Dallas Area Rapid Transit
COMMITTEE-OF-THE-WHOLE
Tuesday, July 9, 2019, 5:00 P.M. - Conference Room C
1401 Pacific Ave., Dallas, Texas 75202

General Items:
1. Approval of Minutes: June 18, 2019
2. *Briefing on Items of Interest to DART Included on the July 11, 2019 North Central Texas Council of Governments, Regional Transportation Council Agenda (Sue Bauman)
3. This item will be discussed at Board Meeting only.
4. This item will be discussed at Board Meeting only.

Consent Items:

Public Affairs and Communication:
5. Approval of Master Streetcar Interlocal Agreement (ILA) between DART and the City of Dallas (Mark Enoch/Tim McKay)
6. Approval of the University of Texas Southwestern (UTSW) Medical Center Site-Specific Shuttle Service Agreement (Mark Enoch/Tim McKay)
7. Approval of the First Amendment to the Agreement with Parkland Hospital for Site-Specific Shuttle Service (Mark Enoch/Tim McKay)
8. Approval of Vehicle Color Scheme for the Cotton Belt Regional Rail Corridor (Mark Enoch/Nicole Fontayne-Bárdowell)

Budget and Finance:
9. Call for Public Hearing and Approval to Submit FY 2019 and FY 2020 Federal Transit Administration (FTA) Grant Applications (Paul N. Wageman/Gary Thomas)
10. Approval of Agreements with Texas Cooperative Liquid Assets Securities System Trust (CLASS) and TexasTERM Local Government Investment Pools for Cash Investment Needs (Paul N. Wageman/Gary Thomas)

Individual Items:
11. Contract Award for Consulting Engagement for the Universal Payment Processing Platform (UP3) Feasibility Study (Mark Enoch/Nicole Fontayne-Bárdowell)
12. +Approval of an Exception to DART Board Policy III.07 Relating to the ILA’s with the Cities of Allen, and Wylie and the Town of Fairview (Mark Enoch/Tim McKay)
13. +Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Allen for the Continuation of Collin County Demand Responsive Service (Mark Enoch/Tim McKay)
14. +Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Wylie for the Continuation of Collin County Demand Responsive Service (Mark Enoch/Tim McKay)
15. **+Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the Town of Fairview for the Continuation of Collin County Demand Responsive Service (Mark Enoch/Tim McKay)**

16. **Approval of Employment Agreement for DART General Counsel (Paul N. Wageman/Nicole Fontayne-Bárdowell)**

17. ***Briefing on Senate Bill 1640 Amendment to “Walking Quorum” Provision of the Texas Open Meetings Act (Sue Bauman/Gene Gamez)**

**Other Items:**

18. This item will be discussed at Board Meeting Only.

19. Identification of Future Agenda Items

20. Adjournment

*This Is A Briefing Item Only

+Same Date Action Item for Approval by the Board of Directors

The Committee-of-the-Whole may go into Closed Session under the Texas Open Meetings Act, Section 551.071, Consultation with Attorney, for any Legal issues, under Section 551.072, Deliberation Regarding Real Property for Real Estate issues, or under Section 551.074 for Personnel matters, or under section 551.076, for deliberation regarding the deployment or implementation of Security Personnel or devices, arising or regarding any item listed on this Agenda.

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AGENDA

Dallas Area Rapid Transit
6:30 P.M. BOARD OF DIRECTORS’ MEETING
Tuesday, July 9, 2019 - Board Room
1401 Pacific Ave., Dallas, Texas 75202

General Items:
1. Approval of Minutes: June 18, 2019
2. This item will be discussed at Committee-of-the-Whole only.
3. Public Hearing Regarding Proposed Changes to DART’s Fare Structure
4. Public Comments

Consent Items:

Public Affairs and Communication:
5. Approval of Master Streetcar Interlocal Agreement (ILA) between DART and the City of Dallas (Mark Enoch/Tim McKay)
6. Approval of the University of Texas Southwestern (UTSW) Medical Center Site-Specific Shuttle Service Agreement (Mark Enoch/Tim McKay)
7. Approval of the First Amendment to the Agreement with Parkland Hospital for Site-Specific Shuttle Service (Mark Enoch/Tim McKay)
8. Approval of Vehicle Color Scheme for the Cotton Belt Regional Rail Corridor (Mark Enoch/Nicole Fontayne-Bárdowell)

Budget and Finance:
9. Call for Public Hearing and Approval to Submit FY 2019 and FY 2020 Federal Transit Administration (FTA) Grant Applications (Paul N. Wageman/Gary Thomas)
10. Approval of Agreements with Texas Cooperative Liquid Assets Securities System Trust (CLASS) and TexasTERM Local Government Investment Pools for Cash Investment Needs (Paul N. Wageman/Gary Thomas)

Individual Items:
11. Contract Award for Consulting Engagement for the Universal Payment Processing Platform (UP3) Feasibility Study (Mark Enoch/Nicole Fontayne-Bárdowell)
12. Approval of an Exception to DART Board Policy III.07 Relating to the ILA’s with the Cities of Allen, and Wylie and the Town of Fairview (Mark Enoch/Tim McKay)
13. Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Allen for the Continuation of Collin County Demand Responsive Service (Mark Enoch/Tim McKay)
14. Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Wylie for the Continuation of Collin County Demand Responsive Service (Mark Enoch/Tim McKay)
15. Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the Town of Fairview for the Continuation of Collin County Demand Responsive Service (Mark Enoch/Tim McKay)

16. Approval of an Employment Agreement with DART General Counsel Candidate (Paul N. Wageman/Nicole Fontayne-Bárdowell)

17. This item will be discussed at Committee-of-the-Whole Only.

**Other Items:**

18. Public Comments

19. This item will be discussed at Committee-of-the-Whole Only.

20. Adjournment

*Same Date Action Item for Approval by the Board of Directors*

The Board of Directors may go into Closed Session under the Texas Open Meetings Act, Section 551.071, Consultation with Attorney, for any legal issues, under Section 551.072, Deliberation Regarding Real Property for real estate issues. or under Section 551.074 for Personnel matters, or under Section 551.076, for deliberation regarding deployment or implementation of Security Personnel or devices, arising or regarding any item listed on this Agenda.

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AGENDA ITEM NO. 1

MINUTES

DALLAS AREA RAPID TRANSIT

COMMITTEE-OF-THE-WHOLE

June 18, 2019

The Dallas Area Rapid Transit Committee-of-the-Whole meeting convened on Tuesday, June 18, 2019, at 4:38 p.m., at DART Headquarters, 1401 Pacific Avenue, Dallas, Texas, with Chair Bauman presiding.

The following Board members were present: Sue S. Bauman, Paul N. Wageman, Michele Wong Krause, Mark Enoch, Doug Hrbacek, Jon-Berrett Killen, Patrick J. Kennedy, Amanda Moreno, Eliseo Ruiz, Gary Slagel, Lissa Smith, Rick Stopfer, Dominique P. Torres, and Ray Jackson.

Mr. Jonathan R. Kelly was absent.

General Items:

1. Approval of Minutes: June 11, 2019

   Mr. Enoch moved to approve the June 11, 2019, Committee-of-the-Whole Meeting Minutes, as written.

   Mr. Jackson seconded and the Minutes were approved unanimously.

   Prior to continuing with the agenda items, Chair Bauman made a few announcements.

   Mr. Enoch stepped out of the meeting at 4:41 p.m.

2. This item will be discussed at Board Meeting only.

Consent Items:

   Mr. Hrbacek moved to forward Agenda Items 3, 4, 7, and 8, excluding Agenda Item 5, One-Year Contract Extension and Increase Funding for Medicare Advantage PPO Plan for Retiree Medical Benefits, Agenda Item 6, Adoption of President/Executive Director's FY 2020 Goals and Performance Measures, and Agenda Item 9, Approval of Name of DART Service on the Cotton Belt Commuter Rail Line.

   Mr. Enoch moved to forward this draft resolution to the Board of Directors, with a recommendation, stating the President/Executive Director, or his designee, is authorized to award a two-year contract for telephone system onsite support to Black Box Network Services for a total authorized amount not to exceed $351,040.

   Authorization to Delegate Contracting Officer Authority

   Moved to forward this draft resolution to the Board of Directors, with a recommendation, stating the President/Executive Director, or his designee, is authorized to delegate Contracting Officer authority to Coquice Logan, Enriqueta Rodriguez, and Rebecca Bellamy.
Operations, Safety & Security:

7. **Contract Modification for Mobility Management Services**

Moved to forward this draft resolution to the Board of Directors, with a recommendation, stating the President/Executive Director, or his designee, is authorized to authorized to increase the contract value for Mobility Management Services with MV Transportation, Inc. [Contract C-2044267-01] by $529,241 for a new total authorized amount not to exceed $105,906,319.

8. **Contract Option for a Non-Revenue Vehicle Fuel Management System**

Moved to forward this draft resolution to the Board of Directors, with a recommendation, stating the President/Executive Director, or his designee, is authorized to:

Section 1: Exercise the first, one-year option for a Non-Revenue Vehicle (NRV) Fuel Management System with Valero Marketing and Supply Company [Contract No. C-2031954-01].

