7TNWKK	\$950.00	4	Dallas	75216	Carrollton	75007	3/1/2020	The Colony	Dallas
DC081	09V3-025927	8	7RS3HM	\$950.00	6	Dallas	75216	Plano	75093	3/1/2020	Plano	Dallas
DC082	09V3-025928	15	7PS53M	\$900.00	10	Greenville	75402	Plano	75093	3/1/2020	McKinney	Greenville
DC086	09V3-026004	8	7TP41J	\$950.00	5	Dallas	75209	Sherman	75090	3/1/2020	Sherman	Dallas
DC090	09V3-026089	15	7TVNWH	\$900.00	10	Sherman	75090	Flower Mound	75022	4/1/2020	Flower Mound	Sherman
DC092	09V3-026087	15	7S2Y70	\$900.00	11	Sherman	75090	Lewisville	75067	4/1/2020	Lewisville	Sherman
DC093	09V3-026086	15	7S144K	\$900.00	11	Sherman	75090	Lewisville	75067	4/1/2020	Lewisville	Sherman
DC094	09V3-026085	15	7SXNVM	\$900.00	12	Sherman	75090	Flower Mound	75028	4/1/2020	Flower Mound	Sherman
DC098	09V3-026081	15	7TB1C2	\$900.00	9	Sherman	75090	Lewisville	75067	4/1/2020	Carrollton	Sherman
DC099	09V3-026080	15	7R12R3	\$900.00	11	Sherman	75090	Lewisville	75067	4/1/2020	Lewisville	Sherman
DC100	09V3-026079	15	7TJ68H	\$900.00	12	Sherman	75090	Lewisville	75067	4/1/2020	Lewisville	Sherman
DC101	09V3-026078	15	7SFP48	\$900.00	10	Sherman	75090	Lewisville	75067	4/1/2020	Lewisville	Sherman
DC102	09V3-026077	15	7SS1WW	\$900.00	11	Sherman	75090	Lewisville	75067	4/1/2020	Carrollton	Sherman
DC103	09V3-026076	15	7TVRM6	\$900.00	13	Sherman	75090	Lewisville	75056	4/1/2020	Lewisville	Sherman
DC104	09V3-026075	15	7S7WRT	\$900.00	12	Sherman	75090	Lewisville	75067	4/1/2020	Lewisville	Sherman
DC105	09V3-026074	15	7R4VXB	\$900.00	11	Sherman	75090	Lewisville	75067	4/1/2020	Lewisville	Sherman
DC107	09V3-026072	15	7SM6TV	\$900.00	14	Sherman	75090	Lewisville	75056	4/1/2020	Lewisville	Sherman
DC109	09V3-026174	8	7SWL97	\$850.00	6	McKinney	75071	Flower Mound	75022	5/1/2020	Flower Mound	McKinney
DC111	09V3-026172	8	7RDFVK	\$850.00	5	McKinney	75071	Sherman	75092	5/1/2020	Sherman	McKinney
DC113	09V3-026234	8	7STYMD	\$975.00	5	Bonham	75418	Anna	75409	5/1/2020	Anna	Bonham
DC114	09V3-026222	8	7VNHYY	\$950.00	4	Ft. Worth	76155	Denton	76201	5/1/2020	Denton	Ft. Worth
DC115	09V3-026221	8	7RFJHC	\$975.00	6	Ft. Worth	76155	Anna	75409	5/1/2020	Anna	Ft. Worth
DC120	09V3-026345	8	7S8GJT	\$850.00	9	McKinney	75071	Justin	76247	5/1/2020	Justin	McKinney
DC121	09V3-026328	7	7TTKHV	\$975.00	4	Bonham	75418	Allen	75093	5/1/2020	Allen	Bonham
DC122	09V3-026348	7	7SWKP9	\$975.00	5	Bonham	75418	Plano	75024	5/1/2020	McKinney	Dallas
DC124	09V3-026745	15	7TVL2W	\$900.00	11	Sherman	75090	The Colony	75056	9/1/2020	The Colony	Sherman
DC125	09V3-026956	8	7S8N9D	\$950.00	5	Bonham	75418	Allen	75093	10/1/2020	Allen	Bonham
DC126	09V3-027075	7	7T4TTP	\$950.00	5	Dallas	75216	Lewisville	75067	10/26/2020	Lewisville	Dallas
DC127	09V3-027045	15	7TFJT3	\$900.00	12	Sherman	75090	Lewisville	75067	10/30/2020	Lewisville	Sherman
DC128	09V3-028605	7	7VHMQT	\$975.00	5	Dallas	75216	Flower Mound	75028	5/1/2021	Flower Mound	Dallas
DC129	09V3-029341	8	7S8JX5	\$850.00	6	Dallas	75243	Dallas	75068	8/1/2021	Dallas	Oak Point
DC130	09V3-029447	15	7TQY3D	\$900.00	15	Sherman	75090	Dallas	75231	8/1/2021	Lewisville	Sherman

