DCTA | DENTON COUNTY TRANSPORTATION AUTHORITY

Board of Directors Regular Meeting

July 23, 2026

DCTA Board Meeting

- Call to Order
- Invocation
- Pledge of Allegiance (United States and Texas Flags)

Pledge of Allegiance

I pledge allegiance to the flag of the United States of America,
and to the republic for which it stands,
one nation under God,
indivisible, with liberty and justice for all.

Texas Pledge

Honor the Texas flag; I pledge allegiance to thee,
Texas, one state under God, one and indivisible.

Introductions

Public Comment

This agenda item provides an opportunity for citizens to address the Board of Directors on any agenda item(s) or other matters relating to the DCTA. Anyone wishing to speak (3-minute limit) shall be courteous and cordial.

Speakers making personal, impertinent, profane or slanderous remarks may be removed from the meeting. Unauthorized remarks from the audience, stamping of feet, whistles, yells, clapping and similar demonstrations will not be permitted.

Citizens that are not able to connect to the Zoom meeting must have emailed his or her public comment to kmorris-perkins@dcta.net no later than 3:00 pm on Wednesday, July 22, 2026, to ensure the comment will be distributed to the Board Members prior to the meeting.

The Board of Directors is not permitted to take action on any subject raised by a speaker during Public Comments. However, the Board of Directors may have the item placed on a future agenda for action; refer the item to the DCTA Administration for further study or action; briefly state existing DCTA policy; or provide a brief statement of factual information in response to the inquiry.

Consent Agenda

Consent Agenda

1. Consider Approval of Regular Meeting Minutes dated June 25, 2026

2. Consider Approval of Monthly Financial Statement – May 2026

3. Consider Authorizing the Chief Executive Officer (CEO) to Execute a Construction Contract with Kevco Electrical Construction, Inc., for Underground Electrical Vault Rewiring, Hardwired Sump Pump Installation, and Generator System Assessment and Rewiring at the Bus Operations and Maintenance Facility in an Amount not to Exceed $124,000

4. Consider Authorizing the Chief Executive Officer (CEO) to Negotiate and Execute Amendment #7 to the Current Interlocal Agreement (ILA) with the City of Coppell in an Amount Not to Exceed $370,522 for Taxi Services in Support of the City of Coppell Workforce Transit Program Through September 30, 2028

Regular Agenda

Regular Agenda Item 1

Discuss the Updates to the Proposed Fiscal Year (FY) 2027 Operating & Capital Budget and Reserve Policies, the Long-Range Financial Plan, and Draft FY2027 Work Plan

Presenters: Jane Filarowicz
Senior Manager Budget and Grants

Derick Sibley
Vice President Finance

Paul Cristina
Chief Executive Officer

Recommendation

This item is for discussion only. No Board action required.

Proposed Revised Budget Workshop

1. **FY27 Budget Updates – since June Board Meeting**
2. **Budget Summary for FY 2027**
3. **Change in Net Position – Net of Depreciation**
4. **Change in Net Position – Includes Depreciation**
5. **Capital Improvement & Major Maintenance Plan**
6. **Transportation Reinvestment Program (TRiP)**
7. **Long-Range Financial Plan FY 2026- 2045**
8. **Next Steps**

FY27 Budget Updates – since June Board Meeting

DCTA

Revenue	Proposed FY27	Proposed Revised FY27	$ Change
	$81,039,148	$81,114,796	$75,648

Revenue	Proposed FY27	Proposed Revised FY27	$ Change	Notes
MaaS – Purchased Transportation	$68,352	$144,000	$75,648	Coppell Lyft PT cost plus 60% Admin Fee

Expense	Proposed FY27	Proposed Revised FY27	$ Change
	$61,152,959	$61,323,424	$170,465

Expense	Proposed FY27	Proposed Revised FY27	$ Change	Notes
Planning – Computer & Software Maintenance	$262,826	$286,448	$23,622	Optibus originally budgeted $80K but needs $103,622; $23,622 difference
MaaS – Purchased Transportation *	$1,659,527	$1,706,807	$47,280	Coppell Lyft originally budgeted $42,720 but needs $90,000; $47,280 difference
Insurance – all insurance	$2,010,686	$2,110,249	$99,563	Had preliminary numbers, now real premiums noted
Total			**$170,465**	

* Account also has GRH, UNT Late Night & Vanpool

Financial Overview

DCTA Budget Summary

Operating Budget		
BUS OPERATIONS		
Demand Response – Directly Operated[1]	$	1,077,493
Fixed Route – Directly Operated[2]	$	5,672,693
MOBILITY SERVICES		
GoZone	$	15,515,443
Collin County Rides	$	487,896
Contracted Mobility as a Service[3]	$	1,706,807
Bus Admin & Support Services	$	8,195,823
A-train	$	17,303,963
General & Administrative	$	11,363,306
Total	**$**	**61,323,424**

(1) Includes Access and Frisco and demand response for Denton, Highland Village, Lewisville
(2) Includes Connect, UNT shuttle, North Texas Express
(3) Contracted Mobility as a Service Vanpool, Coppell Lyft, UNT Lyft

Capital Budget	
Total FY2027 Proposed Capital	$20,331,193

* includes TAM

Debt Service	
Total FY2027 Debt Service (P+I)	$1,990,108

G&A to OPEX

	2023	2024	2025	2026	2027
OpEx	$42.4	$46.9	$45.1	$54.3	$61.3
G&A	$5.9	$7.1	$8.0	$11.4	$11.4
G&A %	13.9%	15.1%	17.7%	20.9%	18.5%

2023 – 2025 are Actuals; 2026 Adopted Budget; 2027 Proposed Budget

Note: of the $11.4M in G&A approximately $1.7M are operational expenses for work plan objectives including marketing enhancements, community involvement, and planning initiatives. At $9.7M G&A vs total OPEX is $9.7M / $61.3M = 15.8%

Change in Net Position – DCTA (Net Depreciation)

Description	FY 2026 Adopted Budget	FY 2026 Working Budget	FY2027 Proposed Budget	FY 2026/FY 2027 Variance
OPERATING REVENUE				
Passenger Revenues (Bus Farebox)	$ 383,000	$ 383,000	$ 430,000	12.27%
Passenger Revenues (GoZone Farebox)	950,000	1,406,750	2,046,200	45.46%
Passenger Revenues (Rail Farebox)	408,501	408,501	408,501	0.00%
Contract Service Revenue	4,926,041	4,759,412	5,577,517	17.19%
Total Operating Revenue	**$ 6,667,542**	**$ 6,957,663**	**$ 8,462,218**	**21.62%**
GENERAL & ADMINISTRATIVE EXPENSES				
Salary, Wages & Benefits	$ 5,831,740	$ 5,831,740	$ 5,737,032	-1.62%
Outsourced Services & Charges	4,243,497	4,845,796	4,517,010	-6.78%
Materials & Supplies	220,760	211,737	172,999	-18.30%
Utilities	93,770	107,769	101,500	-5.82%
Insurance	25,127	25,127	31,470	25.24%
Employee Development	693,558	693,558	532,875	-23.17%
Leases	277,292	277,292	270,420	-2.48%
Total G&A Operating Expenses	**$ 11,385,744**	**$ 11,993,019**	**$ 11,363,306**	**-5.25%**
BUS OPERATIONS EXPENSES (Bus Admin, Fixed Route, Demand Response)				
Salary, Wages & Benefits	$ 8,447,371	$ 8,447,371	$ 9,374,688	10.98%
Outsourced Services & Charges	1,196,837	1,225,885	2,269,050	85.09%
Materials & Supplies	1,893,412	1,895,912	2,184,055	15.20%
Utilities	310,780	308,780	294,000	-4.79%
Insurance	368,296	368,296	461,498	25.31%
Employee Development	87,695	87,695	82,373	-6.07%
Leases	11,000	11,000	11,000	0.00%
Total Bus Operations Expenses	**$ 12,315,391**	**$ 12,344,939**	**$ 14,676,664**	**18.89%**
MOBILITY SERVICES EXPENSES (Lyft, Taxi, GoZone, MaaS, CCR)				
Salary, Wages & Benefits	$ 221,760	$ 221,760	$ 257,052	15.91%
Outsourced Services & Charges	153,671	180,638	226,600	25.44%
Materials & Supplies	6,000	6,000	-	-100.00%
Utilities	1,200	1,200	-	-100.00%
Purchased Transportation	13,366,174	14,545,574	17,491,839	20.26%
Employee Development	8,480	8,480	4,000	-52.83%
Total Mobility Services Expenses	**$ 13,757,285**	**$ 14,963,652**	**$ 17,979,491**	**20.15%**

Description	FY 2026 Adopted Budget	FY 2026 Working Budget	FY2027 Proposed Budget	FY 2026/FY 2027 Variance
RAIL OPERATIONS EXPENSES				
Salary, Wages & Benefits	$ 177,060	$ 177,060	$ 181,800	2.68%
Outsourced Services & Charges	912,835	885,835	1,022,935	15.48%
Materials & Supplies	755,000	755,000	755,000	0.00%
Utilities	390,871	390,871	361,200	-7.59%
Insurance	1,602,708	1,602,708	1,617,281	0.91%
Purchased Transportation	12,944,218	12,944,218	13,360,797	3.22%
Employee Development	10,720	10,720	4,950	-53.82%
Total Rail Operations Expenses	**$ 16,793,412**	**$ 16,766,412**	**$ 17,303,963**	**3.21%**
Total Operating Expenses	**$ 54,251,832**	**$ 56,068,023**	**$ 61,323,424**	**9.37%**
Operating Income/(Loss)	(47,584,290)	(49,110,360)	(52,861,206)	7.64%
NON-OPERATING REVENUE/(EXPENSE)				
Investment Income	$ 3,500,000	$ 3,500,000	$ 3,500,000	0.00%
Misc. Revenues	210,000	200,000	175,000	0.00%
Sales Tax Revenue	41,000,000	41,000,000	41,820,000	2.00%
Federal Grants & Reimbursements	14,544,180	16,193,344	27,157,578	67.71%
Long Term Debt Interest/Expense	(151,102)	(151,102)	(130,108)	-13.89%
Total Non-Operating Revenue/ (Expense)	**$ 59,103,078**	**$ 60,742,242**	**$ 72,522,470**	**19.39%**
Income (Loss)	11,518,788	11,631,883	19,661,264	69.03%
CHANGE IN NET POSITION	**$ 11,518,788**	**$ 11,631,883**	**$ 19,661,264**	**69.03%**

Change in Net Position – DCTA (With Depreciation)

Description	FY 2026 Adopted Budget	FY 2026 Working Budget	FY2027 Proposed Budget	FY 2026/FY 2027 Variance
OPERATING REVENUE				
Passenger Revenues (Bus Farebox)	$ 383,000	$ 383,000	$ 430,000	12.27%
Passenger Revenues (GoZone Farebox)	950,000	1,406,750	2,046,200	45.46%
Passenger Revenues (Rail Farebox)	408,501	408,501	408,501	0.00%
Contract Service Revenue	4,926,041	4,759,412	5,577,517	17.19%
Total Operating Revenue	**$ 6,667,542**	**$ 6,957,663**	**$ 8,462,218**	**21.62%**
GENERAL & ADMINISTRATIVE EXPENSES				
Salary, Wages & Benefits	$ 5,831,740	$ 5,831,740	$ 5,737,032	-1.62%
Outsourced Services & Charges	4,243,497	4,845,796	4,517,010	-6.78%
Materials & Supplies	220,760	211,737	172,999	-18.30%
Utilities	93,770	107,769	101,500	-5.82%
Insurance	25,127	25,127	31,470	25.24%
Employee Development	693,558	693,558	532,875	-23.17%
Leases	277,292	277,292	270,420	-2.48%
Depreciation	1,332,565	1,332,565	263,774	-80.21%
Total G&A Operating Expenses	**$ 12,718,309**	**$ 13,325,584**	**$ 11,627,080**	**-12.75%**
BUS OPERATIONS EXPENSES (Bus Admin, Fixed Route, Demand Response)				
Salary, Wages & Benefits	$ 8,447,371	$ 8,447,371	$ 9,374,688	10.98%
Outsourced Services & Charges	1,196,837	1,225,885	2,269,050	85.09%
Materials & Supplies	1,893,412	1,895,912	2,184,055	15.20%
Utilities	310,780	308,780	294,000	-4.79%
Insurance	368,296	368,296	461,498	25.31%
Employee Development	87,695	87,695	82,373	-6.07%
Leases	11,000	11,000	11,000	0.00%
Depreciation	560,508	560,508	616,355	9.96%
Total Bus Operations Expenses	**$ 12,875,899**	**$ 12,905,447**	**$ 15,293,019**	**18.50%**
MOBILITY SERVICES EXPENSES (Lyft, Taxi, GoZone, MaaS, CCR)				
Salary, Wages & Benefits	$ 221,760	$ 221,760	$ 257,052	15.91%
Outsourced Services & Charges	153,671	180,638	226,600	25.44%
Materials & Supplies	6,000	6,000	-	-100.00%
Utilities	1,200	1,200	-	-100.00%
Purchased Transportation	13,366,174	14,545,574	17,491,839	20.26%
Employee Development	8,480	8,480	4,000	-52.83%
Total Mobility Services Expenses	**$ 13,757,285**	**$ 14,963,652**	**$ 17,979,491**	**20.15%**

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Outsourced Services & Charges	912,835	885,835	1,022,935	15.48%
Materials & Supplies	755,000	755,000	755,000	0.00%
Utilities	390,871	390,871	361,200	-7.59%
Insurance	1,602,708	1,602,708	1,617,281	0.91%
Purchased Transportation	12,944,218	12,944,218	13,360,797	3.22%
Employee Development	10,720	10,720	4,950	-53.82%
Depreciation	9,891,575	9,891,575	9,906,939	0.16%
Total Rail Operations Expenses	**$ 26,684,987**	**$ 26,657,987**	**$ 27,210,902**	**2.07%**
Total Operating Expenses	**$ 66,036,480**	**$ 67,852,671**	**$ 72,110,491**	**6.28%**
Operating Income/(Loss)	(59,368,938)	(60,895,008)	(63,648,273)	4.52%
NON-OPERATING REVENUE/(EXPENSE)				
Investment Income	$ 3,500,000	$ 3,500,000	$ 3,500,000	0.00%
Misc. Revenues	210,000	200,000	175,000	0.00%
Sales Tax Revenue	41,000,000	41,000,000	41,820,000	2.00%
Federal Grants & Reimbursements	14,544,180	16,193,344	27,157,578	67.71%
Long Term Debt Interest/Expense	(151,102)	(151,102)	(130,108)	-13.89%
Total Non-Operating Revenue/ (Expense)	**$ 59,103,078**	**$ 60,742,242**	**$ 72,522,470**	**19.39%**
Income (Loss)	(265,860)	(152,766)	8,874,197	-5909.03%
CHANGE IN NET POSITION	$ (265,860)	$ (152,766)	$ 8,874,197	-5909.01%

Capital Budget Summary

DENTON COUNTY TRANSPORTATION AUTHORITY
FY27 Budget - Proposed
Capital Improvement & Major Maintenance Plan