Section 2: Increase the not-to-exceed amount by $1,325,330, for a contract, for a new total authorized amount not to exceed $4,072,217.

Mr. Stopfer seconded and the items were approved unanimously.

Individual Items:

Administrative:

5. **One-Year Contract Extension and Increase Funding for Medicare Advantage PPO Plan for Retiree Medical Benefits**

Mr. Killen noted he had no issue with the extension as it is, however his concern is related to the process of bringing items to the DART Board of Directors to approve, especially those dealing with benefits for employees. He then requested staff notify the Board earlier in the process to allow the employees, being affected by the change, to be engaged early on and then have staff bring the employees’ comments back to the Board. Mr. Killen stated he would want this to be in place by this time next year when they are actually approving a new contract. Mr. Gary Thomas, President/Executive Director, responded staff is prepared to respond, however Mr. Killen’s request is the purpose of this extension being proposed. He explained this will allow staff to investigate some of the opportunities that have been brought up recently, as they move forward, to see if there are other plans available that are more comprehensive than what is currently being provided.

Mr. Enoch reentered the meeting at 4:47 p.m.

Mr. Killen moved to forward this draft resolution to the Board of Directors, with a recommendation, stating the President/Executive Director, or his designee, is authorized to exercise a contract modification for the Medicare Advantage PPO Plan for Retiree Medical Benefits with Aetna [Contract No. 2013012-01] to:

Section 1: Extend the contract for one additional year.
Section 2: Increase the not-to-exceed amount by $1,211,624 ($882,062 DART cost and $329,562 retiree cost), for a new total unauthorized amount not to exceed $4,623,508.

Mr. Stopfer seconded and the item was approved unanimously.

6. Adoption of President/Executive Director’s FY 2020 Goals and Performance Measures

Mr. Wageman requested a presentation. He noted he was interested in the revisions to the goals since his copy did not show the redline revisions.

Prior to briefing the Committee, Mr. Thomas requested Mr. David Schulze, Chief of Staff to President/Executive Director, provide a hard copy of the revisions to the Board. He then briefed the Committee.

Mr. Slagel remarked, it was his understanding, Mr. Thomas took in consideration input provided by the Board, at the DART Board Workshops, Board meetings, and discussions around other committees, to build his goals. He then requested Mr. Thomas address the Board concerning how these goals materialized. Mr. Thomas agreed with Mr. Slagel’s assessment, and then outlined the process he takes, beginning with discussing with departmental staff, regarding their top priorities, prior to bringing to the Board for their review and approval.

Regarding Goal 1.1, Serve DART’s Customers by implementing steps that increase fixed-route ridership, Line 4, Mr. Killen recommended adding the redlined word, initial, to the sentence after the word, Complete, and prior to the word, Bus. In regard to Line 6, Mr. Killen requested this reflect the serious discussions, that the Audit Committee, and the Public Affairs Communication Committee, both had concerning the GoPass app, in a second iteration of the 2020 goals. He explained this would reflect what is already included in the road map, such as the real-time tracking of the buses, as well as, the “See Something” app. Mr. Killen opined, in fairness to Mr. Thomas and other staff, there should be constraints on Board’s ability to continuously add goals throughout the year. He then requested staff formalize the process the Board uses of adding goals to Mr. Thomas’s fiscal goals within a current fiscal year.

In regard to Goal 2, Study and modify internal processes to improve efficiency without increasing administrative costs and to demonstrate effectiveness in the daily operation and administration of the agency, Line 15, Mr. Wageman questioned if it is clear in the heading that the communication will be timely and reasonable, or did the Board need to set an actual time. Mr. Thomas responded he was very clear of what the expectations are from the Board. In No. 3, of the same line, Mr. Wageman opined the sentence should read, ‘Notify Board members, and include Board members in advance, of meetings with elected officials.’ He stated, the Board members should have the opportunity, and in his opinion, the necessity, to be in those meetings if they choose to attend. Mr. Wageman noted this would be the same notification for public notifications on No. 2.

In regard to Goal 3, Optimize and preserve DART’s assets to demonstrate effectiveness in the daily operation and administration of the agency, Mr. Wageman stated he was fine with Line 22 as it was written. In reference to Line 28, he noted it was very artfully written. Mr. Wageman remarked he wanted to make sure, after their conversation regarding this line,
that he and Mr. Thomas were on the same understanding. Mr. Thomas responded they were of the same understanding, explaining, as they drafted this, he felt it was important to include all employees.

Mr. Stopfer moved to forward this draft resolution to the Board of Directors, with a recommendation, stating:

Section 1: The Board adopts the goals and the performance measures for the President/Executive Director for Fiscal Year 2020 as shown in Exhibit 1 to this Resolution.

Section 2: The Board may modify the performance measures for the President/Executive Director as may be necessary to make them consistent with the final FY 2020 Budget and Twenty-Year Financial Plan.

Ms. Moreno seconded and the item was approved unanimously.

Public Affairs & Communication:

9. Approval of Name of DART Service on the Cotton Belt Commuter Rail Line

Mr. Slagel voiced his concern with the communication plan to assist the customers understand the importance of each train’s destinations. He noted, going forward, he wanted to see a communication plan and strategy to make it work. Mr. Thomas agreed with Mr. Slagel, stating he has been in discussions with Mr. Nevin Grinnell, Vice President/Chief Marketing Officer, concerning these issues and they are working to resolve these issues.

Mr. Slagel moved to forward this draft resolution to the Board of Directors, with a recommendation, stating the President/Executive Director, or his designee, is authorized to designate the DART service that will run on the Cotton Belt commuter rail line as the "Silver Line."

After some discussion, Mr. Enoch seconded and the item was approved unanimously.

10. Authorization to Negotiate an Employment Agreement with DART General Counsel Candidate

Chair Bauman stated that it was 5:02 p.m. on Tuesday, June 18, 2019, and the Dallas Area Rapid Transit Committee-of-the-Whole was going into Closed Session under the Texas Open Meetings Act, Section 551.074, which allows deliberation of a personnel matter, to discuss Agenda Item 10, Authorization to Negotiate an Employment Agreement with DART General Counsel Candidate.

The Committee reconvened into Open Session at 5:22 p.m.

Mr. Hrbacek moved to forward this draft resolution to the Board of Directors, with a recommendation, stating the Chair of the General Counsel Search Ad Hoc Committee is authorized to negotiate an employment agreement with the selected candidate, Candidate A, for the position of DART General Counsel and present the agreement to the DART Board for final approval.

Mr. Jackson seconded and the item was approved unanimously.
11. **Briefing on the Trinity Mills and Mockingbird Transit Oriented Development (TOD) Timelines**

Mr. Tim McKay Executive Vice President of Growth and Regional Development, and Mr. Gene Gamez, Interim General Counsel, jointly briefed the Committee (see handout on file with the Office of Board Support) as follows:

- Today’s Briefing (slide 2)
- Pathway to Where We Are Today (slide 3)
- Trinity Mills Timeline (slide 4)
- Mockingbird Timeline (slide 5)

Mr. Wageman requested, when Staff conducts their analysis of lessoned learned and how this can process be improved, he wanted to see the results. He opined eighteen months from the time the Board approved this project to now, is much too long.

Mr. Hrbacek agreed with Mr. Wageman, noting the frustration of working with government entities on joint projects.

12. **Briefing on DART-Owned Operating Facilities**

Mr. McKay provided a preamble of this item, stating Mr. Mike Holbrook, Vice President of Rail Operations, and Mr. Herold Humphrey, Vice President of Bus Operations, would be briefing the Committee jointly.

Mr. Holbrook briefed the Committee (see handout on file with the Office of Board Support) as follows:

- Red Line -map (slide 4)
- Rail Line Stations (slide 5)
- Green Line -map (slide 6)
- Green Line Stations (slide 7)
- Blue line -map (slide 8)
- Blue Line Stations (slide 9)
- Orange line -map (slide 10)
- Orange Line Stations (slide 11)
- Dallas Street Car -map (slide 12)
- StreetCar Stations (slide 13)
- Central Rail Operating Facility (CROF) (slide 15)
- Northwest Rail Operating Facility (NWROF) (slide 16)
- Rowlett Maintenance Facility (slide 17)
- Monroe Shop/DART Police Headquarters (slide 18)
- DART Headquarters (slide 19)

Ms. Moreno left the meeting at 5:39 p.m.

Mr. Humphrey briefed the Committee as follows:

- East Dallas Bus Operating Facility (slide 21)
- South Oak Cliff Bus Operating Facility (slide 22)
- Northwest Bus Operating Facility (slide 23)
• Non-Revenue Vehicle Operating Facility (slide 24)
• Mobility Management Operating Facility (slide 25)
• Materials Management Warehouse (slide 26)

Chair Bauman questioned when will the Board be briefed on the transfer areas, such as the Rosa Park Transfer Center. Mr. McKay responded they would include the transfer centers in next presentation to the Committee.