**Limited English Proficiency Plan**

DCTA's Limited English Proficiency Plan addresses the agency's responsibilities, as a recipient of federal financial assistance to meet the needs of individuals with limited English language skills. Executive Order 13166, titled Improving Access to Service for Persons with Limited English Proficiency, indicates that differing treatment based upon a person's inability to speak, read, write or understands English is a type of national origin discrimination. This order applies to all state and local agencies which receive federal funds, including DCTA which receives federal assistance through the U.S. Department of Transportation, which includes the Federal Transit Administration, the Federal Railroad Administration and the Federal Highway Administration.

DCTA has developed this Limited English Proficiency Plan as part of its Title VI program to help identify reasonable steps for providing language assistance to persons with limited English proficiency [LEP] who wish to access services provided by the transit authority. As defined in Executive Order 13166, LEP persons are those who do not speak English as their primary language and have limited ability to read, speak, write or understand English.

In order to ensure meaningful access to programs and activities, DCTA uses the information obtained in a Four Factor Analysis to determine the specific language services that are appropriate and the appropriate methods to engage those with limited English proficiency. This analysis helps DCTA determine if it communicates effectively with LEP persons and informs language access planning and the development of passenger information.

The Four Factor Analysis is a local assessment outlined by the U.S. DOT that considers:

1. The number or proportion of LEP persons eligible to be served or likely to be encountered by DCTA;
2. The frequency with which LEP persons come into contact with DCTA services and programs;
3. The nature and importance of DCTA's services and programs in people's lives; and
4. The resources available to DCTA for LEP outreach, as well as the costs associated with that outreach.

For the purposes of this plan, statistically significant LEP groups are defined as persons with the same first language, comprising 2% or more of the DCTA service area, who have limited English proficiency. Additionally, in accordance with the Safe Harbor provisions, DCTA provides written translation of vital documents for each eligible LEP groups that constitutes 5% or 1,000 persons, whichever is less, of the total population served or likely to be encountered or affected. Based on the four-factor analysis outlined more thoroughly below, DCTA has identified Spanish speaking as an eligible population group throughout the service area and Burmese speaking individuals in the Lewisville, TX service area.

**Factor 1: The Number and Proportion of LEP Persons Served or Encountered in the Eligible Service Population.**

The first step in determining the appropriate components of the language assistance program is understanding the proportion of LEP persons who may encounter DCTA's services, their literacy skills in English and their native language, the location of their communities and neighborhoods, and if any are underserved as a result of a language barrier.

DCTA's authority is largely defined by the boundaries of Denton County, while its services are focused within the cities of Denton, Lewisville and Highland Village within the Denton/Lewisville Urbanized Area. Limited campus shuttle service is provided in Flower Mound and Corinth. The A-train has a terminus station in Carrollton that connects with Dallas Area Rapid Transit. Texas has a growing Hispanic community and Denton County and DCTA's service area mirror this trend.

- Review of U.S. Census Data: A review of 2007-2011 American Community Survey data identified a statistically significant representation of Spanish speaking individuals who spoke English less than very well or were linguistically isolated. The table below contains the census data on English proficiency in the DCTA service area. The largest group of persons with limited English proficiency speak Spanish. The cities of Denton and Lewisville have the largest population of individuals with limited English proficiency.

**Table 1: LEP Percentages within DCTA Service Area**

Geography	Speak Spanish, Speak English Less than Very Well	Speak Other Indo-European, Speak English Less than Very Well	Speak Asian and Pacific Islander, Speak English Less than Very Well	Speak Other Languages, Speak English Less than Very Well
Denton County	<b>5.9%</b>	0.7%	1.8%	0.1%
Corinth	<b>1.8%</b>	0.5%	0.8%	<0.0%
Denton	<b>7.3%</b>	0.3%	1.1%	0.1%
Flower Mound	1.1%	0.3%	<b>1.5%</b>	0.1%
Highland	<b>1.5%</b>	0.7%	0.1%	0.0%
Lewisville	<b>13.3%</b>	1.1%	2.6%	0.1%

Source: U.S. Census Bureau. 2007-2011 American Community Survey 5-Year Estimates, Table B16004.