FY27 Cash Spend
FY27 Capital Reserve
Not DCTA Capital

Project Name	Project Number	Projects thru FY 2025	Working FY 2026	**Proposed FY 2027**	Proposed FY 2028	Proposed FY 2029	Proposed FY 2030	Proposed FY 2031	Proposed FY 2032	Anticipated Project Total (Thru 2032)
Bus Services										
Fleet Purchase - Bus	50311	2,320,000	2,875,000	2,700,000	2,640,000	1,800,000	1,872,000	4,867,200	3,037,133	22,111,333
Bus Refurbish (2006 Bus) - **NEW in FY27**	600000		500,000	600,000						1,100,000
Bus Push-to-Talk Cradles	600001		45,000							45,000
Bus Column Lift Repairs or Replacement	600002		55,250							55,250
Dual Facing Camera	600003		25,000							25,000
Fleet -Non-Revenue(1 Service Truck & 2 Non-Rev)	600004.1 & 2	80,000	150,000							230,000
Fleet - Cutaway Bus	600005		225,000		465,000	720,000	744,000	765,000	1,052,000	3,971,000
Fleet - 3 Revenue Service Vans - **NEW IN FY27**	TBD			240,000				262,000		502,000
Air Compressor Replacement at Bus Maintenance - **NEW in FY27**	TBD			50,000						50,000
Bus Wash Rehab - **NEW in FY27**	TBD			200,000						200,000
Fleet -Non-Revenue (2 Non-Rev) - **NEW in FY27**	TBD			80,000	135,000	139,655	96,207	197,845	153,039	801,746
Refloor Bus Operations & Maintenance office - **NEW in FY27**	TBD			90,000						90,000
Bus O&M Light Fixture Replacement	TBD			75,000						75,000
TAM: Fleet Replacement - Fleet Replacement		3,400,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	17,400,000
Rail Services										
Positive Train Control Enhancements (Phase 2)	61406.2	147,055					4,000,000	40,000,000	40,000,000	84,147,055
Major Maintenance - Rail (FY25)	61727.1	3,130,608								3,130,608
Major Maintenance - Rail (FY26)	710000		3,354,270							3,354,270
Major Maintenance - Rail - **NEW in FY27**	TBD			3,108,193	3,419,012	3,760,914	4,137,005	4,550,705	5,005,776	23,981,605
RailComm Dispatch Software	61407.1	500,000	300,000							800,000
Stadler Laptop Replacement	TBD			80,000					100,000	180,000
Rail Mid-Life Train Wash Rehab - **NEW in FY27**	TBD			258,000						258,000
Rail Station Lighting Pilot (HVL)	TBD			100,000						100,000
A-Train Downtown Carrollton Extension (Construction)				-	30,000,000	43,750,000	43,750,000			117,500,000
TAM: Major Maintenance - Rail		3,600,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	16,200,000

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Capital Budget Summary

DCTA

DENTON COUNTY TRANSPORTATION AUTHORITY
FY27 Budget - Proposed
Capital Improvement & Major Maintenance Plan

FY27 Cash Spend
FY27 Capital Reserve
Not DCTA Capital

Project Name	Project Number	Projects thru FY 2025	Working FY 2026	**Proposed FY 2027**	Proposed FY 2028	Proposed FY 2029	Proposed FY 2030	Proposed FY 2031	Proposed FY 2032	Anticipated Project Total (Thru 2032)
G&A Services										
Old Town TOD	10302.1	4,451,990		4,000,000	15,948,505	15,948,505				40,349,000
Multi-Facility Firewall Upgrade	10406	60,000			60,000					120,000
AV Upgrade - DCTA Conference Room	10407	65,000			65,000					130,000
ERP Implementation	10408.1	2,100,000								2,100,000
Server Infrastructure Refresh	10409	450,000				500,000				950,000
Electronic Safety & Security Program	10411.1	4,188,000	1,578,000							5,766,000
Fiber Optic Network - Locate & Improvements	10412.1	278,000	175,000							453,000
Project Management Software & Implementation	10413.1	112,000								112,000
Cloud-based Phone System	130000		81,000							81,000
Network Switching Hardware Replacement	130001		110,000							110,000
A-Train Expanded Service Hours Analysis	140000		1,000,000							1,000,000
A-Train Curve/Speed Improvements	140001		3,000,000							3,000,000
A-Train Design Support: 15-Min Headways & Downtown Carrollton Extension	140002		5,500,000	4,500,000						10,000,000
Enterprise Data Warehouse & Dashboard - **NEW in FY27**	TBD			350,000						350,000
Fleet -Non-Revenue (2 SUV's)	10414	80,000								80,000
Backup & Disaster Recovery Infrastructure Upgrades				100,000					120,000	220,000
Transportation Reinvestment Program (TRiP)										
TRiP Program Funding - FY21	10702	7,742,135								7,742,135
TRiP Program Funding - FY22	10703	9,833,005								9,833,005
TRiP Program Funding - FY23	10704	11,393,216								11,393,216
TRiP Program Funding - FY24	10705	10,429,152								10,429,152
TRiP Program Funding - FY25	10706	5,967,642								5,967,642
TRiP Program Funding - FY26	TRIP FY26		3,763,825							3,763,825
TRiP Program Funding - FY27	TRIP FY27			-						-
FUTURE: TRiP Program Funding										
TOTAL CAPITAL BUDGET (with TAM)		$ 70,327,803	$ 26,537,345	$ 20,331,193	$ 56,532,517	$ 70,419,074	$ 58,399,212	$ 54,442,750	$ 53,267,948	410,257,842
TOTAL CAPITAL BUDGET (without TAM)		$ 63,327,803	$ 22,737,345	$ 16,531,193	$ 52,732,517	$ 66,619,074	$ 54,599,212	$ 50,642,750	$ 49,467,948	$ 376,657,842

Financial Overview
FY27 Balanced Budget - Proposed

June 2026 – RECAP
FY27 Trip Considerations

REVENUE
$81,039,148

Sales Tax	$41,820,000
Fed. Op. & Capital Grant	$27,157,578
Contract Service Revenue	$5,501,869
	$3,500,000
Passenger Revenue	$2,884,701
Misc. Revenue	

OPERATING EXPENSES
$61,152,959

Purchased Transportation	$30,805,356
Salary & Benefits	$15,550,572
Outsourced Services	$8,011,973
	$3,112,054
Insurance	$2,010,686
Utilities	
Employee Development	
Leases	$281,420

CAPITAL
$16,531,193

G&A Projects	$8,950,000
Rail Projects	$3,546,193
Bus Projects	$4,035,000

DEBT SERVICE
$1,990,108

2020 issuance	
Principal	$855,000
Interest	$61,628
FY27 Debt Service	
Principal	$1,005,000
Interest	$68,480
FY27 Debt Service	$1,073,480

SUMMARY

Revenue	$81,039,148
Operating Expenses	($61,152,959)
Capital	($16,531,193)
Debt Service	($1,990,108)

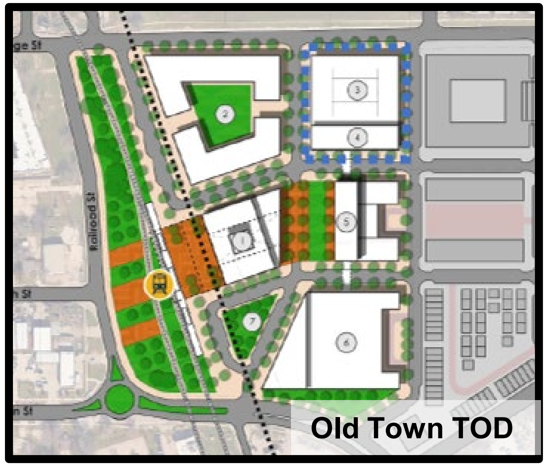
$1,364,888

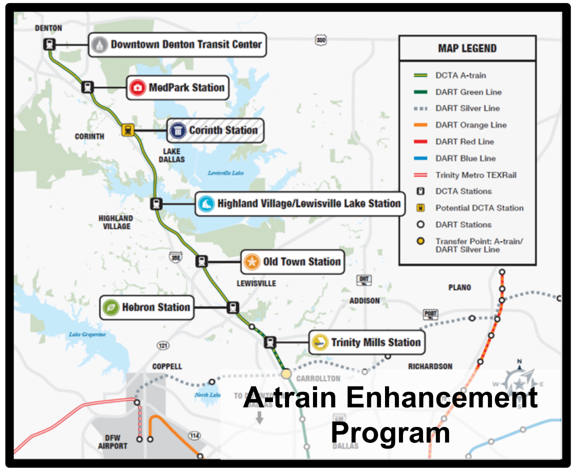
Available for TAM & capital projects

The agency is proposing a balanced budget in FY27, considering all known items for capital and budget. Additional considerations for FY27 could include incremental OPEX for Intermediate Service Plan Phase III, if approved by the Board. TRiP capital was not accounted for in the June budget presentation.

Transportation Reinvestment Program (TRiP)

DCTA





<u>Capital Projects FY27 Cash Spend - $16.5M</u>

- A-train Design Support: 15 min headway & Downtown Carrollton ($4.5M)
- Old Town TOD ($4M)
- Rail Major Maintenance ($3.1M)
- Fleet Replacement – Bus ($2.7M) & WAV Vans ($0.24)
- Fleet Replacement – Non-Rev ($0.08M)
- Bus Refurbish ($0.6M)
- Technology ELPs ($0.45M)
- Rail Capital Equipment ($0.438M)
- Bus Projects ($0.415M)

TRiP FY2027	Scenario A	Scenario B
Unrestricted Fund Balance	$ 112,901,302	$ 112,901,302
Less Unused TRiP previously allocated	(35,332,375)	(35,332,375)
Less Unused TRiP previously allocated	(35,332,375)	(35,332,375)
Less Fund Balance Restricted for TAM	(14,600,000)	(14,600,000)
Less Bond Fund Balance Reserve	(2,487,635)	(2,487,635)
Less Bond Fund Balance Reserve	(2,487,635)	(2,487,635)
Les Fund Balance Reserve	(17,300,061)	(17,300,061)
Less Sales Tax Stabilization Reserve	(1,254,600)	(1,254,600)
Less Fuel Stabilization Fund Reserve	(225,000)	(225,000)
Less Capital Projects FY27 cash spend	(16,531,193)	(16,531,193)
Balance	**25,170,439**	**25,170,439**
Debt Service		$ (1,990,108)
Unmet Capital Requirement: A-train Extension		$ (50,000,000)

Member Cities Allocation		
Denton	$ 1,817,771	$0
Lewisville	1,787,990	$0
Highland Village	169,805	$0
Total	**$ 3,775,566**	**$0**

Long-Range Financial Plan

PLAN OVERVIEW

SECTION 1

Revenue & Expenses

Operating revenue and expense forecast by category

SECTION 2

Capital Expenses & Revenue

Project-level capital plan, funding sources, and the gap

SECTION 3

Debt & Fund Balance

Debt, coverage, reserves, and the fund balance

Long-Range Financial Plan

DCTA

WHAT THE PLAN SHOWS

Operations are sound on a cash basis

Excluding depreciation, revenue covers cash operating costs for most of the horizon, with healthy margins through the early 2030s.

The capital program is the headline story

$726M of capital projects to expand and renew the system (plus $76M set aside as TAM savings); the near-term funding need ($152M) is the principal item to manage.

Debt capacity is ample

Existing bonds retire by FY2032 and the lone $24.6M FY2028 issuance keeps debt service small relative to the sales-tax base.

Reserves and runway are strong

Net Available Fund Balance and all reserves stay funded through FY2033 — an 8-year runway before out-year pressure begins in FY2034.

Long-Range Finance Plan

DCTA

ESCALATION ASSUMPTIONS

Revenue Growth

Driver	Rate
Sales tax revenue	2.0–2.5%
Contract services	3.5–4.25%
Operating grants	2.0%
Passenger revenue	1–2%
Investment income	0.3–0.35%
Other non-operating	1–2%

Expense Escalators

Driver	Rate
Salaries, wages & benefits	4.0%
Purchased transportation	4.0%
Outsourced services	2.0%
Materials & supplies	2.0%
Other operating expenses	2.0%
Depreciation	2.0%

Long-Range Financial Plan

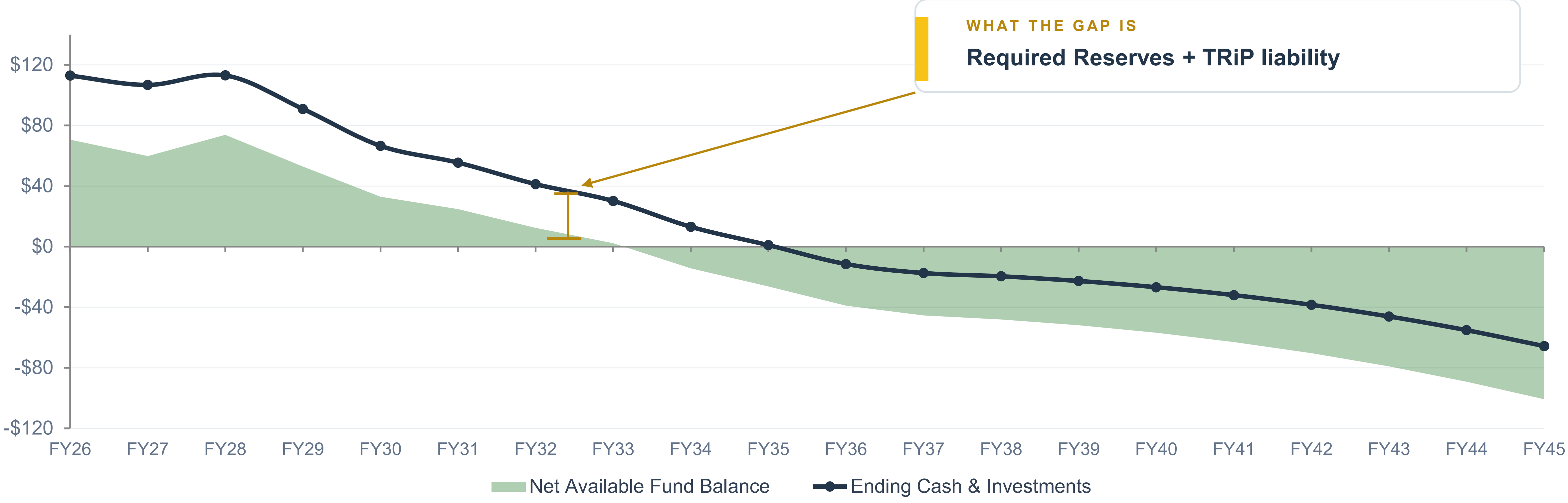
DCTA

NET AVAILABLE FUND BALANCE — 20-YEAR TRAJECTORY

$73.8M
Peak balance — FY28

FY2033
Positive through

FY2034
Turns negative

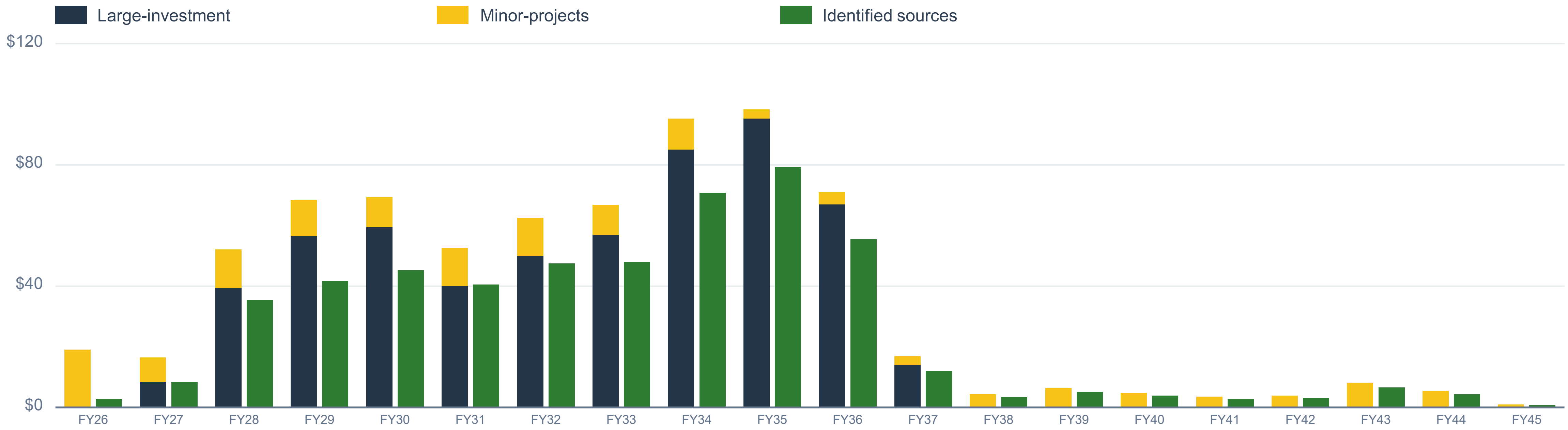


Long-Range Financial Plan

DCTA

CAPITAL — FY2026–FY2045

Capital Outlay vs. Identified Sources ($M)