With the bus facilities being at capacity, Mr. Kennedy questioned what are the cost implications, and the time implications, of doing all the deadheading, in terms of distance. Mr. McKay responded, once they complete the reimagined bus plan, that is when they need to begin looking to see if they have bus facilities in the right locations or would there be a benefit. He noted those conversations will likely occur in the following year once staff has a real handle of what the Board has chosen in regard to the new bus operations plan.

After further discussion, Mr. McKay made a few closing remarks regarding the upcoming presentations.

Other Items:

13. **This item will be discussed at Board Meeting only.**
14. **Identification of Future Agenda Items**
   There were no future agenda items identified for this committee.
15. **Adjournment**
   There being no further business to discuss, the meeting was adjourned at 5:52 p.m.

Josefina Chavira, CAP
Board Committee Secretary

/jc

+ Same Night Item
* Briefing Item
MINUTES
DALLAS AREA RAPID TRANSIT
BOARD OF DIRECTORS’
June 18, 2019

The Dallas Area Rapid Transit Board of Directors’ meeting convened on Tuesday, June 18, 2019, at 6:30 p.m., at DART Headquarters, 1401 Pacific Avenue, Dallas, Texas, with Chair Bauman presiding.

City of Dallas
Sue S. Bauman – Chair
Ray Jackson
Patrick J. Kennedy
Jon-Bertrell Killen
Michele Wong Krause – Secretary
Amanda Moreno
Dominique P. Torres

City of Garland
Jonathan R. Kelly – Assistant Secretary

City of Irving
Rick Stopfer

City of Plano
Paul N. Wageman – Vice-Chair

City of Cockrell Hill and Dallas
Eliseo Ruiz, III

Cities of Carrollton and Irving
Doug Hrbacek

Cities of Farmers Branch and Plano
Lissa Smith

Cities of Garland, Rowlett, and Glenn Heights
Mark C. Enoch

Cities of Richardson and University Park; Towns of Addison and Highland Park
Gary A. Slagel

Mr. Jonathan R. Kelly, Ms. Amanda Moreno, and Mr. Ray Jackson, were absent.
General Items:

1. Approval of Minutes: June 11, 2019

Ms. Wong Krause moved to approve the June 11, 2019, Board of Directors’ meeting Minutes, and entered into record, as written.

Ms. Smith seconded and the item was approved unanimously.

2. Public Comments

Chair Bauman reviewed the rules that govern the Public Comments portion of the meeting, including the DART Board Code of Conduct for News Media and Visitors during DART Board Meetings (on file with the Office of Board Support).

The following individuals addressed the Board:

Mr. Brian Finkelstein; Dallas, TX:
Mr. Finkelstein read his comments into record about improving ridership, reduced subsidy, and increased safety.

Ms. Shurita Jacobs; Dallas, TX:
Ms. Jacobs voiced concern regarding an issue she encountered with her GoPass app when she switched her phone service.

Chair Bauman referred Ms. Jacobs to Mr. Joseph Costello, Senior Vice President of Finance and Mr. Nevin Grinnell, Vice President/Chief Marketing Officer.

Consent Items:

Mr. Slagel moved for approval of Agenda Items 3 through 8, with the except Agenda Item 6, Adoption of President/Executive Director’s FY 2020 Goals and Performance Measures, and Agenda Item 9, Approval of Name of DART Service on the Cotton Belt Commuter Rail Line.

Administrative:

3. Contract for Telephone System Onsite Support Services

Moved for approval of Resolution 190066 stating the President/Executive Director, or his designee, is authorized to award a two-year contract for telephone system onsite support to Black Box Network Services for a total authorized amount not to exceed $351,040.

4. Authorization to Delegate Contracting Officer Authority

Moved for approval of Resolution 190067 stating the President/Executive Director, or his designee, is authorized to delegate Contracting Officer authority to Coquice Logan, Enriqueta Rodriguez, and Rebecca Bellamy.

5. One-Year Contract Extension and Increase Funding for Medicare Advantage PPO Plan for Retiree Medical Benefits

Moved for approval of Resolution 190068 stating the President/Executive Director, or his designee, is authorized to exercise a contract modification for the Medicare Advantage PPO Plan for Retiree Medical Benefits with Aetna [Contract No. 2013012-01] to:

Section 1: Extend the contract for one additional year.
Section 2: Increase the not-to-exceed amount by $1,211,624 ($882,062 DART cost and $329,562 retiree cost), for a new total unauthorized amount not to exceed $4,623,508.

Operations, Safety & Security:

7. **Contract Modification for Mobility Management Services**

Moved for approval of Resolution 190070 stating the President/Executive Director, or his designee, is authorized to authorized to increase the contract value for Mobility Management Services with MV Transportation, Inc. [Contract C-2044267-01] by $529,241 for a new total authorized amount not to exceed $105,906,319.

8. **Contract Option for a Non-Revenue Vehicle Fuel Management System**

Moved for approval of Resolution 190071 stating the President/Executive Director, or his designee, is authorized to:

- Exercise the first, one-year option for a Non-Revenue Vehicle (NRV) Fuel Management System with Valero Marketing and Supply Company [Contract No. C-2031954-01].

- Increase the not-to-exceed amount by $1,325,330, for a contract, for a new total authorized amount not to exceed $4,072,217.

_seconded and the items were approved unanimously.

Individual Items:

6. **Adoption of President/Executive Director’s FY 2020 Goals and Performance Measures**

Regarding the blue sheet form, provided to the Board, reflecting the change made in Goal 4 by Mr. Killen at the Committee-of-the-Whole, Mr. Wageman noted he had similarly made a request to make a change to Line 15, that was not reflected in the form.

With the inclusion of his requested change, Mr. Wageman moved for approval of Resolution 190069, stating:

- Section 1: The Board adopts the goals and the performance measures for the President/Executive Director for Fiscal Year 2020 as shown in Exhibit 1 to this Resolution.

- Section 2: The Board may modify the performance measures for the President/Executive Director as may be necessary to make them consistent with the final FY 2020 Budget and Twenty-Year Financial Plan.

Mr. Slagel seconded, however he requested clarification on what Mr. Wageman’s request was at Committee-of-the-Whole.

Mr. Wageman clarified the change was in Goal 2, Study and modify internal processes to improve efficiency without increasing administrative costs and to demonstrate effectiveness in the daily operation and administration of the agency, Line 15, both No. 2 and No. 3, should read, ‘Notify Board members, and include Board members in advance,’ etcetera. He further stated, the Board members should have the opportunity to participate in these meetings if they choose to attend.

This being said, Chair Bauman called for the vote and the item was approved unanimously.
9. **Approval of Name of DART Service on the Cotton Belt Commuter Rail Line**

Mr. Hrbacek moved for approval of Resolution 190072 stating the President/Executive Director, or his designee, is authorized to designate the DART service that will run on the Cotton Belt commuter rail line as the "Silver Line."

Mr. Enoch seconded and the item was approved unanimously.

10. **Authorization to Negotiate an Employment Agreement with DART General Counsel Candidate**

Mr. Wageman moved for approval of Resolution 190073 stating the Chair of the General Counsel Search Ad Hoc Committee is authorized to negotiate an employment agreement with the selected candidate for the position of DART General Counsel and present the agreement to the DART Board for final approval.

Ms. Wong Krause seconded and the item was approved unanimously.

11. This item will be discussed at Committee-of-the-Whole Only.

12. This item will be discussed at Committee-of-the-Whole Only.

**Other Items:**

13. **Public Comments**

There were no additional individuals to address the Board.

14. **This item will be discussed in Committee-of-the-Whole only.**

**General Items:**

15. **Adjournment:**

There being no further business to discuss, the meeting was adjourned at 6:45 p.m.

Josefina Chavira, CAP
Board Committee Secretary

/jc

+ Same Night Item

* Briefing Item
Agenda Report

DATE: July 9, 2019

SUBJECT: Approval of Master Streetcar Interlocal Agreement (ILA) between DART and the City of Dallas

RECOMMENDATION

Approval of a resolution authorizing the President/Executive Director or his designee to execute a Master Streetcar Interlocal Agreement (ILA) between DART and the City of Dallas, substantially in the form shown as Exhibit 1 to the Resolution.

COMMITTEE CONSIDERATIONS

. On June 18, 2018, the Public Affairs and Communication Committee unanimously moved to forward this item to the July 9, 2019, Committee-of-the-Whole Consent Agenda.

FINANCIAL CONSIDERATIONS

. On April 26, 2011 (Resolution No. 110041), funding was provided for Streetcar Operations and Maintenance, which will continue under the Master Streetcar Interlocal Agreement (ILA).

. DART will not incur any unreimbursed costs by executing this ILA, and there is no financial impact on the approved FY 2019 Operating Budget or FY 2019 Twenty-Year Financial Plan.

BUSINESS PURPOSE

. It is desired to consolidate all the existing ILAs with the City of Dallas pertaining to the Dallas Streetcar system into one Master Streetcar ILA.