Note: Census geographies are commensurate with Census 2010.

- Review of DCTA Survey Data: DCTA conducts a bi-annual survey of its customers to measure system performance, gather input on service initiatives and priorities, and understand customer demographics. In survey data from 2011 and 2013, English and Spanish were the predominant languages spoken by DCTA customers. 3% of customers in 2011 and 5% of customers in 2013 indicated that Spanish was the primary language spoken in the home.

- Examination of prior experiences: Discussions with DCTA transit operators, customer service representatives and the call center confirmed frequent and consistent encounters with Spanish speaking individuals who have little or no English proficiency. In most cases, the information requested relates to routes, schedules, connections with other transit systems, key destinations (retail, medical, social services, and employers) and fare information.

Discussions with our partner cities, local school districts and stakeholders revealed that their data and experience indicated a need to provide Spanish speaking individuals with information in their native language. Knowing that fact, DCTA has worked with the Hispanic Chamber of Commerce, local school districts, Texas Workforce Commission and social service agencies to ensure the needs of these individuals, especially those with limited English proficiency, are met.

Discussions with Catholic Charities in Lewisville did indicate another demographic in addition to Spanish speaking individuals that meets the Safe Harbor thresholds. Over 3,500 Chinn refugees have relocated to Lewisville with the assistance of Catholic Charities. While representing a small portion of the Lewisville population, a majority of these individuals do not own a car and a likely to need public transportation. DCTA works closely with Catholic Charities on transit training and travel assistance. While Catholic Charities has provided translation services in the past, DCTA took over translation responsibilities of the vital documents in 2014. Vital documents for these purposes include Lewisville Connect Route Guides, the A-train Schedule, Title VI Notice and the Title VI Compliant Form and Procedures.

- Review of regional demographic information: A review of regional demographic trends provided by the North Central Texas Council of Governments also confirmed the migration of Spanish speaking individuals in the area. This group is the fastest growing demographic in Denton County and in the North Texas region.

The analysis conducted in Factor 1 clearly indicates the need for language services in Spanish throughout the service area and in Burmese in Lewisville. Additional understanding of where in the service area populations of limited English proficiency reside is also helpful.

### ***Factor 2: The Frequency with Which LEP Individuals Come Into Contact with DCTA Programs, Activities and Services***

There are a large number of places where DCTA passengers and members of the LEP population can come into contact with DCTA services. An important part of the development of DCTA's Language Access Plan is the assessment of major points of contact.

Discussions with DCTA transit operators, customer service representatives and the agency call center indicate frequent interactions with Spanish speaking only individuals. These individuals are frequent users of DCTA's fixed-route and demand response services. While interactions with other individuals that are linguistically isolated but do not speak Spanish is limited, rare occurrences are experienced. African, Asian and Middle Eastern dialects are the next most predominant occurrences.

DCTA hosts regular discussions and opportunities for engagement at DCTA facilities and other public venues during service changes or to gather feedback on service provision. During these interactions with passengers and community members, DCTA staff regularly observes that a significant portion of those waiting on buses were Hispanic and spoke little or no English. Spanish speaking staff is made available to collect feedback from those individuals.

Based on Factor 2 and the discussions described, no other language or population group was consistently identified as an eligible participation group.

***Factor 3: The Importance to LEP Persons of DCTA Programs, Activities and Services***

Access to the services provided by DCTA, both fixed route and demand response are critical to the lives of many in the area. Many depend on DCTA's fixed route services for access to jobs, education and essential social services. Because of the essential nature of services provided by DCTA, DCTA needs to make every effort to ensure that language is not a barrier for access to the system.

Because of the diverse nature of DCTA's service area, the lack of personal transportation by the Chinn population in Lewisville and the growing Hispanic population throughout North Texas, all of DCTA's services are critically important. This need is confirmed by observation and surveys conducted on-board and at DCTA transit facilities and in consultation with community service organizations. For example, our relationship with Catholic Charities has allowed us to better understand the travel needs of the Chinn population and know that their travel needs are localized to Lewisville.