Near-term gap

$152M

from reserves & cash
FY26–34

Modeled debt issuance

$24.6M

FY2028 · 35-yr · 5.75%

Long-term gap

$71M

from reserves & cash
FY35–45

Planning opportunity

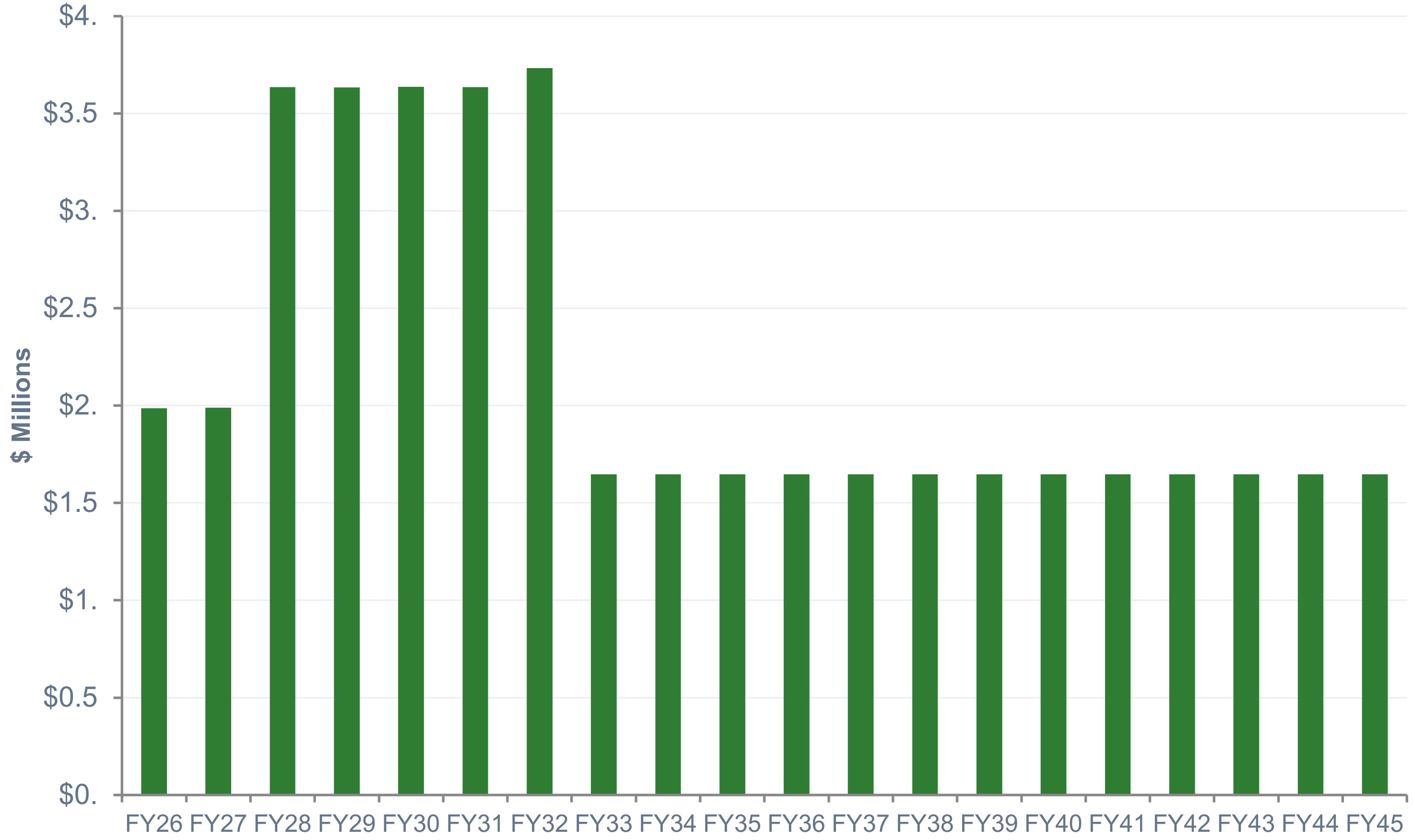
10+ yrs

of lead time to act

Longe-Range Financial Plan

DEBT SERVICE

Annual Debt Service ($M)



$24.6M
Only new bond — FY2028

FY2032
Existing bonds fully retire

≈ $3.7M
Peak annual debt service

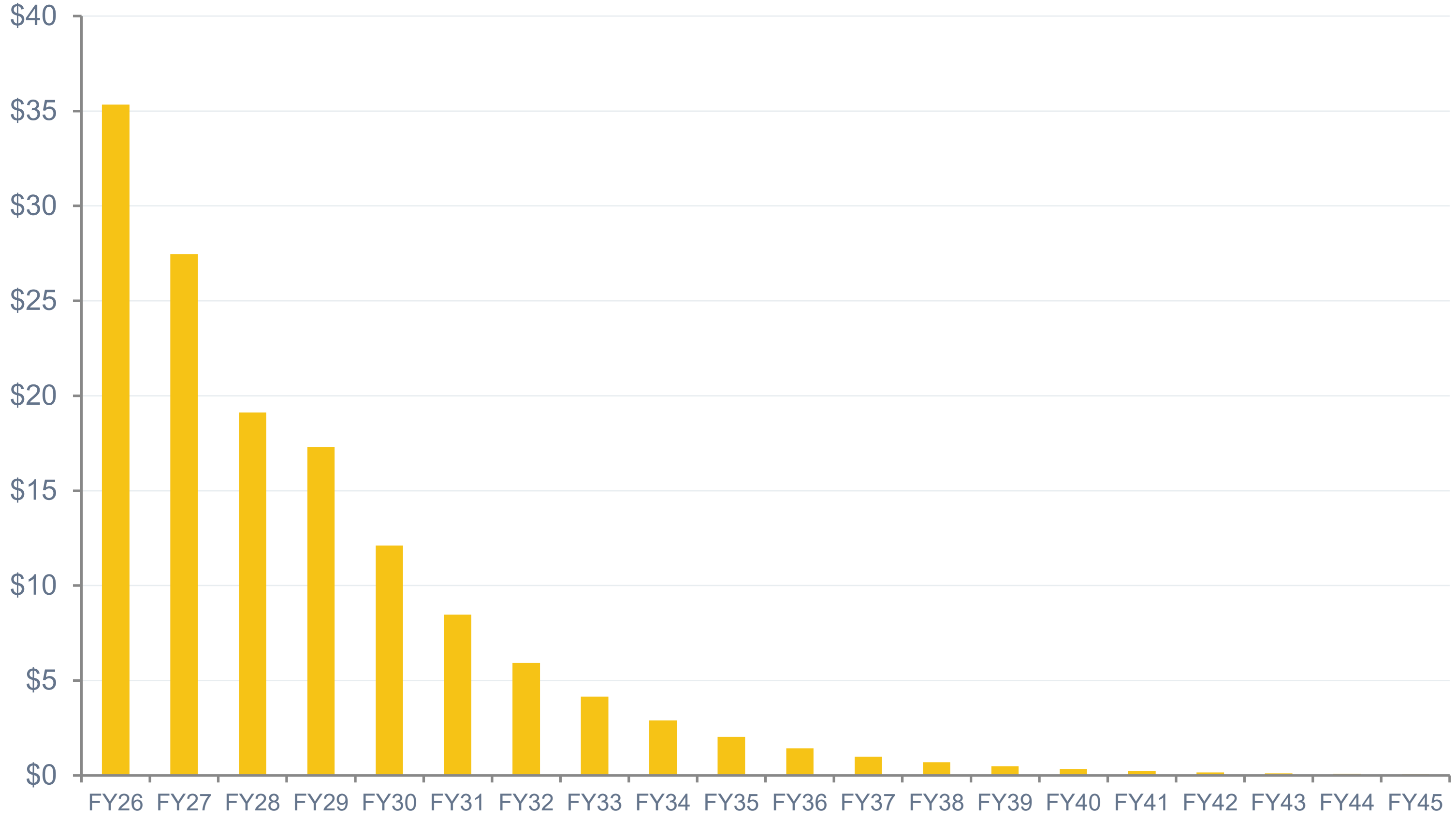
≈ $1.6M
Long-run annual debt service

Long-Range Financial Plan

DCTA

TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

TRiP Outstanding Liability ($M)



$35.3M

Outstanding liability, FY2026

≈ $0

Projected by end of horizon

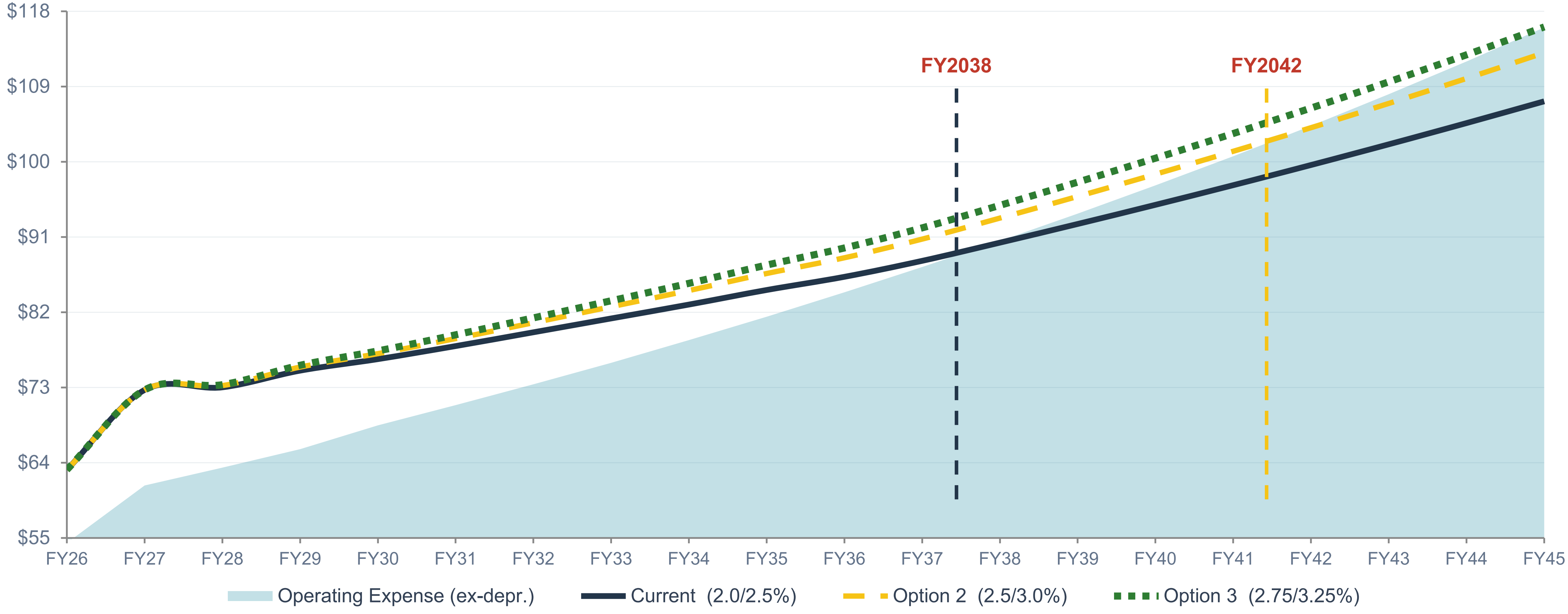
3 cities

Denton · Highland Village · Lewisville

Revenue Options vs Operating Expense (Net Depreciation)

REVENUE OPTIONS vs. OPERATING EXPENSE (EX-DEPRECIATION)

Total Revenue Options vs. Operating Expense, ex-Depreciation ($M)

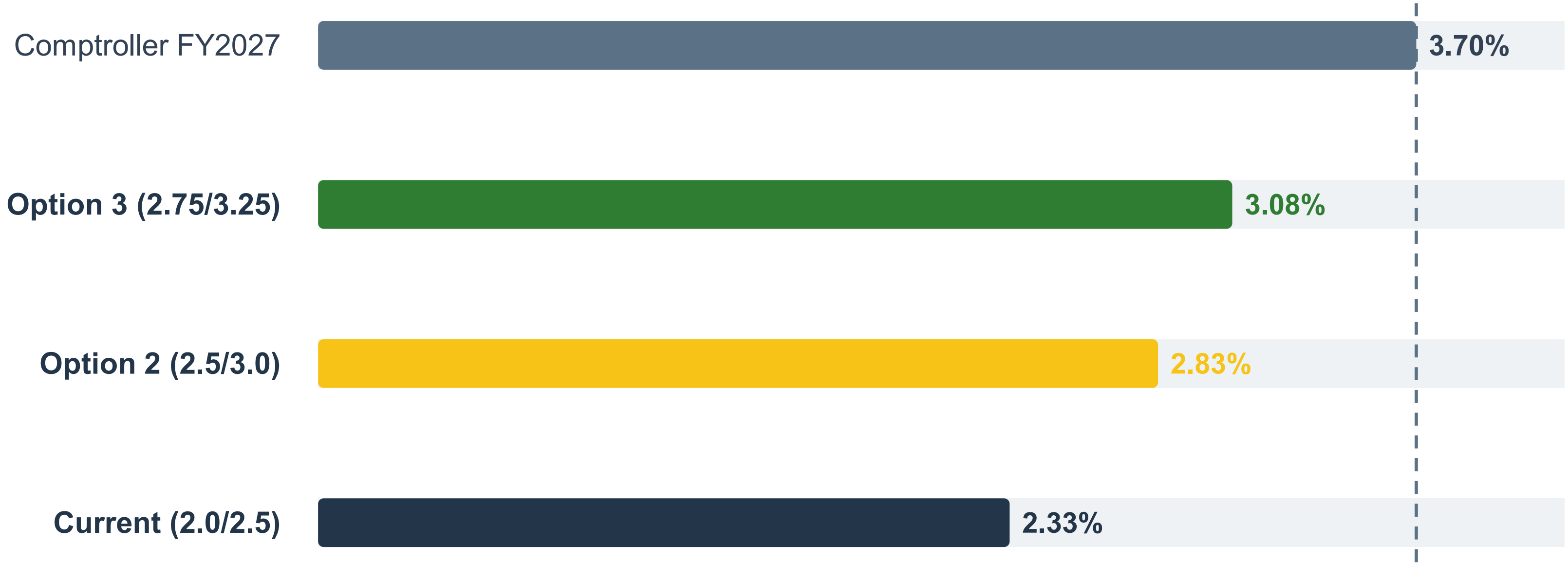


Revenue Assumption Benchmarking vs State Forecast

SALES TAX OUTLOOK — OPTIONS VS. THE STATE FORECAST

Assumed annual sales-tax growth vs. the Texas Comptroller's FY2027 statewide forecast (%)