. The Master Streetcar ILA between DART and the City of Dallas is needed to outline responsibilities related to the planning, design, construction, procurement, operations and maintenance of the existing and future streetcar systems.

. Approval of the ILA will assist DART in achieving Board Strategic Priority 3: Optimize DART’s influence in regional transportation planning; and Priority 4: Expand DART’s transportation system to serve cities inside and outside the current service area.

. On October 12, 2010 (Resolution No. 100134), the Board approved an ILA between DART and the City of Dallas for Planning and Design of a Modern Streetcar System.

. On April 26, 2011 (Resolution No. 110041), the Board approved an ILA between DART, the City of Dallas and North Central Texas Council of Governments (NCTCOG) for
Implementation of the Dallas TIGER-funded Streetcar Project and Amendment to the FY 2011 Twenty-Year Financial Plan.

- On March 20, 2012 (Resolution No. 120038), the Board approved an ILA between NCTCOG, DART and City of Dallas related to procurement and financial matters for implementation of the Dallas TIGER-funded Modern Streetcar Project.

- On January 12, 2013 (Resolution No. 130038), the Board approved an ILA between the City of Dallas and DART related to procurement and financial matters for implementation of the Dallas Urban Circulator Streetcar Project.

- On February 25, 2014 (Resolution No. 140020), the Board approved an ILA between the City of Dallas and DART for operations and maintenance of the Dallas Union Station to Oak Cliff TIGER-funded Streetcar Project.

- On August 12, 2014 (Resolution No. 140074), the Board approved an ILA between DART and the City of Dallas for design and design support during construction for extensions 1 and 2, and procurement of rail for extension 1 of the Dallas Union Station to Oak Cliff Streetcar.

- On April 28, 2015 (Resolution No. 150043), the Board approved an ILA between DART and the City of Dallas related to construction services for extensions of the Dallas Union Station to Oak Cliff Streetcar Project.

- On September 27, 2016 (Resolution No. 160047), the Board approved the First Amendment to the ILA between DART and the City of Dallas for Union Station to Oak Cliff Streetcar operations and maintenance.

The Master Streetcar ILA delineates the responsibilities of DART and the City of Dallas as follows:

- DART’s responsibilities include:
  - Technical Advisor/Owner Representative
  - Financial Analysis
  - Planning
  - Design
  - Construction
  - Procurement
  - Operations and Maintenance
  - System Safety
  - Fare Collection

- The City of Dallas responsibilities include:
  - Project Owner
  - Project Scope
  - Planning Funding
  - Grant Management
  - Design and Construction Funding
  - Utility Relocations
  - Operations and Maintenance Funding
LEGAL CONSIDERATIONS

Section 452.055 of the Texas Transportation Code authorizes DART to enter into contracts with any person.

Section 452.056(a) of the Texas Transportation Code authorizes DART to acquire, construct, develop, plan, own, operate and maintain a public transportation system.
DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Master Streetcar Interlocal Agreement (ILA) between DART and the City of Dallas

WHEREAS, on October 12, 2010 (Resolution No. 100134), the Board approved an ILA between DART and City of Dallas for planning and design of a Modern Streetcar System; and

WHEREAS, on April 26, 2011 (Resolution No. 110041), the Board approved an ILA between DART, the City of Dallas and North Central Texas Council of Governments (NCTCOG) for implementation of the Dallas TIGER-funded Streetcar Project and Amendment to the FY 2011 Twenty-Year Financial Plan; and

WHEREAS, on March 20, 2012 (Resolution No. 120038), the Board approved an ILA between NCTCOG, DART and City of Dallas related to procurement and financial matters for implementation of the Dallas TIGER-funded Modern Streetcar Project; and

WHEREAS, on January 12, 2013 (Resolution No. 130038), the Board approved an ILA between the City of Dallas and DART related to procurement and financial matters for implementation of the Dallas Urban Circulator Streetcar Project; and

WHEREAS, on February 25, 2014 (Resolution No. 140020), the Board approved an ILA between the City of Dallas and DART for operations and maintenance of the Dallas Union Station to Oak Cliff TIGER-funded Streetcar Project; and

WHEREAS, on August 12, 2014 (Resolution No. 140074), the Board approved an ILA between DART and the City of Dallas for design and design support during construction for extensions 1 and 2, and procurement of rail for extension 1 of the Dallas Union Station to Oak Cliff Streetcar; and

WHEREAS, on April 28, 2015 (Resolution No. 150043), the Board approved an ILA between DART and the City of Dallas related to construction services for extensions of the Dallas Union Station to Oak Cliff Streetcar Project; and

WHEREAS, on September 27, 2016 (Resolution No. 160047), the Board approved the First Amendment to the ILA between DART and the City of Dallas for Union Station to Oak Cliff Streetcar operations and maintenance; and

WHEREAS, it is desired to consolidate all the existing ILAs with the City of Dallas pertaining to the Dallas Streetcar system into one Master Streetcar ILA; and

WHEREAS, the Master Streetcar ILA delineates the responsibilities of DART and the City of Dallas; and

WHEREAS, DART will not incur any unreimbursed costs by executing this ILA, and there is no financial impact on the approved FY 2019 Operating Budget or FY 2019 Twenty-Year Financial Plan.
NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President/Executive Director or his designee is authorized to execute a Master Streetcar Interlocal Agreement (ILA) between DART and the City of Dallas, substantially in the form shown as Exhibit 1 to the Resolution.

Prepared by: John M. Rhone  
Vice President  
Capital Design & Construction

Approved by: Timothy H. McKay, P.E.  
Executive Vice President  
Growth/Regional Development

Approved as to form: Gene Gamez  
Interim General Counsel

Approved by: Gary C. Thomas  
President/Executive Director
MASTER STREETCAR

INTERLOCAL AGREEMENT

BETWEEN

DALLAS AREA RAPID TRANSIT

AND

THE CITY OF DALLAS

FOR

THE DALLAS STREETCAR SYSTEM

Dated: ____, 2019
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MASTER STREETCAR INTERLOCAL AGREEMENT
Between
Dallas Area Rapid Transit and the City of Dallas
For
The Dallas Streetcar System

This Master Streetcar Interlocal Agreement (“Master Agreement”) is entered into this ___ day of April 2019, by and between the City of Dallas (“CITY”) and Dallas Area Rapid Transit (“DART”) and which may be referred to individually as “Party” or collectively as “Parties”.

RECITALS

WHEREAS, CITY and DART recognize the emerging evolution of transportation infrastructure in the City of Dallas and the importance of providing an integrated transportation system that balances the needs of pedestrians, transit, bicycles and automobiles; and

WHEREAS, the development of a streetcar network for downtown Dallas and the surrounding communities is a key element to support the establishment of livable, sustainable communities; and

WHEREAS, the CITY and DART have built a streetcar system (the “Streetcar System”) located in Dallas, Texas and which operates from Union Station to the Bishop Arts District; and

WHEREAS, the Streetcar System consists of 2.5 miles of single and double track, six passenger stops, transit signaling system, four streetcar vehicles and two traction power substations. The Parties anticipate future projects and growth of the Streetcar System; and

WHEREAS, Streetcar System service began April 15, 2015; and

WHEREAS, Extension 1 of the Streetcar System, opened for service in August 2016, is a 0.75-mile extension from Methodist Hospital to the Bishop Arts District; and

WHEREAS, Extension 2 of the Streetcar System, a proposed 0.67-mile loop from Union Station along Young, Lamar, Wood and Houston Streets, is currently in the design phase; and

WHEREAS, the agreements that govern the current planning, design, construction, financing, operations and maintenance of the Streetcar System, as of the effective date of this Master Agreement are listed in Exhibit A; said documents being identified herein as “the Streetcar Foundation Agreements” and

WHEREAS, CITY and DART desire to enter into this Master Agreement for the purpose of: (1) restating and consolidating the provisions in the Streetcar Foundation Agreements that describe the respective duties, responsibilities and ownership of CITY and DART in relation to the Streetcar System; and (2.) providing terms upon which the Parties may plan, design, construct, operate and maintain future phases of the Streetcar System; and
NOW THEREFORE, for and in consideration of ten dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows.

ARTICLE I

GENERAL

A. Effective Date and Term; Status of Streetcar Foundation Agreements; Resolution of Conflict of Terms

This Master Agreement shall take effect on the date executed by the last of the Parties and shall remain in effect until this Master Agreement is terminated as set forth herein. The Parties agree that while the Streetcar Foundation Agreements shall remain in effect, this Master Agreement supersedes the Streetcar Foundation Agreements and any other agreement between the Parties regarding the Streetcar System. In the case of a conflict in the language of any one or more of the Streetcar Foundation Agreements and this Master Agreement, the terms and conditions of this Master Agreement shall control and are final and binding on both Parties. The Parties further agree that should any dispute or questions arise respecting the true construction or meaning of any of these documents, the true meaning shall be determined by the manner of handling of disputes agreed to by the Parties in Article VII, Section Q of this Master Agreement.