DCTA has determined that these services are often the primary means of transportation of populations with limited English proficiency. Critical information that can affect access includes route and schedule information; fare and payment information; demand response information and application; complaint and commendation forms, system code of conduct and emergency information, and automated announcements.

Based on Factor 3 analysis, Spanish speaking individuals were the only LEP population identified.

***Factor 4: The Resources Available to DCTA and the Costs***

DCTA assessed its resources that are used for providing LEP assistance, including cost of translation and printing of additional materials and identifying materials and information that need to be made immediately available in other languages. Consideration was also given to the amount of staff and vehicle operator training that is needed.

Due to the small size of our agency and limited resources, DCTA has collaborated with community organizations and social service agencies to provide assistance. These agencies include Lewisville Independent School District, Denton Independent School District, Carrollton/Farmers Branch Independent School District, Lake Dallas Independent School District, The University of North Texas, Texas Woman's University, North Central Texas College, the Denton Hispanic Chamber of Commerce, the Salvation

Army, the City of Denton, the City of Lewisville, the City of Highland Village, Immaculate Conception Catholic Church, Catholic Charities, Serve Denton, REACH of Denton, Southeast Denton Neighborhood Association, Christian Community Action and Our Daily Bread.

These organizations help with the dissemination of printed information, translation of relevant information, travel training and the identification and joint participation in educational and outreach opportunities to help improve access for LEP persons.

Annually, DCTA reviews its translation expenditures and budgets accordingly for the next fiscal year. Approximately, \$2,000 is spent each year on outside translation services with additional work provided by bilingual staff. DCTA includes translated sections within existing printed materials to minimize printing costs.

### **LEP Program and Activities**

Following the Four Factor Analysis, DCTA concluded that in addition to providing extensive outreach materials in Spanish and vital documents in Burmese, there is a need for additional services to assist other LEP populations within the region.

As a result, DCTA's LEP Program outlines how to identify a person who may need language assistance, the ways in which assistance may be provided, staff training that may be required, and how to notify LEP persons that assistance is available. Methods of determination of need and assistance include:

- Examination of records to see if requests for language assistance have been received in the past, either at meetings or over the phone, to determine whether language assistance might be needed at future events.
- Have a welcome table at any DCTA sponsored event so that a staff person greets participants as they arrive. By informally engaging participants in conversation it is possible to gauge each attendee's ability to speak and understand English.
- Individuals self-identifying as persons not proficient in English may not be able to be accommodated with translation assistance at the event, but it will assist DCTA in identifying language assistance needs for future events. Follow-up participation opportunities will be offered to those individuals either via phone call with an interpreter or through written communication in their native language.
- Have Language Identification Flashcards on all transit vehicles to assist vehicle operators in identifying specific language assistance needs of passengers. If such individuals are encountered, vehicle operators will be instructed to try to obtain contact information to give to the transit system manager for follow-up.
- Actively recruit bilingual employees.
- Dispatchers and schedulers will also be instructed to obtain contact information from LEP individuals they encounter, either in person or over the phone.
- Language Identification Flashcards will be available at the Downtown Denton Transit Center and at the main office reception desk. It will be especially important for the customer service representatives to have these cards available



since the station serves both the local transit system and the regional rail network.

- Creation of a webpage providing information on DCTA's language assistance services (in process).

#### *Language Assistance Measures*

Spanish and Burmese speaking individuals with limited English proficiency have been identified as statistically significant populations requiring the access to vital information in their native languages. DCTA will provide the following measures to ensure access to these individuals and other individuals with limited English proficiency:

- Language Identification Flashcards are available at all times in DCTA vehicles, at the Downtown Denton Transit Center, and at transit system administrative offices where tickets are sold or information is distributed.
- The DCTA Title VI Policy, Complaint Form and Limited English Proficiency Plan is posted on the agency website, [www.dcta.net](http://www.dcta.net).
- DCTA posts a translated version of the beneficiaries notice along with the English version on all DCTA vehicles.
- DCTA provides translations of printed materials including service schedules, maps or other necessary information to assist in effectively utilizing DCTA services or opportunities to comment on DCTA programs and services
- DCTA provides reasonable means for an individual to request public information, comment on DCTA programs or services during the public participation process, or file a complaint to DCTA regarding services or programs.
- DCTA makes every effort to hire bilingual operations staff, customer service representative and operators.
- When an interpreter is needed, in person or on the telephone, staff attempts to determine what language is required and to access language assistance services through local colleges and universities, social service agencies or through [www.language.com](http://www.language.com).
- When staff prepares a document or schedules a meeting for which the target population is expected to include LEP individuals, the documents, meeting notices, flyers and agendas are printed in an alternative language based on the known LEP population. Historically, DCTA has provided public meeting materials in Spanish for meetings held in Denton and Lewisville.