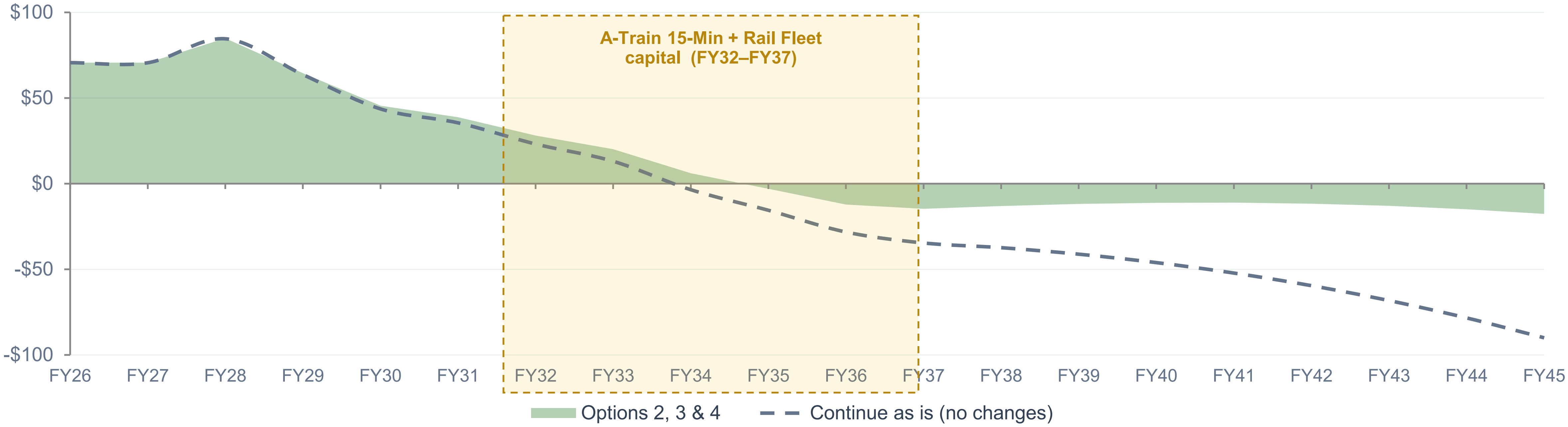
Option growth = FY2028–FY2045 time-weighted average · Comptroller = Jan-2025 Biennial Revenue Estimate, FY2027 statewide



Every option stays below the State's own forecast. Even Option 3 (3.08% average) sits about 0.6 pt under the Texas Comptroller's FY2027 statewide estimate of 3.7% — the assumptions remain conservative.

Long-Range Financial Plan

NET AVAILABLE FUND BALANCE — OPTIONS 2, 3 & 4 (AS PLANNED)



	Option	NAFB FY2045	Turns negative
	Option 1 — Continue as is	**−$101M**	FY34
	Option 2 — Sales tax (+0.75 pt)	**−$28M**	FY34
	Option 3 — Reduce expenditures (-0.45 pt)	**−$28M**	FY34
	Option 4 — Combination (+0.375 / - 0.23 pt)	**−$28M**	FY34

Operating fixes alone fall short

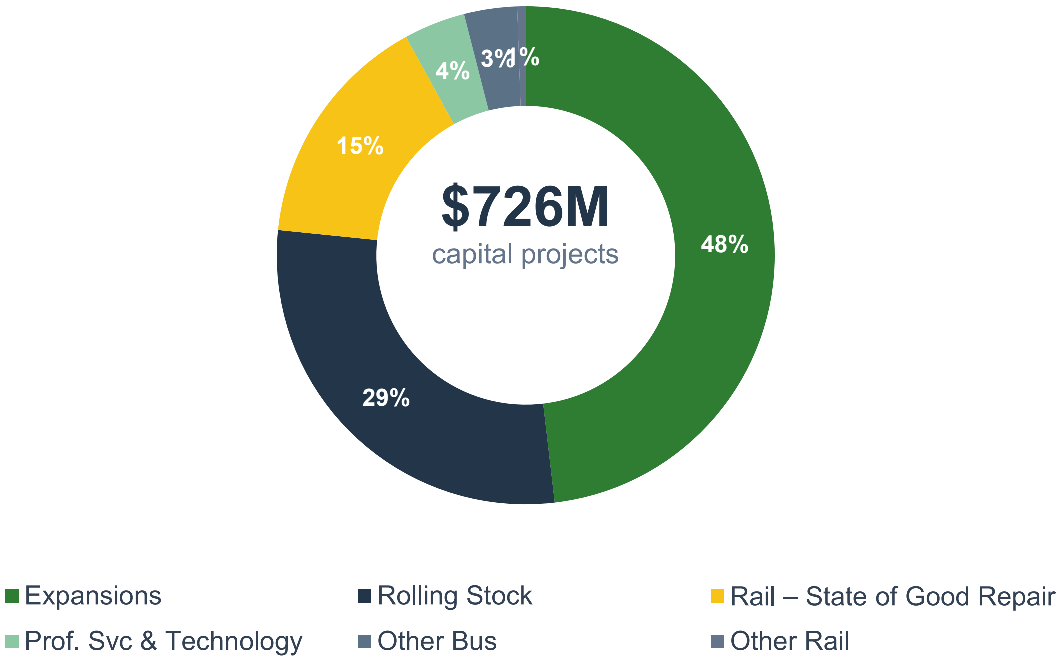
Under the current capital plan every option still turns negative — a balancing option only narrows the FY2045 gap to −$28M (vs −$101M).

Long-Range Financial Plan

DCTA

CAPITAL PLAN — $726M IN PROJECTS OVER 20 YEARS

Capital Projects by Category ($M)



Largest Investments (20-yr)

Carrollton A-Train Extension	$123M
Old Town TOD	$42M
Positive Train Control	$84M
A-Train 15-Min Frequency	$190M
Rail Fleet Replacement	$138M

Plus $76M TAM Reserves — a savings set-aside for future state-of-good-repair capital, not a current expenditure (excluded from the $726M above).

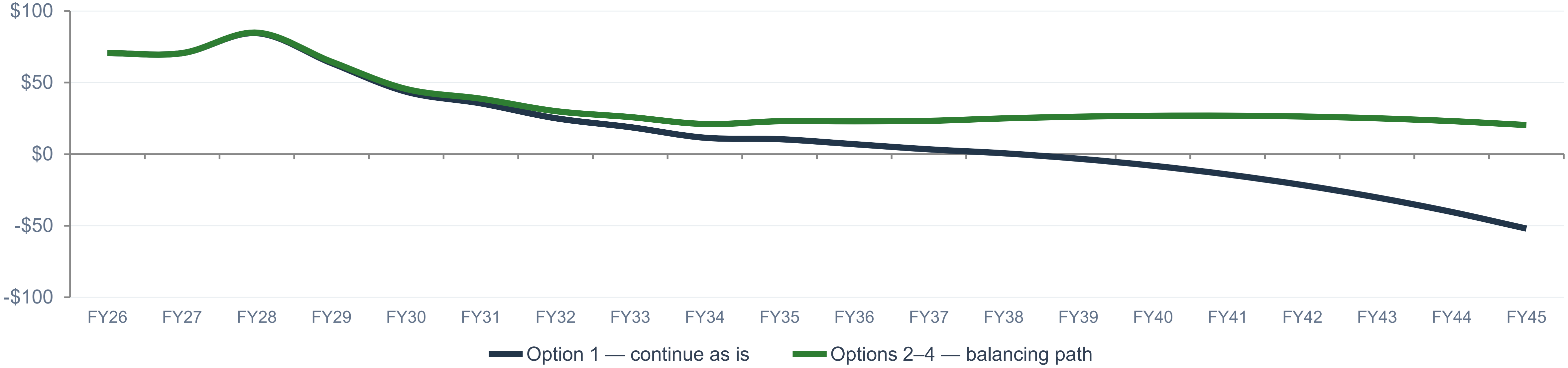
Long-Range Financial Plan

DCTA

FUND BALANCE — THE CHOICE (WITH CAPITAL REDUCED)

With the A-Train 15-Min + Rail Fleet capital reduced — continue-as-is vs. any balancing option

Options 2, 3 & 4 produce near-identical paths (within $0.2M) and are shown as one line.



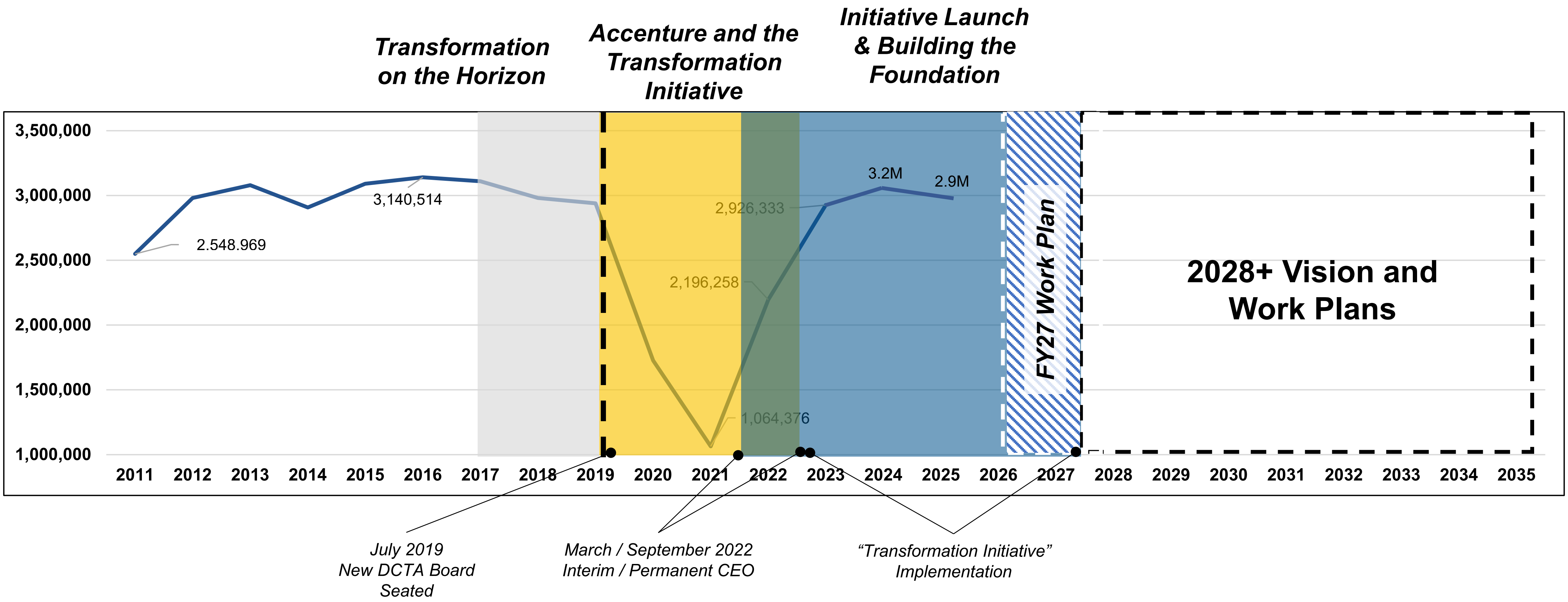
Option	NAFB FY2045	Turns negative
Option 1 — Continue as is	**−$63M**	FY35
Option 2 — Sales tax +0.75 pt	**+$10M**	**Positive — all 20 yrs**
Option 3 — Reduce expenditures	**+$10M**	**Positive — all 20 yrs**
Option 4 — Combination	**+$10M**	**Positive — all 20 yrs**

Capital reduction makes it sustainable

Any balancing option (2, 3 or 4) keeps the fund balance positive for all 20 years (+$10M). Continue-as-is still ends at −$63M.

Work Plan / Goalsetting Context

RECAP: January 2025
Strategic Planning Session



FY27 Work Plan: DCTA Transformation Initiative Status

DCTA

	Benefit	Time Horizon	Category	Title	FY24 Status	FY25 Status	FY26 Target	FY27 Target	NOTES
1	High	Near	Service	Develop service standards and implement preferred service					
2	High	Near	Governance	Five Year Roadmap communication					
3	High	Near	Governance	Transformation Implementation project management					
4	High	Near	Governance	Mobility Orchestration / Regional Coordination					
5	High	Near	Service	Improve On-Time Performance (initial effort)					
6	Low	Short	Governance	Board – Staff Transformation Implementation Operating Model					
7	Mid	Short	Cross	Document Management, Routing, and Approvals					
8	Mid	Short	Cross	Bus Maintenance and Parts Management Solution					
9	Low	Short	Technology	IT Project Mgt and Procurement Templates and Processes					
10	High	Near	Cross	ERP Upgrade or Replacement				Q1	HR Remaining
11	High	Near	Service	Improve Data Collection and Management Practices					
12	High	Near	Cross	Build Enterprise Performance and Financial Dashboard				Q4	Transition to Emerging Plan
13	Mid	Short	Governance	Source and Train on Data Visualization Tools				Q4	Transition to Emerging Plan
14	High	Mid	Service	Improve Website Trip Planning				Q1	With Website Refresh
15	High	Mid	Cross	Upgrade Point of Sale Systems; Contactless Fare Management; Digital Ticketing				Q4	Transition to Emerging Plan
16	High	Mid	Cross	Operational and Financial Data Analytics				Q4	Transition to Emerging Plan
17	Mid	Mid	Finance	Enhance use of Allocation Modelling					
18	High	Mid	Technology	Hire IT Project Manager					
19	Low	Mid	Governance	Stronger training process for systems and vendor training engagement				Q4	
20	Mid	Mid	Governance	Enhance Customer Feedback Response					
21	Low	Mid	Governance	Compliance Training					
22	Mid	Mid	Governance	Redefine and communicate spans of control, future staff roles					
23	Mid	Mid	Service	Explore Opportunities to Expand Membership & Service Area					
24	Mid	Long	Service	Create a Seamless Passenger Experience				Transition to Emerging Plan	
25	Mid	Long	Governance	Enhance Customer Experience Awareness					
26	Mid	Long	Technology	Multi-modal Trip Planning Capability				Q1	With Website Refresh
27	Low	Long	Service	Enhance Customer Communication Systems				Transition to Emerging Plan	
28	Low	Long	Technology	Bus Onboard Video			Q4		
29	Low	Long	Technology	Bus Announcement System					
30	Low	Long	Service	Invest in Consistent, High Quality Stop Infrastructure				Transition to Emerging Plan	

	January FY24	January FY25	July FY26	FY27 (Proj)
Complete	8 (27%)	10 (33%)	18 (60%)	22 (73%)
In Process	14 (46%)	20 (67%)	12 (40%)	N/A
Not Started	8 (27%)	0 (0%)	0 (0%)	N/A

November 2020:

30 "Priority Initiatives" Introduced

- March 2022 Comprehensive Operations Analysis marked start of the work.
- FY23 – FY26 Work Plans delivered progress and outcomes.