B. Termination

A Party may terminate this Master Agreement by giving one hundred-eighty (180) days written notice to the other Party prior to the date set for termination in the written notice ("Termination Date") in the manner set forth for the giving of notices in this Master Agreement. If this Master Agreement is terminated for any reason other than breach by DART, CITY shall reimburse DART for all of DART’s costs incurred and unpaid as of the date specified in the termination notice related to or arising out of DART’s participation in the Streetcar System or this Master Agreement within thirty (30) calendar days after CITY’s receipt of an invoice(s) therefor. In such case, DART agrees to provide all such invoices to CITY within one hundred-twenty (120) days of the Termination Date.

C. Certain CITY Obligations

CITY, as the Streetcar System Owner, shall, be responsible for all funding to DART for all aspects of planning, design and development, procurement and construction services ("DART Services") as set forth herein. CITY shall, by written notification to DART, designate an individual to act as its "CITY Streetcar Representative." The CITY Streetcar Representative shall be available to represent and act on behalf of CITY and shall be advised of major developments or issues associated with the Streetcar System.
D. **Certain DART Obligations**

DART shall provide the expertise and experience to plan, design, construct, operate and maintain the Streetcar System, shall provide funding as provided in this Agreement, and shall act as CITY’s technical advisor. DART shall lead procurements and award contracts for the design, construction and vehicle acquisitions in accordance with DART’s approved procurement regulations and procedures. DART shall, by written notification to CITY, designate an individual to act as its "DART Streetcar Representative." The DART Streetcar Representative shall be available to represent and act on behalf of DART and shall be advised of major developments or issues associated with the Streetcar System.

**ARTICLE II**

**PLANNING, ENVIRONMENTAL AND PRELIMINARY DESIGN**

A. **Purpose**

The provisions of this section are to set forth the Parties’ roles and responsibilities regarding planning, environmental, and preliminary engineering services and work products (“DART Planning Services”) of the Streetcar System.

B. **DART Responsibilities**

1) DART shall provide, or cause to be provided, DART Planning Services based on a Scope of Work and budget or Scoped Project (defined below) approved by CITY, including, but not limited to, the following activities.

   a. Streetcar System planning
   b. Corridor feasibility studies
   c. Feasibility and alternatives analyses
   d. Funding analysis and strategy support
   e. Project development, including environmental clearance and preliminary engineering up to 30% design

2) DART shall submit work products developed under a Scope of Work to CITY for review and approval.

3) “Scoped Project” for the purpose of this Master Agreement means a specific major project related to the Streetcar System that has been agreed to by the Parties, acting through their respective governing bodies and has been described in a Project Specific Agreement.

4) “Scope of Work” for purposes of this Master Agreement means a narrative description agreed to by CITY and DART in writing of work tasks to be performed for each
component of a Scoped Project. Each Scope of Work shall have a corresponding scope budget and scope schedule agreed to by CITY and DART.

5) At CITY’s request, DART shall provide a cost estimate to CITY for consulting services to assist CITY in establishing a budget for any proposed Scope of Work.

6) DART Planning Services required under a Scoped Project shall be developed in accordance with the requirements of government agencies with jurisdiction over the Scoped Project, including, by example and not limitation (and if applicable), the Federal Transit Administration (“FTA”) and Texas Department of Transportation (“TxDOT”).

7) In furtherance of DART Planning Services where applicable, DART shall provide a project manager and administrative support for the procurement and management of the technical aspects of aScoped Project. Administrative support shall include the following.

a. DART staff time involved in programming and procuring consultant services, legal review as necessary, finance review as necessary and staff support during the procurement process.

b. DART staff time involved in project accounting, accounts payable and receivable functions, and project auditing.

8) Any DART Planning Services performed or caused to be performed by DART that are requested by the CITY in writing or included in the Scope of Work shall be reimbursed by CITY to DART, unless the work is performed using DART employee services.

9) DART shall procure all contracts required for the performance of DART Planning Services in accordance with established DART procedures and in accordance with state, federal and other legal requirements, as applicable.

10) DART shall ensure adequate funding is available for the DART Planning Services for a Scoped Project before awarding any contracts or contract amendments.

C. CITY Responsibilities

1) CITY shall provide DART with an approved Scope of Work for DART Planning Services. CITY agrees to review and provide approval of budget to complete the approved Scope of Work prior to commencement of DART Planning Services.

2) CITY shall expedite the review and approval of DART deliverables including any requests for information.

3) CITY shall provide funding (“City Funds”) as required by this Master Agreement.
ARTICLE III

FINAL DESIGN, PROCUREMENT AND CONSTRUCTION

A. Purpose
The provisions of this section are to set forth the Parties’ roles and responsibilities regarding the final design, procurement and construction related services (“DART Design/Construction Services”) of the Streetcar System.

B. DART Responsibilities
1) DART shall provide or cause to be provided DART Design/Construction Services based on a Scope of Work and budget provided by CITY, including, but not limited to, the following activities.
   a. Final Design
   b. Procurement
   c. Construction
   d. Design support during construction
   e. Project start-up
   f. Procurement of rail and Scoped Project equipment and related materials
   g. Procurement of vehicles
   h. Environmental clearance support

2) DART Design/Construction Services shall form the basis for award of contracts for the construction of Streetcar System.

3) DART shall provide CITY a copy of the design and rail procurement documents, including any proposed and contracts, related to the award of Scoped Project, prior to publication of the solicitation and prior to execution of an awarded contract.

4) DART shall ensure adequate funding is available for the project before awarding any contracts or contract amendments.

C. CITY Responsibilities
1) CITY shall provide funding for all Streetcar System-related DART Design/Construction Services.

2) CITY shall expedite interagency reviews to maintain efficiency during design and construction.

3) CITY shall be responsible for securing funding for all costs, and for performing or causing third parties to perform all work related to utility installation, removal, adjustment or relocation and for relocation of any other improvements as necessary to
implement a Scoped Project. "Utilities" for this purpose includes public and private utilities, fiber optic lines, water and storm water facilities.

4) CITY shall be responsible for all additional costs related to site conditions discovered before or during construction (whether or not previously known), including, by example and not limitation, additional utilities, existence or discovery of hazardous materials, and issues involving the Texas Historical Commission or the State Historic Preservation Officer.

ARTICLE IV

OPERATIONS AND MAINTENANCE

A. Purpose

The provisions of this section are to set forth the Parties’ roles and responsibilities regarding the operation and maintenance (“O & M”) of the Streetcar System.

B. DART Responsibilities


2) Comply with regulatory requirements affecting the Streetcar System and promulgated by local, state and federal agencies with jurisdiction, including by example and not limitation, National Transit Database requirements, Title VI requirements, and public hearings required by State law.

3) Operate the Streetcar System in accordance with Dallas Streetcar Service Plan and enforce the DART Code of Conduct throughout the Streetcar System.

4) Maintain the streetcars and elements of the Streetcar System in accordance with this Master Agreement. DART maintenance responsibilities include streetcar signage, streetcar stops, rubbish collection at the streetcar stops and maintenance of the roadway within the streetcar operating envelope, including, by example and not limitation, the roadway pavement, pavement markings, and track drainage systems.

5) Provide the following services.

   a. Light rail maintenance facility to store, repair, troubleshoot, test and maintain the streetcar vehicles
   b. Use of the light rail mainline for the streetcar to travel from/to the maintenance facility and the streetcar alignment
   c. Light rail yard for storage and movement of the streetcar vehicles
d. Light rail carwash and cleaning platform for cleaning the vehicles

e. Light rail maintenance bays and body shop for repair of the vehicles

f. Traction power in the light rail yard and mainline for use of the vehicles
g. Warehouse space for storage of CITY-owned spare parts for the Streetcar System

6) Provide monthly reports to CITY reflecting ridership, revenue and non-revenue miles, on time performance analysis and trips operated information.

C. CITY Responsibilities

1) Provide direction to DART in the development of the Streetcar Service Plan.

2) Review and approve Streetcar System plans outlining enhancement or expansion plans of the system.

3) Fund the installation and upgrade of the required utility connections and services to Streetcar System facilities and right-of-way.

4) Fund capital improvements and replacements of Streetcar System facilities and equipment as necessary, including vehicles, throughout the useful life of the facility or equipment in accordance with approved plans.

5) Contract for any required service not required by DART in this Agreement.

6) Provide funding for special fare media, revenue collection equipment and fare enforcement for the Streetcar System as necessary to comport with the Streetcar Service Plan.

7) Reimburse DART for all activities conducted by DART for customer service and marketing relating to the Streetcar System.

8) Maintain the roadway outside of the Streetcar System operating envelope, including, by example and not limitation, the roadway pavement, pavement markings, traffic signage, joint use poles, drainage systems, and driveways.

9) The City shall provide a crew room for the Streetcar System in the Bishop Arts area no later than September 15, 2021. The City shall provide all funding for the crew room, including by example and not limitation, for real property, for design and construction, for maintenance and utility services.