#### *Staff Training*

The following training is provided to DCTA staff, DCTA operations contractors and DCTA Board of Directors:

- Information on DCTA Title VI Policy and LEP responsibilities;
- Description of language assistance services offered to the public;
- Description of agencies and resources that can assist DCTA in providing service to special populations including those with limited English proficiency;
- Use of Language Identification Flashcards;



- Documentation of language assistance requests;
- Use of language line services; and,
- How to handle a potential Title VI/LEP complaint.

#### *Monitoring and Updating the Plan*

The Marketing and Communications Department in conjunction with Planning and Operations staff will monitor the effectiveness of this plan. Monitoring includes annual reviews of census data in coordination with NCTCOG for changing patterns of LEP populations, ongoing collaboration with regional partners and community groups, and post event assessments. Additionally, staff will continue to pursue new media opportunities to offer affordable and effective travel information in multiple languages.

Updates will include the following:

- The number of documented LEP person contacts encountered annually;
- How the needs of LEP persons have been addressed;
- Determination of appropriate documents for translation;
- Determination of the current LEP and Safe Harbor populations in the service area;
- Determination as to whether the need for translation services has changed;
- Determine whether local language assistance programs have been effective and sufficient to meet the need;
- Determine whether transit system's financial resources are sufficient to fund the language assistance resources needed;
- Determine whether DCTA has fully complied with the goals of this LEP Plan; and,
- Determine whether complaints have been received concerning the agency's failure to meet the needs of LEP individuals.

#### *Dissemination of DCTA's LEP Plan*

A link to DCTA's plan is included on the DCTA website, [www.dcta.net](http://www.dcta.net), under the Resources section.

Any person or agency with internet access will be able to access and download the plan from the DCTA website. Alternatively, any person or agency may request a copy of the plan via telephone, fax, mail, or in person, and shall be provided a copy of the plan at no cost. LEP individuals may request copies of the plan in translation, which DCTA will provide, if feasible.

Questions or comments regarding the LEP Plan may be submitted to DCTA's President or Chief Operating Officer.

**Overview of Planning, Advisory and Policy Makers**

In addition to the Board of Directors, DCTA has five committees, one of which, the Citizen Advisory Committee (CAC), consists of non-elected members of the general public.

The duties of the Board and each committee are summarized below.

***Board of Directors***

DCTA is governed by a 14-member board appointed by respective entities (municipalities or county commissioner's court). Large cities, small cities and at-large members serve two-year terms. There is currently one vacancy on the board. No positions are directly appointed by DCTA. Texas Transportation Code 460 [Section 460.202] outlines eligibility for participation on the board. To be eligible for appointment, a person must: (i) have professional experience in the field of transportation, business, government, engineering or law; and (ii) reside: (A) within the territory of the Authority; or (B) outside the territory of the authority in a municipality that is located partly in the territory of the Authority.

***Board Committees***

In accordance with the bylaws, the Chairman of the Board appoints members of the board to various committees. DCTA has four active committees Executive, Finance, Program Services and Legislative Committees. These committees do not have authority to act on the behalf of the agency. The committees report its discussions or recommendations, subsequent to its meeting, to the next Board of Directors meeting. While the Executive Committee meets monthly, all other committees meet as needed.

***Citizens Advisory Team***

The Citizens Advisory Team provides a forum to exchange information between DCTA staff, its passengers and the community members on transit related issues. While the Citizens Advisory Team is not authorized to make decisions, this team of local citizen volunteers has the ability to influence decisions, interact more closely with DCTA Board and staff and more intimately participate in the process. Participation is on a volunteer basis, and citizens are required to reside the local service area. The current team consists of DCTA transit system users and non-transit users as well as interested citizens seeking ways to improve the public transportation options available in Denton County. These residents represent a broad range of interests, such as public transportation; community enhancement; environmental issues; economic development; and issues concerning seniors and the disabled.