In FY27+, DCTA should transition to a new 5 – 10 year plan to guide its efforts

FY 2027 Work Plan: Expanded Level Projects (ELP) Summary

Operating

Function	$	Description
Safety & Security	$300K	Denton County Sheriff Support on A-train
Fleet Maintenance	$826K	Bus repowers, seat renewal, exterior wraps / Rail seat renewal
Planning	$315K	ADA Plan, Bus Stop Design, Station Landscape Design, On-Call
Planning	$250K	TOD and Strategic Planning
	$1.7M	

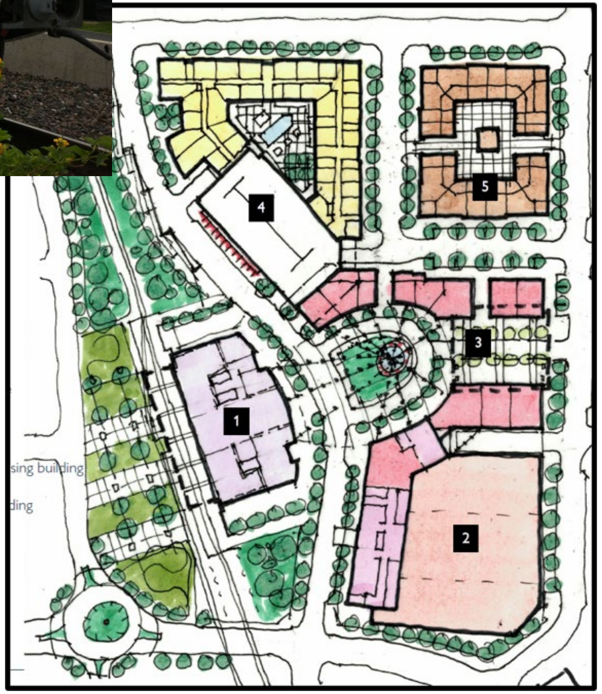
Capital

Function	$	Description
Operations (Vehicles)	$3.6M	New Revenue / Non-Rev Fleet Purchase, Bus Refurbish
Operations (Rail)	$3.2M	Rail Maintenance
Operations (Equipment)	$773K	Bus Wash, Train Wash, Exterior Lighting, Facility Flooring, Air Compressor Replacement
Planning & Dev. (Projects)	$4.0M	Old Town TOD
	$4.5M	A-train Design Support Downtown Carrollton Extension
Info Technology (Infrastructure)	$450K	Data Warehouse, Backup & Disaster Recovery Infrastructure
	$16.5M	

FY27 Work Plan (In Development): Emerging Goals and Considerations

DCTA

1. Progress A-train Extension to Downtown Carrollton
2. Progress TOD at Old Town Lewisville
3. Enhance Member City Value through Service and Ridership Alternatives
4. Improve Long Range Financial Plan Outcomes
5. Progress Data Infrastructure, Production, Visualization, and Dashboards
6. Improve DCTA Customer Experience Across the Trip Cycle While Maximizing Operating Efficiency



FY27 Work Plan (In Development): Emerging Goals and Considerations

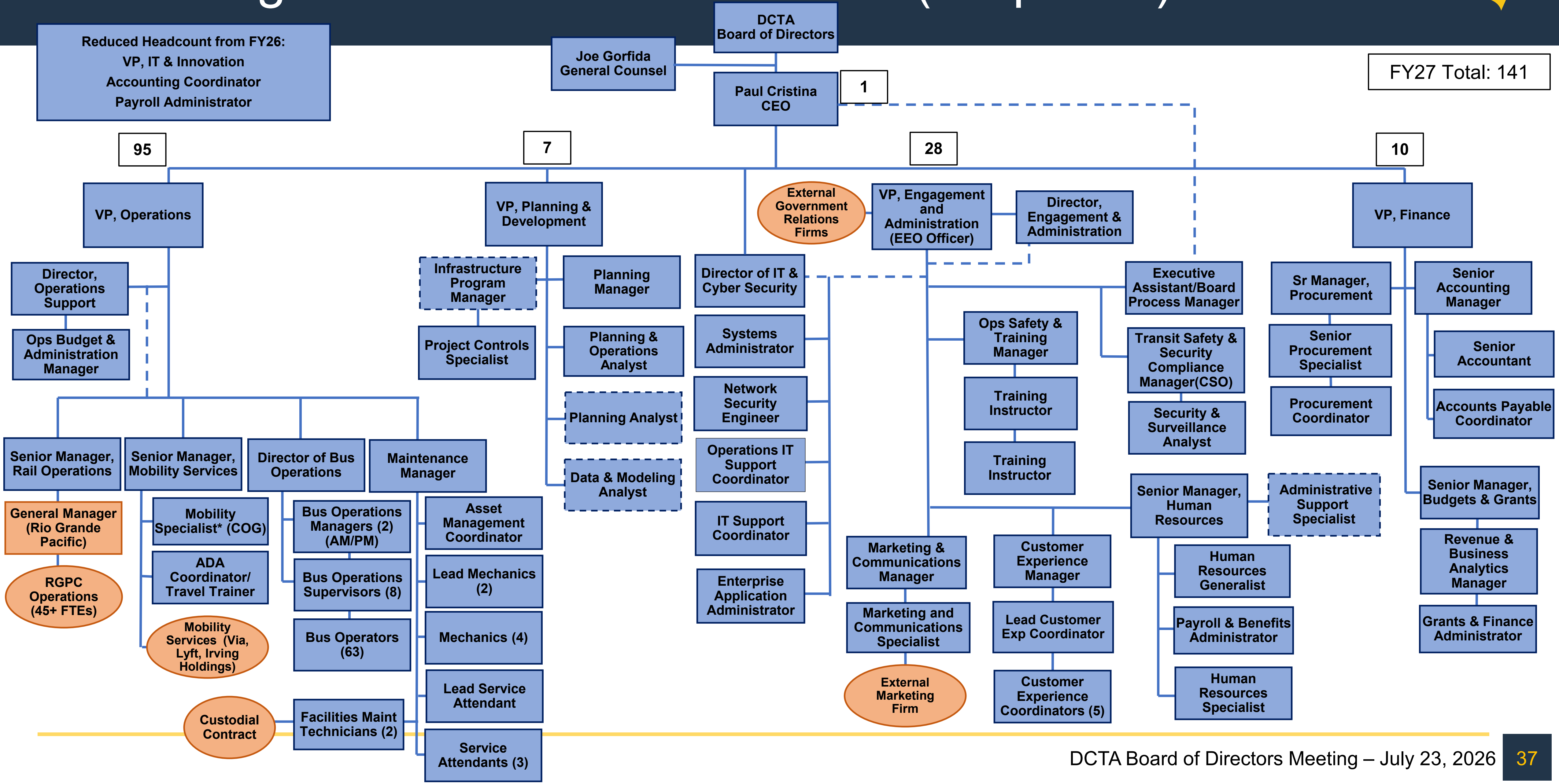
7. Maintain DCTA's Regional Leadership Through:
   - Effective Engagement in the Regional Transit 2.0 initiative, and
   - Maintaining Positive Relationships with Cities across Denton County, the Commissioners Court, and the public to create awareness of agency accomplishments and understand opportunities to enhance value improve
8. Create Vision for Next Phase of DCTA Growth and Improvement

EMERGING VISION COMPONENTS

Concept: Set course for agency efforts in 2028 – 2033 timeframe

- TOD Station planning and integration across the A-train corridor
- Customer Experience Journey Map
- Emerging Needs:
  - Elderly / Disabled transportation
  - Workforce transportation

DCTA Organizational Structure FY27 (Proposed)

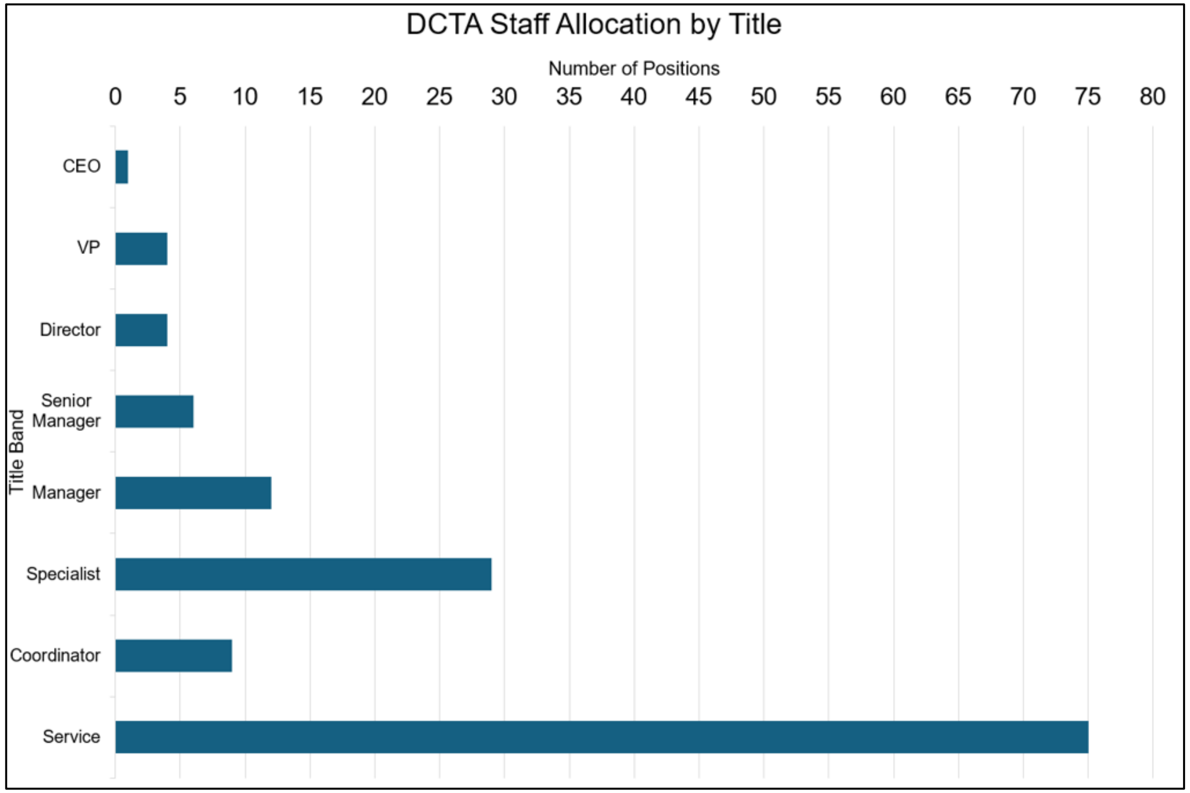


FY27 DCTA Staffing Review

DCTA Organization Staff Count Evolution

	DCTA	RGPC	NTMC	Via	Total
FY22	40	45	106	56	247
FY23 Initial	32	45	106	56	247
FY23 Revised	36	45	96	56	233
FY24	43	45	96	56	240
FY25	144	45	0	56	243
FY26	144	45	0	56	243
FY27	141*	45**	0	56*	242

** includes 1 grant-funded position*
*** assumed for comparative purposes*



- 3 vacant positions removed from org chart in FY27
- Focus remains on clarity of roles and executing work at appropriate levels.
- Organizational efficiencies in FY26 driven through cross-functional team engagement and new / emerging technology tools.

Next Steps

July 24 – August 14, 2026
Update FY 2027 budget for any changes noted

August 27, 2026
FY 2027 Public Hearing to adopt budget with Board vote

August 28 – September 30, 2026
Final steps in preparing FY 2027 budget for use

October 1, 2021
First day of FY 2027

Recommendation

This item is for discussion only. No Board action required.

Regular Agenda Item 2

Discuss and Consider Authorizing the Chief Executive Officer (CEO) to Award and Execute an Agreement with Vector Media Holdings Corp. for Advertising Revenue Program Services, Pursuant to a Cooperative Purchasing Authorization from Dallas Area Rapid Transit (DART) Contract No. C-2071791-0

Presenter: Randy Evans
Marketing & Communications Manager

Recommendation

Staff Recommends the Board Authorize the Chief Executive Officer (CEO) to Award and Execute an Agreement with Vector Media Holdings Corp. for Advertising Revenue Program Services, Pursuant to a Cooperative Purchasing Authorization from Dallas Area Rapid Transit (DART) Contract No. C-2071791-0.

Advertising Revenue Contract - Background

DCTA

- September 4, 2025: Board Approved Advertising Policy
- DART competitively solicited and awarded Vector Media Holdings Corp. for Revenue-Generating Advertising and Placement Services (April 28, 2023)
- DCTA authorized to piggyback off the DART contract per Chapter 791, Texas Government Code (Interlocal Cooperation Act) — no separate procurement required

- **NO** false, vulgar, obscene, disparaging or contemptuous advertising
- **NO** advertising promoting tobacco or alcoholic beverages
- **NO** advertising that creates a distraction or interference with operation

Advertising Revenue Contract - Assets

- **Bus Stops:** 32 DCTA-owned;
  4 UNT-owned
- **Buses:** 27 buses; 16 cutaways (presently excludes new and DART Gillings, can be amended)
- **A-trains:** 11 total (2–4 in service weekdays/weekends)
- **Station Signage:** platform signage; pole banners
- **Additional Opportunities (pending):** GoZone fleet

Advertising Revenue Contract - Terms

DCTA

- **Contract Type:** Cooperative purchasing via DART
- **Term:** Two-year base with five one-year renewal options (seven years maximum)
- **Revenue Share:** 60% of net advertising revenue to DCTA in Years 1–2; 65% in Years 3–7
- **DCTA Upfront Cost:** $0
- **Vendor Responsibilities:** All advertising sales, installation, maintenance, removal, and revenue reporting

VECTOR
MARKETING IN MOTION

Recommendation

Staff Recommends the Board Authorize the Chief Executive Officer (CEO) to Award and Execute an Agreement with Vector Media Holdings Corp. for Advertising Revenue Program Services, Pursuant to a Cooperative Purchasing Authorization from Dallas Area Rapid Transit (DART) Contract No. C-2071791-0.