D. Material Management

DART shall procure, store and manage Streetcar System spare parts. CITY shall reimburse DART for the cost of the parts and for maintaining the necessary inventory levels, supplies and consumables to support operation and maintenance of the Streetcar System.
E. Services Planning and Scheduling

1) CITY shall provide DART with criteria for a proposed service plan ("Service Plan") no later than January 30th each year for the coming fiscal year. The Service Plan shall include headways and hours of operation. CITY and DART shall cooperatively approve the Service Plan prior to DART's implementation. The Service Plan may be changed during the year by written agreement of the Parties; subject to the adherence to appropriate federal and DART policy, procedures and requirements regarding making changes to the Service Plan and subject to any CITY requirements relating to CITY Council approval.

2) Based upon the approved Service Plan, DART shall prepare streetcar schedules and assignments of personnel and equipment to accommodate the requirements of the Service Plan.

3) CITY shall inform DART in writing at least 30 days prior to any special events that may affect the Streetcar System. DART shall use diligent efforts to provide personnel and equipment for special events not listed in the approved Service Plan per CITY's request. Special events may include non-revenue service operations associated with vehicle sponsorships. CITY agrees to reimburse DART for all costs associated with performance of special events. When requested by CITY, and, with sufficient notice, DART shall provide a cost estimate for the special event service(s) prior to the event.

4) DART shall provide customer information to the public for the Streetcar System.
   a. DART shall compile and print schedules for public dissemination and posting at stations.
   b. DART shall maintain communications with the media about the Streetcar System, including planning, design and construction activities, unless otherwise directed by CITY.
   c. DART, as technical advisor, shall maintain communications with the media about incidents or accidents involving the Streetcar System.

5) DART shall develop an operating plan ("Streetcar Operations Plan") which shall set out procedures for regular service operations, known special services, and emergency operations. The Streetcar Operations Plan shall provide guidance for DART staff.

6) DART shall notify CITY of any unusual occurrence ("Unusual Occurrence Report") Report covering Streetcar System operations to CITY as reassembly quickly as possible. This report shall include incidents from the following.
   a. Delays to trains exceeding 10 minutes
   b. Streetcar vehicle fault suggesting a pattern of failure
   c. Incidents which require a report to the TxDOT State Safety Oversight or National Transportation and Safety Board
   d. Any other event that is required to be reported to a regulatory agency
7) DART shall promptly report to a CITY Streetcar Representative any incident resulting in information being given to the media, or which can reasonably be expected to be reported in the public media. This report to CITY shall be given as soon as practicable after DART has dispatched personnel to address the incident.

8) In case of Streetcar System service disruption, DART shall arrange for substitute bus service, subject to vehicle availability, in accordance with the Streetcar Operations Plan. CITY shall reimburse DART for the cost of the substitute bus service.

9) DART shall promptly and in accordance with applicable requirements provide real-time reporting directly to regulatory agencies including State Safety Oversight, National Transportation Safety Board, Federal Transit Administration and other state and federal agencies on incidents or safety hazards as needed to maintain compliance with those agencies.

F. Maintenance and Repairs

1) DART shall maintain and repair the Streetcar System facilities, tools and equipment in accordance with the manufacturer's recommendations, warranty requirements, industry practices, expertise of staff, and information provided by designers or installers of the equipment or systems.

2) DART shall provide non-revenue vehicles to be used in support of the Streetcar System. The costs of such vehicles shall be reimbursed by CITY.

3) CITY shall reimburse DART for the cost of special tools or test equipment used to provide service under this Master Agreement but not used by DART in the maintenance and/or operation of DART’s light rail train.

4) DART shall maintain copies of all as-built drawings, maintenance manuals, training manuals, warranty books and vendor contact information for the Streetcar System facilities and equipment in an electronic format. DART shall provide updates to this information throughout the term of this Master Agreement.

5) DART shall provide configuration management and shall be responsible for the configuration management component of any audit conducted by a regulatory agency having oversight responsibility for the Starter System. DART may propose changes to the Streetcar System capital assets by way of a change proposal consistent with the System Safety Plan. The City shall make the determination as to whether a change is to be made.

6) The cost of repairs and upgrades to Streetcar System facilities, equipment and tools shall be the sole responsibility of CITY. Where feasible, prior to executing repairs or upgrades, DART shall provide a proposal for required upgrades and repairs to CITY for
written approval of scope, cost and schedule Vehicle Maintenance. DART shall maintain all vehicle elements of the System.

7) DART shall prepare a long-range capital maintenance program for heavy repair and major overhauls of streetcar vehicles and present the program annually to CITY for approval of scope, cost, and schedule. The work contained in this program is not considered maintenance and all costs for this work shall be reimbursed by CITY.

8) Four Streetcar vehicles are stored and maintained at the DART Central Rail Operating Facility. In the event additional vehicles are added, the Parties will amend this Master Agreement to address additional storage needs and other additional costs.

9) DART shall maintain Streetcar System traction power facilities and systems. This shall include hardware and software elements of traction power substations, overhead contact system, electrical switchgear, yard/shop power distribution, and train-to-wayside communications equipment. CITY shall maintain traffic signals.

10) CITY shall reimburse DART for training as necessary to train DART personnel in safe operating and maintenance procedures for the Streetcar System.

E. Warranty Administration

DART shall process warranty claims for streetcar vehicles, systems, and equipment through its existing warranty claims process, to the full extent of applicable warranty coverage. Monetary restitution received in settlement of these claims shall be retained by DART and applied to the operations and maintenance of the Streetcar System.

ARTICLE V

SAFETY

A. System Safety Program Plan

On behalf of CITY, DART shall prepare, implement and maintain a System Safety Program Plan (“SSPP”) for CITY approval, in accordance with 49 CFR 659, Rail Fixed Guideway Systems. In the event state and/or federal requirements are changed relating to the SSPP, DART shall prepare, implement and maintain a safety management plan for CITY approval, in accordance with these new requirements.

B. State Safety and Security Oversight

The Texas State Department of Transportation (“TXDOT”) may from time to time conduct audits of the Streetcar System. CITY and DART shall develop corrective action plans to respond to any noted deficiencies. CITY shall reimburse to DART the cost of the audit charged by the State, DART's cost in facilitating the audit, and creating the corrective plan, and all costs incurred in by DART for corrections required by the audit.
C. **System Security Plan**

On behalf of CITY, DART shall include the Streetcar System in DART’s System Security Plan (“SSP”), All-Hazards Response Plans and associated training and exercise programs. In the event state and/or federal requirements are changed relating to the SSP, DART shall implement and maintain system security under the new regulations. DART shall update and implement system security under the new regulations as they become available.

D. **Internal Safety Audits**

DART shall perform annual internal safety audits to assure compliance with the SSPP and SSP (or subsequent adopted plans). Annual audits may review a portion of the SSPP and SSP each year provided that the SSPP and SSP are fully reviewed within any three-year period.

E. **Police**

DART Police shall have primary law enforcement jurisdiction on the Streetcar System and may provide police services on Streetcar System related matters, including but not limited to the following. For purposes of this Master Agreement, the term DART Police shall include DART Fare Enforcement officers, where applicable.

F. **Law enforcement activities by DART**

DART Police shall address matters that directly impact the delivery of Streetcar System services. The Parties agree that DART Police is not expected to engage in a matter unrelated to the Streetcar System for purposes of this Master Agreement.

1) Dallas Police officers may also respond to Streetcar System offenses and may take steps to control the situation, protect the crime scene, render first aid, detain suspects and witnesses, or provide other services until DART Police arrive. In some cases, Dallas Police may choose to take responsibility for an incident when doing so would result in its resolution in a more timely manner if a DART Police officer has not yet arrived on scene. Dallas Police may at any time relinquish the scene to DART Police upon their arrival.

2) E-911 calls received by the City of Dallas related to the Streetcar System may be forwarded to the DART Police Dispatch Center.

3) DART officers, as determined by each circumstance, shall transport to the appropriate detention facility and book any person they arrest.

4) With regard to the specific services provided to the Streetcar System, DART Police shall perform the following activities:
   
   a. Patrol transit property
b. Answer streetcar-related calls for service and providing assistance

c. Prepare offense reports

d. Make arrests, where appropriate.

e. Conduct follow-up criminal investigations

f. Resolve conflicts and disturbances

g. Render first aid and/or calling for emergency medical services related to Streetcar System offenses and accidents

h. Protect crime scenes, arresting suspects and detaining witnesses.

i. Make court appearances associated with arrests.

