



## Board of Directors Regular Meeting August 26, 2021 | 10:00 a.m.

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

### Voting Members

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

### Alternates

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

### Non-Voting Members

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

### Legal Counsel

Joe Gorfida, NJDHS

### DCTA Executive Staff/Leadership Team

Raymond Suarez, CEO

### CALL TO ORDER

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

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

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

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

INTRODUCTIONS: There were no introductions during this time.



## PUBLIC COMMENT

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

- Jim Owen

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

## CONSENT AGENDA

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



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

*Action Item*

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

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

*Action Item*

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

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

*Action Item*

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

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

#### REGULAR AGENDA

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

*Action Item*

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

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



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

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

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

*Action Item*

Presenter: Raymond Suarez, CEO

Backup Information: Memo

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

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

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

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

*Action Item*

Presenter: Raymond Suarez, CEO

Backup Information: Memo

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

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



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

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

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

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

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

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

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

[\(packet page 490\)](#)

*Action Item*

Presenter: Raymond Suarez, CEO

Backup Information: Memo

*No Board action taken at this time.*

5. Review and Discuss Project Management Office (PMO) Activities Related to Task Order #2 with Accenture, LLP

[\(packet pages 491-493\)](#)

*Discussion Item*



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

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

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

[\(packet pages 494-512\)](#)

*Discussion Item*

Presenters: Javier Trilla, Assistant VP of Innovation & Technology  
Raymond Suarez, CEO  
Backup Information: Memo  
Exhibit 1: GoZone Launch Communications Campaign Status Report

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

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

*No Board action taken at this time.*

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

[\(packet pages 513-686\)](#)

*Discussion Item*

Presenters: Amanda Riddle, Senior Manager of Budget  
Rusty Comer, Manager of Bus Administration  
Backup Information: Memo  
Exhibit 1: FY 2022 Proposed Operating and Capital Budget Presentation  
Exhibit 2: Long Range Financial Plan  
Exhibit 3: Change in Net Position  
Exhibit 4: Revenues & Ridership  
Exhibit 5: Grants Detail



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

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

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



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

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

*No Board action taken at this time.*

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

*Discussion Item*

Presenter: Chris Watts, Board Chair

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

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

*No Board action taken at this time.*

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

*Discussion Item*

Presenter: Amber Karkauskas, Controller/Assistant VP of Finance

Backup Information: Memo

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

Exhibit 2: FY2022 Investment Policy Review Letter

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

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

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

*Discussion Item*

Presenter: Raymond Suarez, CEO

Backup Information: Memo

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





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

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

**11. Discuss Local & Regional Transportation Updates and Legislative Issues**  
**(packet pages N/A)**

*Discussion Item*

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

Backup Information: N/A

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

**INFORMATIONAL REPORTS**

**1. Monthly Financial Reports**  
**(packet pages 710-720)**

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

**2. Ridership Trend & Rail Trail Utilization Report**  
**(packet pages 721-734)**

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



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

([packet pages 735-759](#))

Backup Information: Memo

Exhibit 1: DART/DCTA Shared Services Agreement

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

([packet pages 760-794](#))

Backup Information: Memo

Exhibit 1: RFP 21-12 Compensation Study

#### FUTURE AGENDA ITEMS AND BOARD MEMBER REQUESTS

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

[Next Board Meeting Date: September 23, 2021](#)

***No Board comments at this time.***

#### REPORT ON ITEMS OF COMMUNITY INTEREST

Pursuant to Texas Government Section 551.0415 the Board of Directors may report on following items: (1) expression of thanks, congratulations, or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming DCTA and Member City events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.

Discussion regarding the upcoming GoZone Launch.

#### CONVENE EXECUTIVE SESSION

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

- A. As Authorized by Section 551.071(2) of the Texas Government Code, the Board of Directors Meeting may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein or the Regular Board Meeting Agenda.
- B. As Authorized by Section 551.074 of the Texas Government Code the Board of Directors Meeting may be Convened into Closed Executive Session for the purpose of discussing the duties and evaluation of the Chief Executive Officer (CEO).

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



RECONVENE OPEN SESSION

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

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

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

A handwritten signature in black ink, appearing to read "S. Burke", written over a horizontal line.

Sam Burke, Secretary

A handwritten signature in black ink, appearing to read "C. Watts", written over a horizontal line.

Chris Watts, Chair