Regular Agenda Items 3 - 5

RA03: Discuss Update on the Denton County Transportation Authority (DCTA) Contracted Services Portfolio

RA04: Discuss and Consider Approval of Amendment #2 to the Current Contract with EAN Holdings DBA Enterprise for the Commuter Vanpool Program

RA05: Discuss and Consider Approval of a Resolution Approving Budget Revision 2026-07, Increasing Federal Operating Grants by $295,142 and Purchased Transportation by $295,142, to Cover Increased Vanpool Demand and the Rate Adjustments Proposed in Amendment #2 to the Agreement with EAN Holdings, DBA Enterprise, through September 30, 2026

Presenter: Lisa Taylor
Vice President of Operations

Recommendations

RA04: Staff recommends Board Approval of Amendment #2 to the Current Contract with EAN Holdings DBA Enterprise for the Commuter Vanpool Program

RA05: Staff recommends Board Approval of a Resolution Approving Budget Revision 2026-07, Increasing Federal Operating Grants by $295,142 and Purchased Transportation by $295,142, to Cover Increased Vanpool Demand and the Rate Adjustments Proposed in Amendment #2 to the Agreement with EAN Holdings, DBA Enterprise, through September 30, 2026

Frisco Paratransit Service

DCTA Provides:

- Two dedicated wheelchair accessible vans Monday-Friday, 6:00 a.m. – 6:00 p.m.
- Lyft service for ambulatory passengers for service demand overflow
- "Get a Lyft" program for non-essential trips

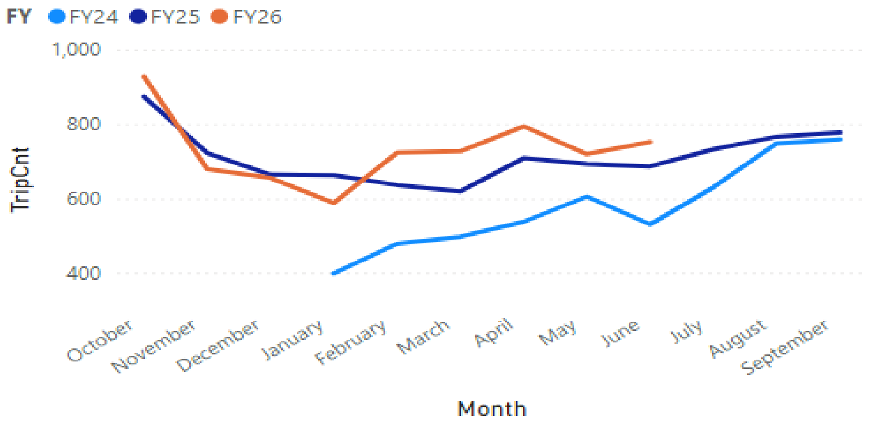
Top 10 Demand Response Locations

Rank	City-Location	Trip Count
1	Frisco - Frisco | Single-Family Home - The Grove at Frisco Commons	368
2	Frisco - Frisco | Single-Family Home - Whataburger	332
3	Frisco - Frisco | Embassy Suites Hilton Dallas Frisco Hotel - Single-Family Home	322
4	Frisco - Frisco | Commercial/Office (Near Conference Center) - Single-Family Home	245
5	Frisco - Frisco | Residential/Apartment Community - Single-Family Home	220
6	Frisco - Frisco | Residential/Apartment Community - Residential/Apartment Community	218
7	Frisco - Frisco | Market Street - Single-Family Home	210
8	Frisco - Frisco | DaVita Renal Center Frisco - Mustang Creek Estates of Frisco Residential Assisted Living and Memory Care	207
9	Frisco - Frisco | Roach Middle School - Waterford Market Apartments	199
10	Frisco - Plano | Safari Run - Single-Family Home	146
		2,467

Snapshot of Taxi passengers starting or ending in Frisco FY26 thru June 2026

City Pair	Trip Cnt	% Trip Cnt
Frisco - Frisco	5,809	84.9%
Frisco - Plano	741	10.8%
Allen - Frisco	282	4.1%
Fairview - Frisco	9	0.1%
Frisco - Little Elm	2	0.0%
Carrollton - Frisco	1	0.0%
Total	**6,844**	**100.0%**

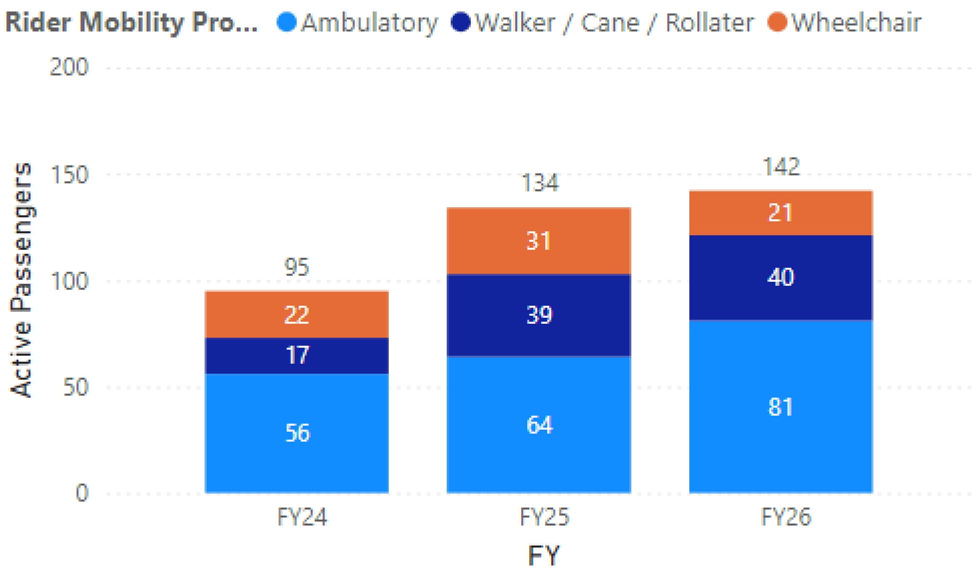
All Trips



Month	FY24	FY25	FY26
Oct		874	928
Nov		722	679
Dec		664	655
Jan	398	662	588
Feb	478	636	723
Mar	497	619	727
Apr	537	708	794
May	605	693	719
Jun	530	686	752
Jul	630	732	
Aug	748	766	
Sep	759	777	

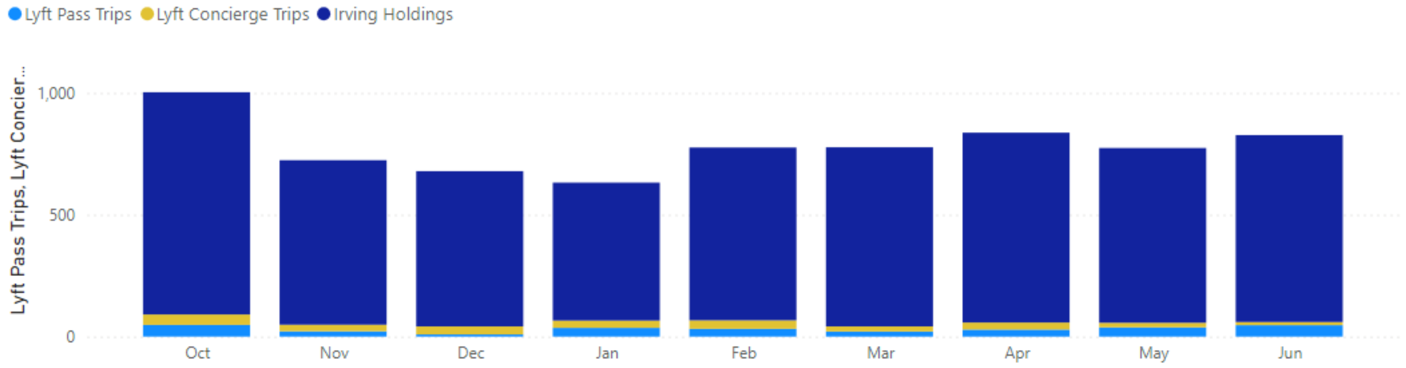
Frisco Service Profile

Active Paratransit Passengers and Mobility Type



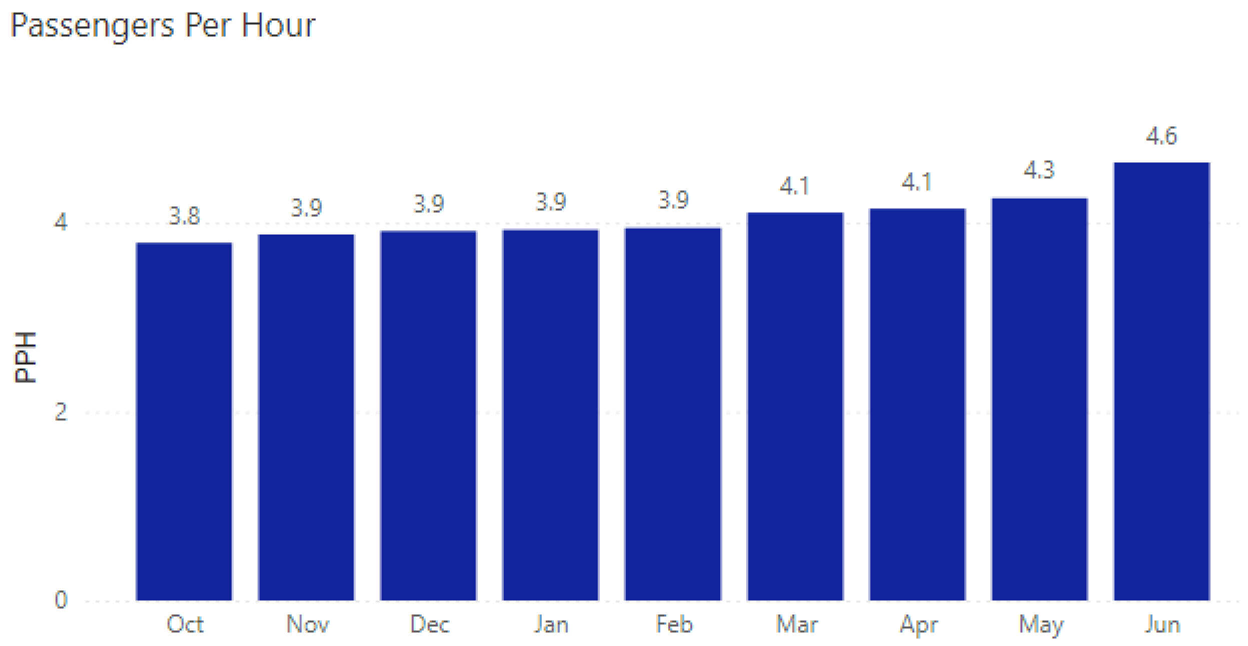
FY	Lyft Pass	Lyft Concierge	Irving Holdings
FY26	**282**	**250**	**6,497**
Oct	48	43	912
Nov	22	27	675
Dec	9	33	637
Jan	36	30	566
Feb	32	35	709
Mar	21	21	735
Apr	29	29	779
May	38	19	717
Jun	47	13	767
Total	**282**	**250**	**6,497**

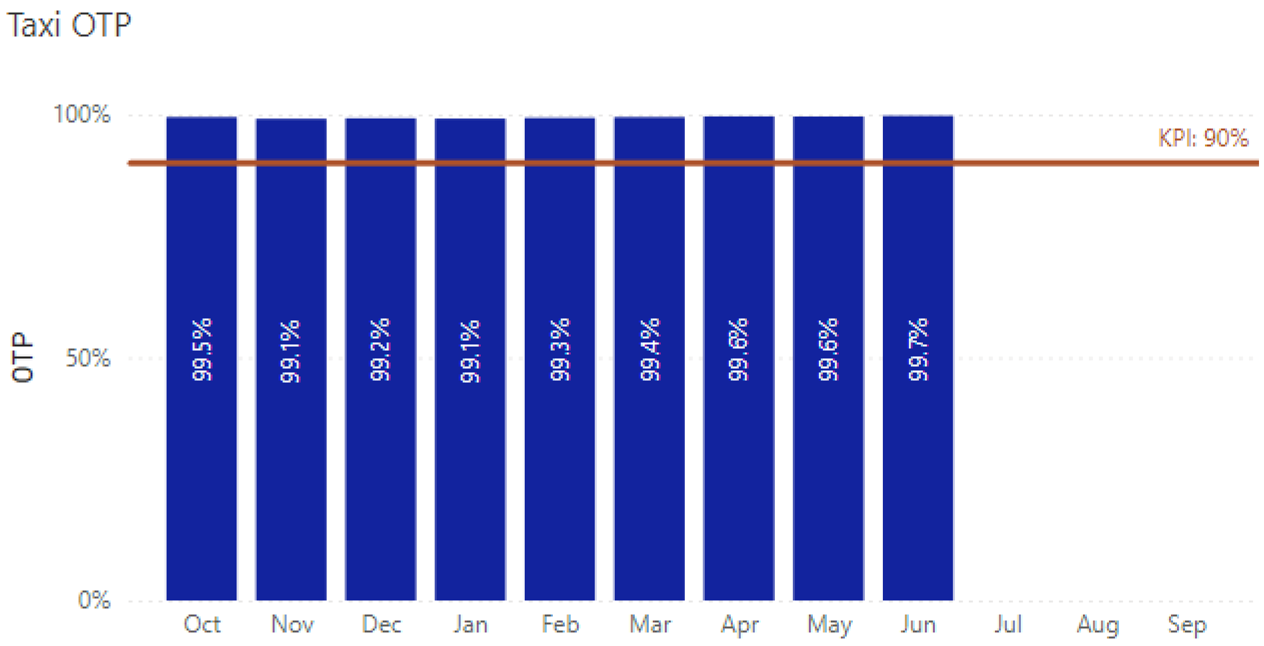
Trips



Since FY24 Frisco service has seen a **50%** increase in active riders over the same period (YTD June).

Frisco Key Performance Indicators





Frisco GoZone | Performance Stats

892
Completed rides since launch all time

10.4%
Seats unavailable last week

179
Active riders all time

11.3 min
Average wait time last week

886 / 6
App rides vs. agent all time

1
WAV trips requested all time

Main contributors to “Seat Unavailable” are Request beyond Hours of Operation and Not within Zone.

Collin County Rides

DCTA Provides:

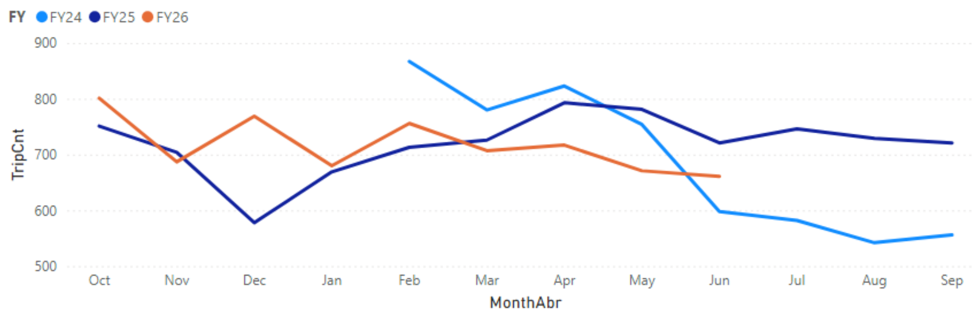
- Three dedicated vans Monday- Friday, 6:00 a.m. – 6:00 p.m. Two wheelchair-accessible vans, one ambulatory.
- Lyft service for ambulatory passengers for service demand overflow
- DCTA began service in February 2024
- Limited-service schedule and area for trips within Collin County

Top 5 Locations

Rank	City-Location	Trip Count	% Trip Count
1	Allen - Plano | My possibilities - Single-Family Home	490	37.5%
2	Allen - Allen | Kroger Pharmacy (Part of a Kroger store) - Single-Family Home	239	18.3%
3	Allen - Allen | Fresenius Medical Care - Single-Family Home	204	15.6%
4	Allen - Allen | Behavioral Innovations - Single-Family Home	189	14.5%
5	Allen - Allen | DaVita Allen Dialysis - Single-Family Home	185	14.2%
		1,307	**100.0%**

CITY OF ALLEN

Monthly Ridership Trend

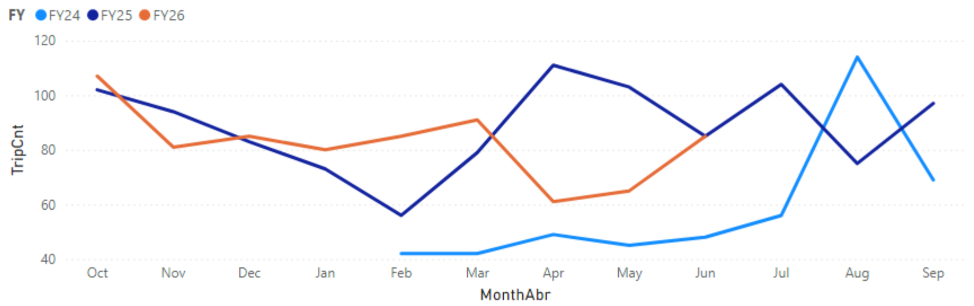


Active Riders

Month	FY24	FY25	FY26
October		73	79
November		70	71
December		70	77
January		70	74
February	85	66	79
March	83	75	71
April	75	74	72
May	73	86	72
June	66	81	68
July	66	77	
August	66	70	
September	63	74	