**ARTICLE VI**

**COSTS, FARES AND FUNDING**

A. Operating and Maintenance Costs

1) DART shall provide to CITY a cost proposal to implement the Dallas Streetcar Service Plan annually, no later than March 31st of each year for the coming fiscal year. Operations and maintenance costs shall include the following:

   a. Direct and indirect costs for staff dedicated to the streetcar system operation and maintenance activities, including salaries, benefits, overtime and a charge for workers compensation costs.

   b. Direct and indirect costs for maintenance support for the OCS, substations, maintenance facility and trackway. Costs shall include direct staff salaries and benefits, section administration, support vehicles and a charge for workers compensation costs.

   c. Indirect and general administration costs including DART support services allocated based on methodology used for reporting to National Transit Database (“NTD”) and reflecting costs reported to NTD, insurance premiums in proportion to DART’s overall ridership, risk and claims costs associated with the streetcar as described in the terms of this Master Agreement, and administrative costs.

   d. Direct materials and supplies, including parts, shop supplies and office equipment and supplies.

   e. Other services provided by DART, including for contractors and consultants, inside or outside of the operating scope, such as by example, and not limitation, emergency operating and maintenance expenditures, bus bridges, body work, and moving streetcars to other locations for overhauls. These and any other activities
that have been or may be negotiated under separate agreements shall be charged based on actual cost incurred.

2) The cost proposal shall include a separate component for major repairs and capital upgrades. This component shall include direct and indirect costs of staff involved in carrying out the work and staff support to accomplish the work. The cost proposal shall estimate revenues anticipated from fares collected with the streetcar service.

B. Streetcar System Funding

1) CITY shall be responsible for funding all aspects of the Streetcar System (including O&M costs, and capital improvements), other than as specifically provided in this Master Agreement. Notwithstanding the preceding sentence, DART shall provide a limited amount of funding for Streetcar System O&M, in the amounts set forth in Exhibit B attached hereto (said funds hereinafter called “DART’s Annual Streetcar Contribution Funds”). DART is not responsible for any funding other than as specifically set forth herein.

2) CITY Streetcar Funds shall be used to fund the Streetcar System prior to the CITY’s draw-down of DART’s Annual Streetcar Contribution Funds. Any CITY Streetcar Funds in DART’s possession that are not used for the current year shall be reapplied by DART for future use in the Streetcar System.

3) DART shall provide the CITY with draw requests, no more than once monthly. Draw requests shall include reasonable evidence for the required payment, including by example and not limitation, applicable invoices, requisitions, or receipts documenting the costs incurred by DART. Draw requests shall also include an expenditure progress report reporting actual monthly expenses with a comparison to the approved Streetcar System budget.

4) No portion of CITY Streetcar Funds shall be released for payment to DART until CITY’s Streetcar Representative has approved the payment in writing, to the extent of the CITY Streetcar Representative’s payment authority set out in the CITY’s internal procedures for Streetcar System expenditures.

5) CITY acknowledges that, upon commencement of fares payable on the Streetcar System, the cost of collection of fares and fare enforcement officers shall be included as a reimbursable expense in the annual budgets and monthly draw requests.

6) Any project costs in excess of those described in any Scoped Project budget shall be paid by CITY.

7) Upon completion of a Scoped Project, any funds due by one Party to another will be promptly paid by the owing Party.
8) CITY and DART will cooperatively seek external funding for Streetcar System projects and studies. Funds secured by DART on behalf of the CITY for the Streetcar System shall be used for that purpose.

9) CITY shall manage all grant proceeds and coordinate with all grant administrators relating to the Streetcar System, other than grant proceeds paid directly to DART from a funding source other than CITY.

C. Funding for O&M

O&M funding sources are as follows:

1) Funds appropriated by the CITY’s governing body for the Streetcar System (hereinafter called “CITY Streetcar Funds”).

2) DART’s Annual Streetcar Contribution Funds as described in Exhibit B.

3) Fares collected for riding the vehicles on the Streetcar System as described in Sub-Section D. below.

D. Fare Charges

DART will collect fares for each Streetcar System rider as follows.

1) The Streetcar System fare will be implemented into DART’s current fare structure. The minimum Streetcar System fare will be $1.00 for a single ride for all riders except those riders listed in the DART Fare Structure as eligible to ride without fare payment. The Streetcar System fare will be implemented into DART’s current fare structure and payment collection system consisting of the DART GoPass mobile ticketing and contactless payment cards, and DART-issued fare pass. Any valid DART fare consisting of an activated GoPass ticket, an activated contactless payment card with sufficient funds, and an un-expired DART-issued pass, is accepted on the Streetcar System. Riders without valid DART fare, must pay $1.00 using the DART GoPass mobile ticketing and contactless payment card system, with this fare applied to Streetcar O&M.

2) Subject to the compliance with appropriate law and procedures, DART, and the CITY acting through its City Council, may agree to change the fare, as part of the CITY’s annual budget process or where necessary and feasible at other times as determined by the Parties.

3) The fare will be collected in the same manner as other DART fares are collected, including without limitation, passes and contactless payment cards. Valid fares paid for daily, monthly or annual service will be accepted.

E. Adjustment of Costs due to Changes in Service Plan
Any costs associated with changes in service or special events requested by CITY, shall be calculated by DART and included in the monthly draw request for the month in which they occurred. To the extent feasible, DART may provide amended draw requests in order to accomplish this timing.

F. Other Operating and Maintenance Cost Adjustments

The Parties acknowledge that there may be unforeseen, non-recurring costs such as emergencies or other material costs arising from circumstances beyond DART’s control. CITY’s Streetcar Representative if such costs fall within the Streetcar approved budget and within the City Streetcar Representative’s authority may give verbal approval of emergency expenditures, provided that, within two working days of receiving approval, DART shall provide CITY with a written description of the work, a proposed schedule for completion, and an estimated cost and confirmation of the verbal approval. In non-emergency cases, DART shall provide CITY with the written documentation described above prior to incurring any costs. In an emergency DART has authority to act pursuant to this Agreement as necessary to protect the public with regard to the Streetcar System.

G. Service Expansion and Associated Improvements

CITY shall retain responsibility for costs for necessary improvements or modifications of vehicles, equipment or facilities required to support service levels agreed to in the Service Plan, including but not limited to track extensions or modifications, modifications to facilities and equipment, additional stations, new vehicle storage and maintenance facilities, increased substation capacity, traffic signal modifications or increased car fleet.

ARTICLE VII

GENERAL PROVISIONS

A. Default

If any Party fails to perform its responsibilities required under this Master Agreement, the other Party may inform the breaching Party in writing of the nature of the non-performance. The Party alleged to be breaching shall have fifteen (15) calendar days to cure the breach. If the breaching Party fails to cure within aforesaid fifteen (15) days after the written notice, this Master Agreement shall be deemed terminated and the breaching Party shall reimburse the other Party for costs incurred prior to and resulting from the termination. This provision shall not be deemed to exclude any other remedy available at law or equity to a Party.

B. Reimbursement Procedures

1) Any compensation due to DART for its performance of this Master Agreement shall be payable by CITY within thirty (30) days following CITY’s receipt of a complete invoice with supporting documentation.
2) Whenever funds are paid by CITY to DART under this Master Agreement, CITY shall remit such funds by electronic transfer, or by a check or warrant made payable to "Dallas Area Rapid Transit."

3) CITY shall be responsible for managing all grant proceeds and coordinating with all grant administrators relating to the Streetcar System, other than grant proceeds paid directly to DART from a funding source other than CITY.

C. Ownership of Documents

Upon completion of a project all design plans, specifications, cost estimates, contract submittals, project related certificates, inspection reports, as-built or record drawings plus all other documents that demonstrate the function or condition of a project or project assets shall become property of CITY. DART may retain copies of these documents.

D. Procurement Procedures

1) DART shall use its approved procurement regulations and related procedures, including protest and claims procedures and approved minority business programs, for the solicitation, award and administration of contracts related to the Streetcar System. DART may use any procurement method authorized by law that is not inconsistent with the DART procurement regulations. DART shall further ensure that all solicitations and contracts related to the Streetcar System will comply with applicable Federal and FTA procurement requirements, including FTA's Buy America requirements as set forth at 49 C.F.R. Part 661. as applicable.

2) CITY shall use its procurement ordinances, rules and regulations to purchase services, equipment and supplies necessary to complete its separate obligations under this Agreement, including, but not limited to, securing right-of-way and relocation, installation and adjustment of Utilities.

3) In accordance with DART procurement regulations and DART processes, DART shall competitively procure and serve as technical advisor/owner's representative for the award, and administration of the contract and related design and construction activities for the Streetcar System. Administration of all such contracts by DART includes the responsibility for the construction management, design oversight and approval of design drawings and specifications, vehicle engineering and manufacturing oversight, and for issuance of any change orders, supplemental agreements, amendments, or additional work orders that may become necessary subsequent to the award of the contracts.

4) Any contractor selected by DART under its procurement procedures shall be a contractor who is also eligible to receive a contract under CITY ordinances, rules or regulations.
5) In the event that a submittal contract modification or supplemental agreement is expected to increase the cost or time for performance of any contract awarded by DART under this Master Agreement, DART shall obtain authorization from CITY prior to approving the submittal or issuing or executing such change or agreement.

6) Upon completion of the respective contract requirements, DART shall separately issue "Final Acceptance" to each respective contractor for facilities design and construction and to the streetcar vehicle manufacturer acknowledging project completion.

7) DART shall provide sufficient documentation to CITY to demonstrate compliance with federal procurement requirements as a condition precedent of reimbursement.