***DCTA efforts for minority participation***

DCTA recognizes the importance of diverse participation on its planning, advisory and policy making bodies. While DCTA does not directly appoint members to its Board of Directors, DCTA will continue to encourage the appointing entities to consider diversity in their selection process. DCTA will continue to actively solicit participation on its Citizen's Advisory Committee and will increase its efforts to engage minority, low-income and LEP populations. Additionally, DCTA occasionally forms ad-hoc stakeholder work-groups to assist with project planning efforts. DCTA ensures that the work groups adequately reflect the diverse community. For example, when DCTA was developing an enhancement project in a neighborhood that was primarily African American, DCTA formed an advisory group that helped develop the plans for the improvements. The advisory group included three African American residents from the neighborhood, three

members from the City of Denton, a representative from the Historical Commission and two members from DCTA.

**Table 2: Racial Breakdown of Planning, Advisory and Policy Makers**

Body	Caucasian	Latino	African American	Asian American	Native American
Board of Directors	13	0	0	0	0
Citizens Advisory Team	13*	1	0	0	0

**Subrecipient Compliance**

DCTA does not have any subrecipients.



Denton County  
Transportation Authority  
**COMMITMENT AGREEMENT FORM  
FOR ALL SUBCONTRACTORS**

(Please complete one form for each subcontractor)

Attachment I  
Exhibit 1 Request for Proposal 22-01  
Form 4906 Bid 22-01

This commitment is subject to the award and receipt of a signed contract from the  
Denton County Transportation Authority for the subject project. This form must be completed and submitted with bid/offer.

<b>Project Description:</b>		<b>Contract No:</b>		
<b>Items of work/service to be performed* (attach a list of work/service items, if more room is required):</b>				
<b>Work/Service Description</b>	<b>NAICS</b>	<b>Unit Price</b>	<b>Quantity/Percentage</b>	<b>Total Per Item</b>
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
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				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
<b>IMPORTANT! The signatures of the prime contractor, the subcontractor, and the total commitment amount must always be on the same page.</b>				
<b>Prime Contractor:</b>		<b>Name:</b>		
<b>Contact Name:</b>		<b>Title:</b>		
<b>Address:</b>	<b>Signature:</b>			
<b>City:</b>				<b>ST, Zip</b>
<b>Phone:</b>				<b>Fax:</b>
<b>Email:</b>				
<b>Subcontractor:</b>		<b>Name:</b>		
<b>Federal ID:</b>		<b>Title:</b>		
<input type="checkbox"/> 8(a) <input type="checkbox"/> DBE <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBE <input type="checkbox"/> Non-Minority				
<b>Certification Number:</b>		<b>Signature:</b>		
<b>Contact Name:</b>				
<b>Address:</b>	<b>Signature:</b>			
<b>City:</b>				<b>ST, Zip:</b>
<b>Phone:</b>				<b>Fax:</b>
<b>Email:</b>				
<b>2nd Tier Sub:</b>		<b>Name:</b>		
<b>Federal ID:</b>		<b>Title:</b>		
<input type="checkbox"/> 8(a) <input type="checkbox"/> DBE <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBE <input type="checkbox"/> Non-Minority				
<b>Certification Number:</b>		<b>Signature:</b>		
<b>Contact Name:</b>				
<b>Address:</b>	<b>Signature:</b>			
<b>City:</b>				<b>ST, Zip:</b>
<b>Phone:</b>				<b>Fax:</b>
<b>Email:</b>				

To ensure prompt and efficient handling of your project file, we are requesting that all commitments be presented to the DCTA DBELO using this form.



### GOOD FAITH EFFORT FORM

If you have failed to secure DBE participation and you have subcontracting and/or supplier opportunities or if you're DBE participation is less than the DCTA's project goal, you **must** complete this form.

Prime Company Name (please print):	DCTA Contract Number:
	DCTA Contract Goal: _____ %
Check applicable response to describe prime:	DBE:
	(yes ___) Certifying Entity: _____ (no ___)

If the bidder's method of compliance with the DBE goal is based upon demonstration of a "good faith effort", the bidder will have the burden of correctly and accurately preparing and submitting the documentation required by the DCTA. Compliance with items 1 through 6 as it appears on the Good Faith Effort Form, in its entirety shall satisfy the good faith effort requirement upon verification by DCTA's staff and confirmation of no counterfeit information, intentional and/or knowing misrepresentation of facts or intentional discrimination by the contractor.