TOWN OF FAIRVIEW

Monthly Ridership Trend

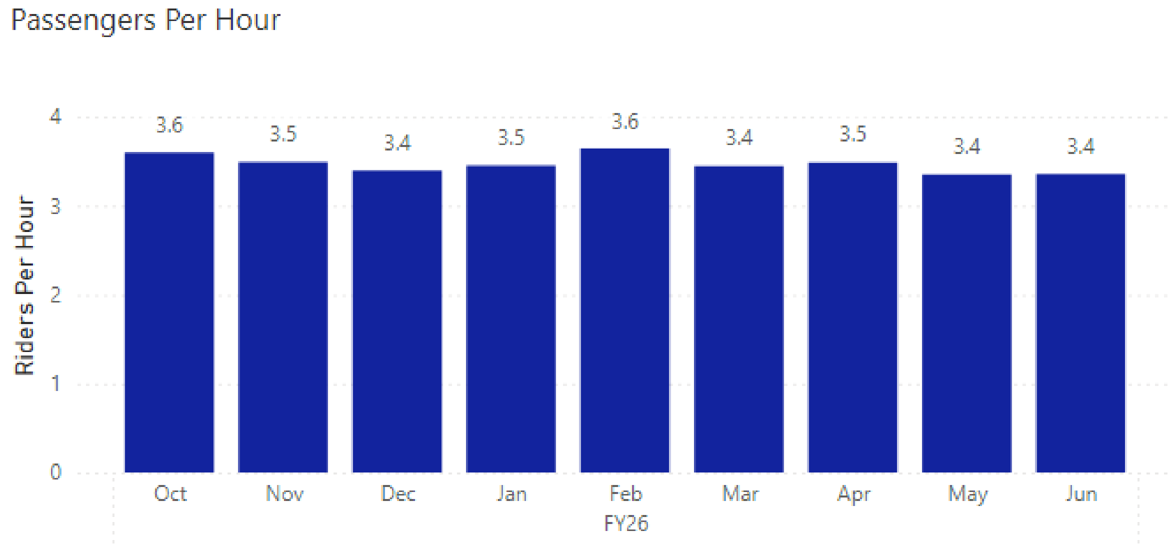


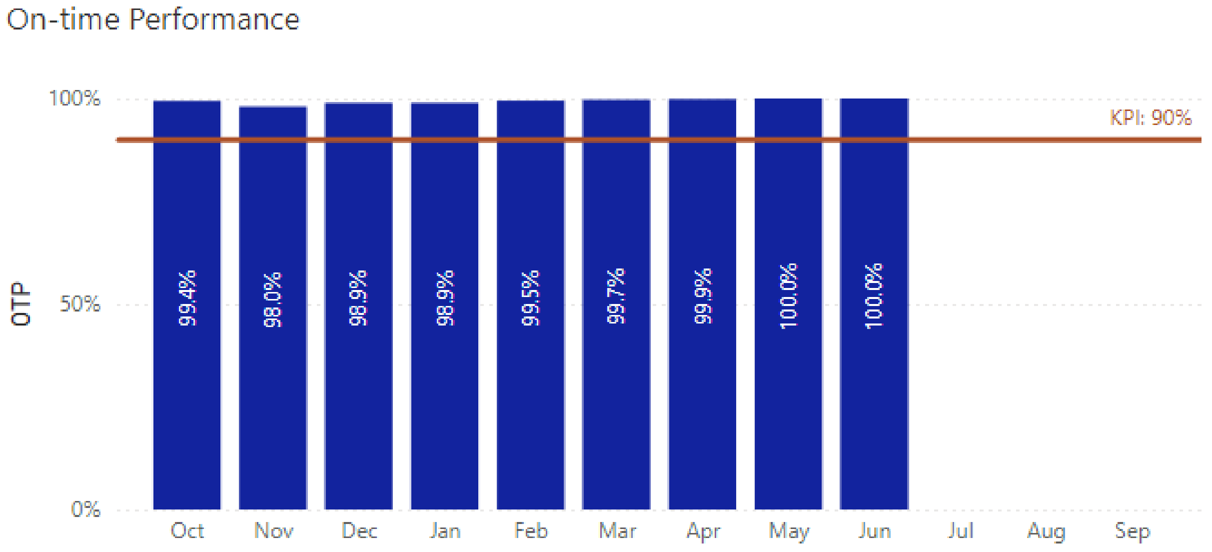
Active Riders

Month	FY24	FY25	FY26
October		10	13
November		9	12
December		8	10
January		9	13
February	2	6	11
March	3	10	10
April	5	12	10
May	3	12	10
June	6	14	12
July	7	12	
August	7	9	
September	9	12	

** - continuing education and job placement for adults with intellectual and developmental disabilities*

Collin County Rides Key Performance Indicators



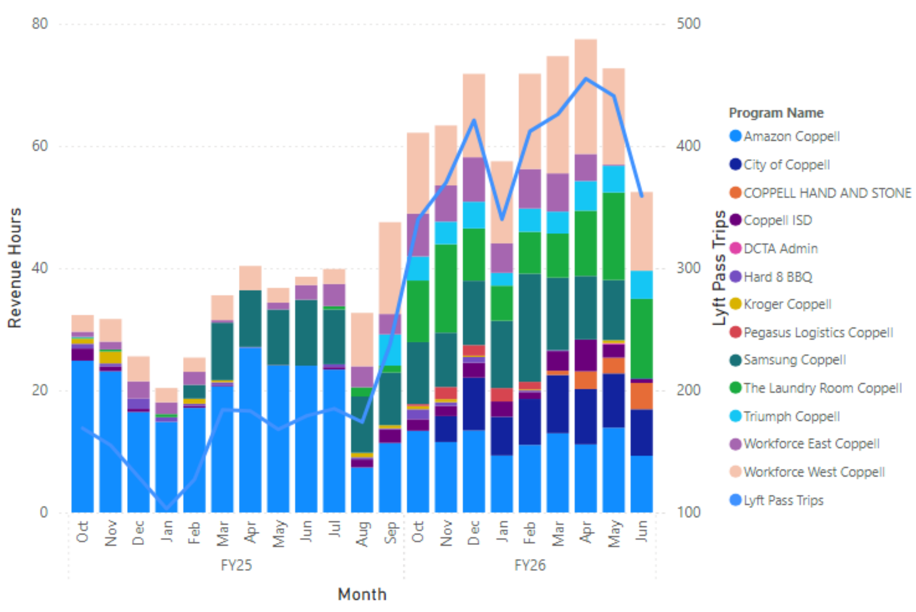


Coppell First / Last Mile Lyft On-Demand Service

DCTA contracted with Coppell in October 2019 to provide first and last-mile transportation to employees who work within city Limits of Coppell.

DCTA Provides: Discounted Lyft rides from DCTA Hebron Station, DART Trinity Mills Station, and select DART bus stops to defined workforce zones within the City.

Coppell Lyft



HOW:

- Employers sign up for services through City
- Employees use Lyft App with unique employer code issued by City
- Hours of operation:
  - 4:00 a.m. to 12 a.m. 7 days per week

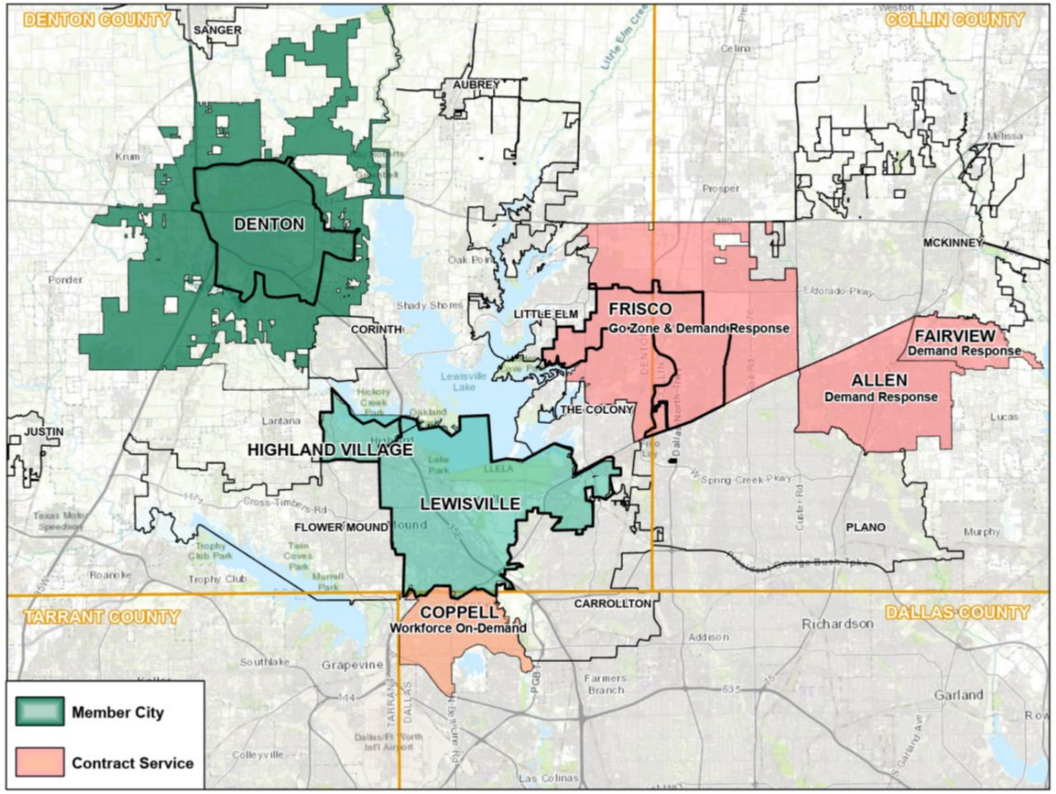
COST:

- Rides generally range from $12 - $15 (distance based). Rider pays $2. City pays up to $15.
- Coppell reimburses DCTA for all costs of service plus an administrative fee.

	FY26	FY27	FY28
Trips — Base	**5,301**	**6,666**	**8,250**
Cost / trip	$10.62	$10.94	$11.27
Cost of Service	$56,297	$72,926	$92,978
Administrative fee (60%)	$33,778	$43,756	$55,787
Marketing & Outreach	$5,000	$5,000	$5,000
Total Program Cost	**$95,075**	**$121,682**	**$153,765**
Total NTE for 3-year ILA (FY26–FY28)	**$370,522**		

All trips are provided by Lyft.
Reflects revised reporting in January, April, and May through year-end reconciliation process.

Continuing Implementation of *New Member and Contracted Services Policy*



Key terms emerging in FY2026 ILA for Collin County Rides continues moving contracted services portfolio into compliance with DCTA policy

	Collin County Rides (Taxi / Paratransit)		**Frisco GoZone / Elderly Disabled Taxi**		**Coppell Workforce**	
Term (Years)	**Current**	**Proposed**	**Current**	**Remaining**	**Current**	**Remaining**
Term (Years)	+1*	3+2	Year 1	2+2	Year 1	2+2
Transit Working Group	None	Required	Yes	Yes	Yes	Yes
Grant Funding Applied?	Yes	Yes / Ongoing	Yes	Yes / Ongoing	No	No

**Based on current funding availability*

Next Steps

- Staff working to finalize interlocal agreements with municipalities and task orders (TO) for service for approval in August 2026 Board meeting.

	City	Service	ILA	Task Order
1	Allen	Collin County Rides	City / DCTA	zTrip TO (Allen & Fairview) Lyft TO (Allen & Fairview)
2	Allen	Collin County Rides		
3	Allen	Collin County Rides		
4	Fairview	Collin County Rides	City / DCTA	
5	Coppell	Workforce	City / DCTA	
6	Coppell	Workforce		Lyft TO
7	Frisco	Paratransit		zTrip TO
8	Frisco	Paratransit		Lyft TO
9	Frisco	GoZone		River North (Via) TO
9	UNT	Late Night		Lyft TO
10	Member Cities	GoZone		River North (Via) TO

Vanpool Background

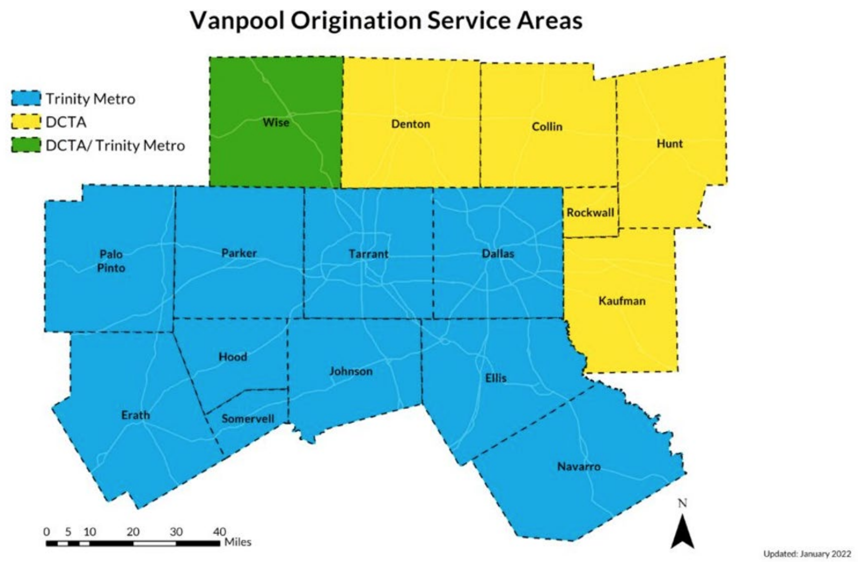
DCTA

JUL 2011	MAR 2022	MAY 19 2022	TODAY
DCTA launches Vanpool service, served collectively with Trinity Metro and DART.	DART exits vanpool service; its area splits between DCTA and Trinity Metro.	DCTA signs the current EAN Holdings (Enterprise) contract: 3-yr term + three 1-yr options (through 5/18/28).	DCTA and Trinity Metro run separate contracts — creating the rate disparity Amendment #2 aims to correct.

DCTA currently administers vanpool service across **Denton, Collin, Hunt, Rockwall, Kaufman, and Wise** counties. Trinity Metro separately administers its own contract across the remaining counties in the region. The two agencies independently negotiated rates no longer match.