**Failure to complete this form, in its entirety with supporting documentation, and received by the DBE Liaison, will result in the bid being considered non-responsive to bid specifications. Please list each and every subcontracting and/or supplier opportunity for the completion of this project, regardless of whether it is to be provided by a DBE or non-DBE. (DO NOT LIST NAMES OF FIRMS).**

- Please list each and every (subcontracting and/or supplier opportunity) for the completion of this project, regardless of whether it is to be provided by a DBE or non DBE (DO NOT LIST NAMES OF FIRMS). **List opportunities only.**

(Use additional sheets, if necessary)

List of Subcontracting Opportunities:	List of Supplier Opportunities:

2. Did you obtain a current (**not more than 60 days old from the initial response to the DCTA's solicitation due date**) list of DBE subcontracts and/or suppliers from the DCTA DBE Liaison?

(yes ☐) (no ☐)

DBE listing request date to the DCTA DBELO : \_\_\_\_/\_\_\_\_/20\_\_\_\_

3. Did you solicit bids from DBE firms, within the subcontracting and/or supplier areas previously listed by mail?

(yes ☐) (no ☐)

Attach the DBE mail listing including a dated copy of the letter mailed, or email correspondence showing proof of solicitation to DBE firms. **If you did not fulfill, please write the following statement: "I did not comply"**

- 
4. Did you solicit bids from DBE firms within the subcontracting and/or supplier areas previously listed by telephone?

(yes ☐) (no ☐)

Attach DBE contact list to include: DBE firm, person contacted, telephone number, date and time of contact. **If you did not fulfill, please write the following statement: "I did not comply"**

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**NOTE:** A facsimile may be used to comply with either 3 or 4 but may **not** be used for both. If a facsimile is used, attach the fax confirmation, which is to provide: DBE name, date, time, fax number and documentation faxed.

**NOTE:** If the list of DBE firms for a particular subcontracting/supplier opportunity is **ten (10) or less**, the contractor must contact the entire list to be in compliance with item 3 and 4. If the list of DBE firms for a particular subcontracting/supplier opportunity is ten (10) or more, the contractor must contact at least two-thirds (2/3) of the list within such area of opportunity, but not less than ten to be in compliance with items 3 and 4.

5. Did you provide plans and specifications to potential DBE firms or information regarding the location of plans and specifications in order to assist the DBE firms?

(yes ☐) (no ☐)

6. Submit documentation if DBE firms were rejected. The documentation submitted should be in the form of an affidavit, include a detailed explanation of why the DBE firms were rejected and any supporting documentation the contractor wishes to be considered by the DCTA. In the event of an actual dispute concerning quotes, the contractor will provide for confidential access to and inspection of any relevant documentation by DCTA Legal representative. **(Please use additional sheets, if necessary and attach)**

Company Name	Telephone	Contact Person	Scope of Work	Reason for Rejection

**ADDITIONAL INFORMATION:**  
Please provide additional information you feel will further explain your good and honest efforts to obtain DBE participation on this project.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The bidder further agrees to provide, directly to the DCTA upon request, complete and accurate information regarding actual work performed on this contract, the payment thereof and any proposed changes to the original arrangements submitted with this bid. The bidder also agrees to allow an audit and/or examination of any books, records and files held by their company that will substantiate the actual work performed on this contract, by an authorized DCTA employee. Any intentional and/or knowing misrepresentation of facts will be grounds for terminating the contract or debarment from DCTA work for a period of not less than three (3) years and for initiating action under laws concerning false statements. Any breach of contract may result in a determination of an irresponsible offeror and barred from participating in DCTA work for a period of time not less than one (1) year.

The undersigned certifies that the information provided and the listed was/were contacted in good faith. It is understood that any DBE firms listed on the Good Faith Effort Form will be contacted and the reasons for not using them will be verified by the DCTA DBELO.

Authorized Signature:	Printed Signature:
Title:	Contact Name and Title (if different):
Company Name:	Phone Number:
Street Address:	Email Address:
City/County/State and Zip Code	Date: _____, _____20____
DCTA DBELO Authorized Signature:	Date: _____, _____20____



## Question and Answers for Bid #22-01 - Commuter Vanpool Program Services

### Overall Bid Questions

There are no questions associated with this bid.