Two considerations driving this item:

1. Vanpool ridership up 37% year over year (~30K trips / mo)
2. Rate increase request from Enterprise on van rates



Vanpool origination service areas — DCTA (yellow) vs. Trinity Metro (blue)

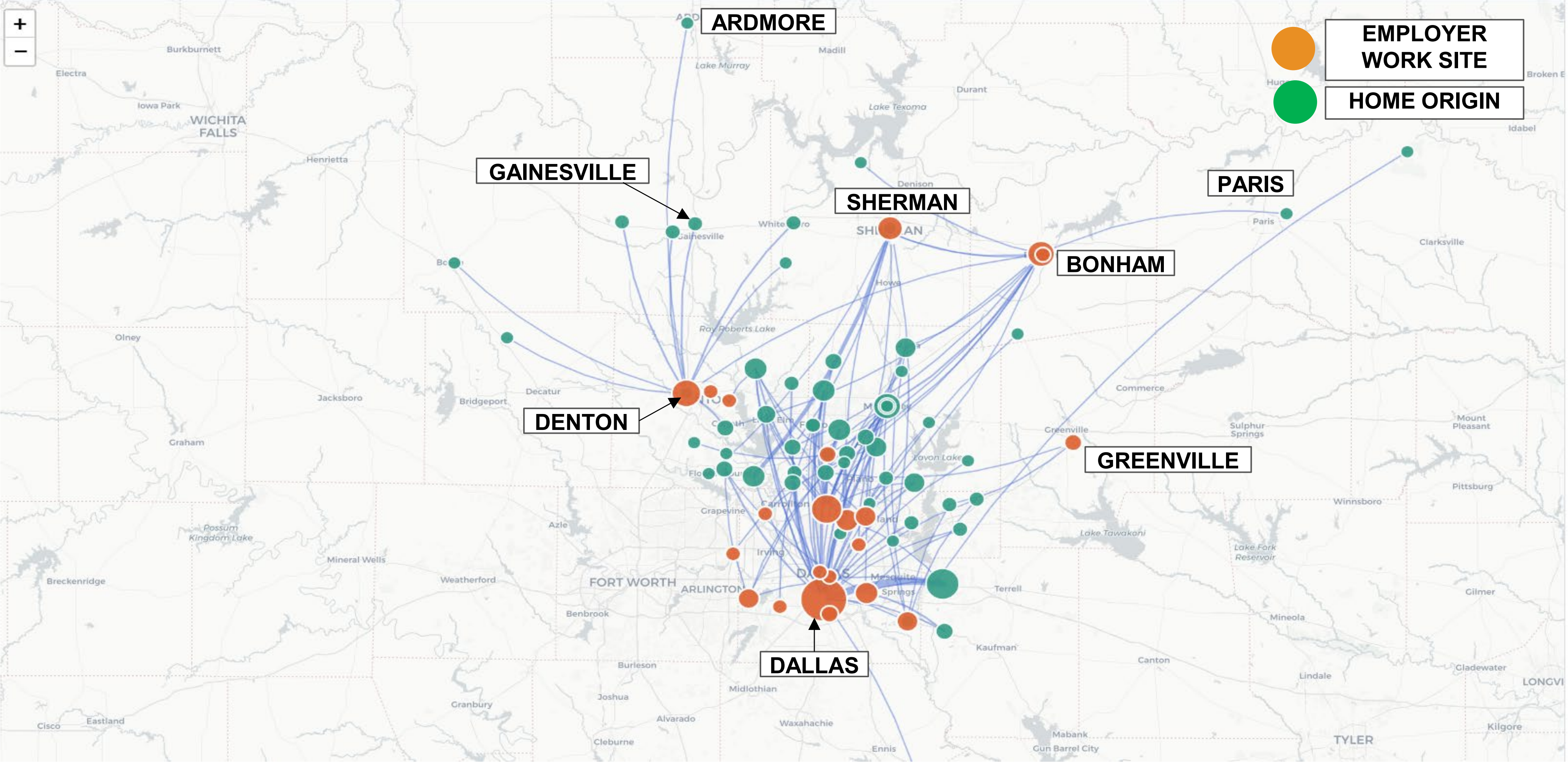
Vehicle	Current DCTA rate	Proposed rate	Current COG subsidy / van	New COG subsidy / van	Current participant share	New participant share
			41% of current	*41% of proposed*	*59% of current*	*59% of proposed*
Minivan	$1,225	$1,400	$502	$574	$723	$826
7 pass SUV	$1,275	$1,400	$523	$574	$752	$826
Large SUV	$1,700	$1,800	$697	$738	$1,003	$1,062
8 pass	$1,300	$1,650	$533	$677	$767	$973
12 pass	$1,350	$1,700	$554	$697	$796	$1,003
15 pass	$1,400	$1,750	$574	$718	$826	$1,032

DCTA Vanpool- Origin & Destination – May 2026

DCTA

DCTA Vanpool — Origin & Destination Map

May 2026 · commuter home origins (teal) flowing to employer worksites (orange)



163	59	22
VANPOOLS	ORIGIN ZIPS	WORKSITES

All | Flows | Points only

LEGEND

- Home origin (size = riders)
- Employer worksite
- Commute flow (thickness = riders)

TOP WORKSITES

Dallas Veterans Hospital	64
Dallas Amazon	21
Denton Peterbilt	15
Bonham Veterans Hospital	12
Sherman Tyson Food	11
Dallas Texas Instruments	6
Dallas Veterans Hospital	6
Seagoville Bureau of Prison	5

TOP ORIGINS

Heath 75126	19
McKinney 75071	12
Lewisville 75067	8
Frisco 75035	7
Prosper 75078	7
Krugerville 76227	7
Allen 75002	6
Anna 75409	5

How Vanpool Funding Works

DCTA

Program Cost Split

59% Participant Fares	41% STBG Subsidy

Vanpool participants cover 59% of program cost directly paid to EAN Holdings. STBG funding provided through DCTA covers the remaining 41% as a subsidy — the figure at the center of this budget discussion.

Reimbursement Path for DCTA's Share

NCTCOG flexes STBG funds to DCTA → **DCTA pays subsidy rate directly to EAN Holdings** → **FTA reimburses DCTA**

No Interlocal Agreement governs this relationship — it is grounded in RTC-approved action authorizing vanpool subsidies under NCTCOG's Travel Demand Management Program. Local match is paid by vanpool riders.

Regional Grant Funding Pool (STBG Flex Funds)

$2,423,636

TX-2026-066 STBG grant flex-fund balance available as of July 2026

$80,720 / mo

Average monthly STBG subsidy bill, actual (Oct 2025–Jun 2026)

April 2028

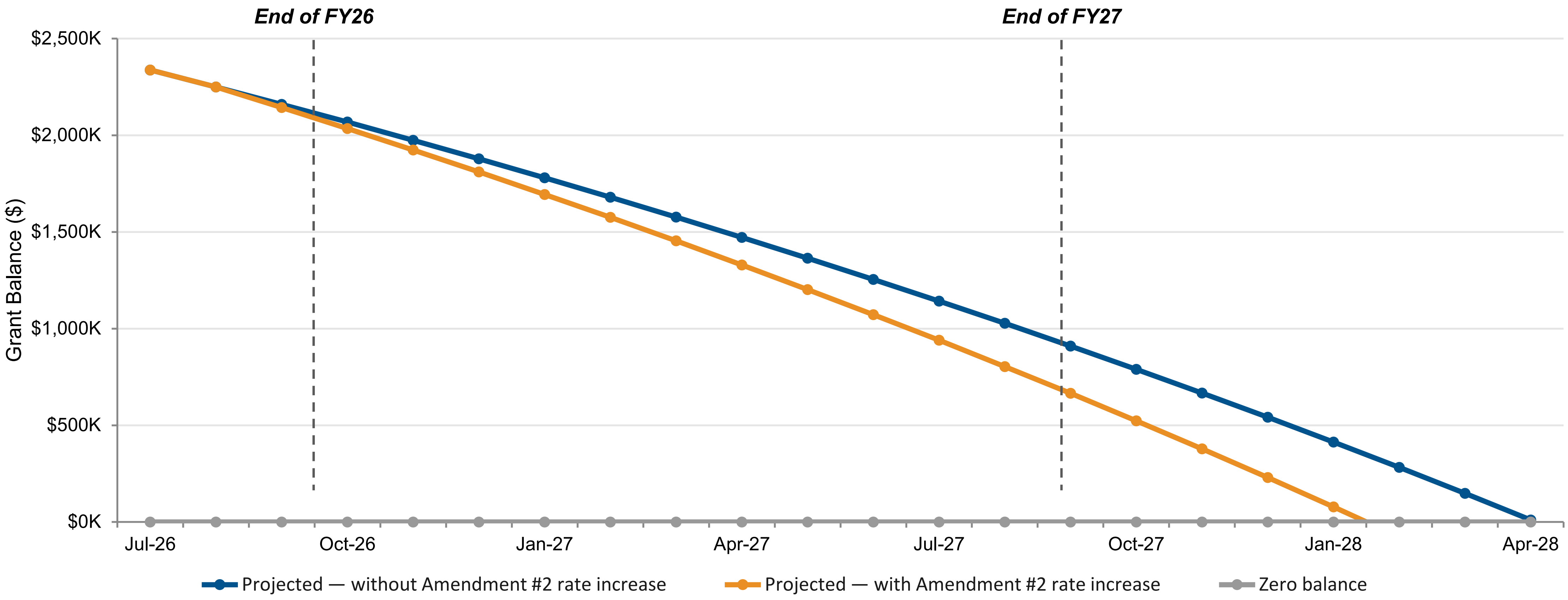
Projected month funds are exhausted at current growth + current contract rate

January 2028

Projected month funds are exhausted at current growth + new contract rate

Vanpool Reimbursement Funding Outlook

TX-2026-066 STBG grant flex-fund balance, as of July 2026 = $2,423,636



Without Amendment #2's rate increase, the combined grant balance lasts through **April 2028.**
With the new contract rate in effect, it runs out by **January 2028.**

Recommendations

RA04: Staff recommends Board Approval of Amendment #2 to the Current Contract with EAN Holdings DBA Enterprise for the Commuter Vanpool Program

RA05: Staff recommends Board Approval of a Resolution Approving Budget Revision 2026-07, Increasing Federal Operating Grants by $295,142 and Purchased Transportation by $295,142, to Cover Increased Vanpool Demand and the Rate Adjustments Proposed in Amendment #2 to the Agreement with EAN Holdings, DBA Enterprise, through September 30, 2026

Regular Agenda Item 6

Discuss Update on Transit Fare Policy

Presenter: Derick Sibley
Vice President of Finance

DCTA Draft Fare Policy

A governance document, not a fare change

What it does
Sets the Board's authority over fares, defines how decisions are made, and specifies the process required before any fare change takes effect

What it doesn't do
Change what any rider pays today — specific fares stay in Attachment B (Fare Schedule), adopted separately

Document
16 sections + 3 attachments

Today's ask
Read it. Come back with your suggestions.

THIS POLICY

Governs HOW fare decisions are made

Roles, procedures, and legal requirements for setting and changing fares.

THE FARE SCHEDULE (ATT. B)

Governs WHAT riders are charged

Specific fare amounts, adopted separately by Board resolution.

Current fare structure will remain in place when policy is adopted. Anticipate modifying fare structure under future effort.

DCTA Draft Fare Policy

How fares are decided — and who decides

SECTION 3

What guides every decision

- **Governance & oversight** — Board approves every change on staff analysis
- **Equity & affordability** — Access for low-income, senior, disabled, student riders
- **Financial sustainability** — Fares support the budget; recovery targets by mode
- **Consistency & transparency** — One method, applied the same, communicated clearly
- **Regional coordination** — Work with DART & Trinity Metro, keep local control
- **Practical & legal** — Simple to administer, fully compliant

SECTION 4 · BOARD

Exclusive authority

- Fare schedule, new fare types, all fare changes

CEO

Within the approved schedule

- Promotions up to 90 days
- Institutional pass & employer agreements
- Emergency fare suspension up to 30 days

DCTA Draft Fare Policy

What fares can look like

SECTION 6

Four fare structures

- **Flat** — One fare, any trip
- **Distance / zone** — Fare varies by length
- **Time-based** — Unlimited within a pass window
- **Hybrid** — Board-authorized mix

FARE CAPPING

Riders can't overpay

- Pay-as-you-go never costs more than a pass

LOYALTY & REWARDS

Incentives that support equity

- Board may reward riders — no eligibility barriers

FREE-FARE EVENTS

Set groups & occasions ride free

Peace Officers · Children under 5 with an adult · Staff, Retirees & Board · Jurors · ADA Access · Care Attendants · Veterans · Election Days · Sponsored Community Events · the A-train Birthday

DCTA Draft Fare Policy

Keeping transit affordable

SECTION 8 · REQUIRED BY LAW

Reduced fares

- Seniors 65+ and riders with disabilities — no more than half off-peak
- ADA Access capped at twice the fixed-route fare

NON-PROFIT PASS PROGRAM

Passes where they're needed

- Discounted passes for eligible non-profits serving the DCTA area
- Allocated by a Board budget — by need and geographic equity

DISCRETIONARY

Board can go further

- Board may add discretionary discounts, with FTA-consistent verification

SECTION 9 · SPONSORED TRIPS

Third parties cover the cost

- Sponsors buy fares at full price for a defined group
- A-train, Connect Bus & GoZone

DCTA Draft Fare Policy

Tracking results and amending fares

FAREBOX RECOVERY

Annual fares collected ÷ cost of service × 100

SECTIONS 10–11

Measuring performance

- Mid-year & year-end reviews; annual report within 90 days of close
- KPIs tracked by mode: ridership, revenue, recovery, cost per rider
- Below target triggers a Fare Recovery Action Plan

SECTION 12

Changing a fare

- Board adopts every change by resolution
- Staff analysis: cost, equity (Title VI), ADA, rollout
- At least 30 days ahead — increases need public comment

DCTA Draft Fare Policy

Enforcement and the regional fare system

SECTION 13

Graduated enforcement

1. **Warning** — Pay the fare or exit the system
2. **Citation** — Refusal or repeat evasion (Code Ch. 460)
3. **Resolution** — Administrative (within agency) and Judicial

SECTION 14

Regional coordination

- Regional fare (cross-agency) — all boards approve
- Local fare (within DCTA) — DCTA Board sets alone
- Board keeps final say on regional changes
- Sold via GoPass & retail; DART settles regional revenue

Complementary, formal policy / procedure has not been verified among regional agencies. Staff will pursue following adoption of this policy.

Discussion / Feedback

Staff invites the Board to review the full draft in your packet and share feedback.

PRIORITIES & INTENT

Does the draft reflect the Board's priorities and intent for fares at DCTA?

AUTHORITY & ADMINISTRATION

Is the balance between Board authority and day-to-day administration about right?

GAPS & CLARITY

Is anything missing, unclear, or that you'd like staff to reconsider?

Path Forward on Policy: Anticipate final revisions and consent agenda approval before end of FY 2026.

Next: Fare schedule evaluation and modifications

Informational Reports

Informational Reports

1. Safety, Service, and Ridership Reports – June 2026
2. Update on Parts Inventory ERP Implementation with Spare
3. Update on Administrative Office Front Lobby Security and Efficiency Project
4. Update on the Old Town Lewisville Transit Oriented Development Project
5. Update on DCTA Memorandum of Agreement with Federal Emergency Management Association (FEMA) Region 6 — Notice of Expiration and Extension
6. Update on Bus Operations Dispatch Furnishings and Equipment Refresh
7. Update on On-Call Electrical Support with Kevco Electrical Construction, Inc. Not to Exceed $9,900
8. Update on Roofing and Waterproofing Repairs at DCTA Bus Operations and Rail Operations Maintenance Facilities in an Amount not to Exceed $64,000

Future Agenda Items/Board Member Requests

Items of Community Interest

Executive Session

Closed Executive Session

Pursuant to the Texas Government Code, Chapter 551, Section 551.072 – Deliberation Regarding Real Property, the Board of Directors will convene into Closed Executive Session to deliberate the purchase, exchange, lease or value of real property located (1) at the Downtown Denton Transit Center and (2) within the City of Lewisville, Texas.

Action as a result of Executive Session.

Reconvene – Open Session

Reconvene – Open Session

Action as a Result of Executive Session.

Adjourn