E. Insurance

1. DART shall require the contractor awarded a project to provide all surety bonds required by the provisions of the Texas Government Code, Section 2253, or otherwise required where prudent. DART shall also ensure that the contractor carries insurance of the types and amounts needed to protect the interests of DART and CITY. This coverage shall be maintained until all work is complete and for a three-year extended reporting period after completion. If coverage is not maintained, all work shall cease immediately, and DART and/or CITY may recover damages allowed by law.

2. CITY shall insure the streetcars, spare parts, equipment, platforms and the streetcar facilities under its property damage insurance coverage. In the event a City vehicle is so damaged that CITY determines to replace it rather than have it repaired, such replacement vehicle shall be procured by CITY or by DART at CITY’s expense. CITY shall be solely responsible for its deductible and the prosecution and handling of all first party claims with its insurer(s). CITY shall cause its insurer(s) to waive its rights of subrogation and the CITY’s rights of recovery against DART.

3. CITY understands, acknowledges and agrees that DART is self-funded for all of its liability exposures and for all of its Workers' Compensation liability exposures. The cost of including the Streetcar System activities under this Master Agreement in DART’s self-funded program shall be included in the calculation of the O&M cost.

F. Project Completion.

Upon completion of the respective contract requirements, DART shall separately issue "Final Acceptance" to each respective contractor for facilities design and construction and to the streetcar vehicle manufacturer acknowledging project completion.

G. Ownership

1) A general description of CITY-owned streetcar equipment and facilities is in Exhibit C.
2) DART shall not use or permit use by third parties of the Streetcar System for any purpose other than for the traveling public and for fulfilling the requirements in this Master Agreement.

3) CITY retains the right to enter into sponsorship agreements associated with Streetcar System facilities and vehicles. Such sponsorship agreements may include the licensing of Streetcar System facilities and vehicles for display of signs and graphics associated with such sponsorship. DART shall provide access to the Streetcar System facilities and vehicles for these purposes. Any signs and graphics, however, must conform to existing DART policies.

H. Assignment

Neither Party may assign any interest, obligation, or benefit in this Master Agreement or transfer any interest in the same, whether by assignment, contract or otherwise. Either Party may subcontract any obligation in this Master Agreement without the need to amend this Master Agreement.

I. Recordkeeping

DART shall maintain a record keeping system for all activities, including program records and financial management records, which support and document all activities and expenditures of funds made under this Master Agreement, in accordance with applicable federal regulations, applicable state rules, and this Master Agreement. This section shall not be interpreted to require maintenance of multiple exact duplicate copies of any record or document.

J. Record Retention

Records pertaining to the Streetcar System shall be retained by the Parties as specified by their respective record retention schedules and federal grant requirements.

K. Audits by CITY and DART

CITY and DART reserves the right to perform audits of records related to this Master Agreement. Audits may encompass an examination of all financial transactions, all accounts and reports, as well as an evaluation of compliance with the terms and conditions of this Master Agreement. Audits shall not be allowed to delay a project or the performance of any Party to this Master Agreement.

L. Subcontracting

Nothing in this agreement shall prevent DART from using a contractor or agent to perform the duties and responsibilities contemplated by this Master Agreement. If DART contracts with another entity or individual to perform any or all of its obligations under this Master Agreement.
Agreement, DART shall enter into written contractual agreements requiring such entity or individual to comply with the applicable provisions of this Master Agreement.

M. INDEMNIFICATION

TO THE EXTENT PERMITTED BY LAW, DART AND CITY AGREE THAT EACH IS RESPONSIBLE FOR ITS INDIVIDUAL ACTS AND DEEDS AS WELL AS THE ACTS AND DEEDS OF THEIR RESPECTIVE CONTRACTORS, EMPLOYEES, REPRESENTATIVES AND AGENTS AND EACH AGREES THAT IT SHALL INDEMNIFY, DEFEND AND HOLD THE OTHER PARTY HARMLESS FROM AND AGAINST ALL CLAIMS, DAMAGES, LAWSUITS, JUDGMENTS, COSTS, ATTORNEYS' FEES AND EXPENSES DIRECTLY ARISING OUT OF OR AS A DIRECT RESULT OF ANY SUCH DEEDS OR ACTS; PROVIDED, HOWEVER, THAT NOTHING IN THIS MASTER AGREEMENT SHALL BE INTERPRETED AS A WAIVER OF GOVERNMENTAL IMMUNITY ON BEHALF OF EITHER PARTY.

N. Contractual Relationship

It is understood and agreed that the relationship described in this Master Agreement between the Parties is contractual in nature between independent parties and is not to be construed to create a partnership of joint venture, joint enterprise or agency relationship between the parties. Nor shall any Party be liable for any debts incurred by the other Party in the conduct of such other Party's business or functions.

O. Compliance with Laws, Regulations, and Policies

During the performance of this Master Agreement, each party, for itself, its assignees, and successors agrees to comply with all applicable local, state, and federal regulations.

P. Captions

The captions, headings, and arrangements used in this Master Agreement are for convenience only and shall not in any way affect, limit, amplify, or modify its terms and provisions.

Q. Disputes

CITY and DART shall negotiate (agree to use their best efforts to resolve any disputes arising) in good faith toward resolving any disputes that arise under this Master Agreement. CITY Streetcar Representative and the DART Streetcar Project Manager shall communicate regularly to discuss the status of the tasks and services to be performed and to prevent disputes from arising. Except as otherwise provided in this Master Agreement, the Parties agree to use the following dispute resolution process.

1) CITY’s Streetcar Representative and DART’s Streetcar Project Manager shall confer and attempt to resolve the dispute within ten (10) business days of written notification by either party. In the event CITY’s Streetcar Representative and DART’s Streetcar Project
Manager are unable to resolve the dispute within ten (10) business days as provided in Step One, either Party may refer the dispute to the City Manager and DART's President/Executive Director. They shall confer and attempt to resolve the dispute within ten (10) business days of receiving the referral.

2) Neither Party shall have the right to seek relief in a court of law until and unless these first two procedural steps are exhausted.

3) In the event the Parties are unable to resolve the dispute utilizing the process set forth, the Parties may, by agreement, choose to submit the matter to a nonbinding mediator. The Parties shall share equally in the cost of the mediation. Mediation shall not be a prerequisite to litigation.

4) At all times during the course of the conflict or dispute resolution efforts, the Parties agree to continue to perform their respective responsibilities under this Master Agreement.

R. Governing Law

This Master Agreement shall be construed and enforced in accordance with the laws and court decisions of the State of Texas. Venue shall be in Dallas County.

S. Notice

Notices to either party by the other party required under this Master Agreement shall be in writing and delivered to the addresses shown below. Notices shall be either personally delivered, sent by certified mail, return receipt requested, postage prepaid. All notices or requests shall be sent to CITY and DART addressed as follows.

1) If to DART: Gary C. Thomas, President/Executive Director
   Dallas Area Rapid Transit
   Mailing Address:
   P. O. Box 660163
   Dallas, Texas 75266
   
   Physical Address:
   1401 Pacific Avenue
   Dallas, Texas 75202

2) If to CITY: T.C. Broadnax, City Manager
   City of Dallas
   1500 Marilla Street, 4DN
   Dallas, Texas 75201

3) DART: DART Streetcar Project Manager
   Dallas Area Rapid Transit
1401 Pacific Avenue  
Dallas, Texas 75202

4) City of Dallas:  CITY Streetcar Representative  
City of Dallas  
Department of Transportation, Room L1BS  
Dallas City Hall  
1500 Marilla Street  
Dallas, Texas 75201

5) The above contact information may be modified without requiring an amendment to the Master Agreement.

T. Number and Gender

Whenever used herein, unless the context otherwise provides, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders.

U. Severability and Legal Construction.

1) In the event any one or more of the provisions contained in this Master Agreement shall be for any reason 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 Master 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.

2) The parties acknowledge that this Master Agreement is an "arm’s length" agreement, entered into by CITY and DART freely, without duress, coercion or any undue influence. No presumption will apply in favor of either party in the interpretation of this Master Agreement or in the resolution of any ambiguity of any provision of this Master Agreement.

V. Merger and Amendment

This instrument constitutes the entire agreement of the parties with respect to the matters contemplated herein and it may be modified or amended only in writing, signed by all parties hereto.

W. Nondiscrimination

In its performance of this Master Agreement, DART and CITY each warrant that it shall not discriminate against any person on account of race, color, sex, religious creed, age, disability, ethnic or national origin. or veteran status.
X. **No Waiver**

1) Neither party shall be deemed, by any act or omission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the waiving party, and then only to the extent specifically set forth in such writing. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event.

2) Waiver of any default under any provision of this Master Agreement shall not be deemed to be a waiver of any subsequent default and shall not be construed to be a modification of the terms of this Master Agreement.

Y. **Rights and Remedies**

The rights and remedies of the Parties in this Master Agreement are in addition to any other rights and remedies provided by law, except as otherwise provided in this Master Agreement.

Z. **No Relationship of Parties**

Each Party and its employees, agents, consultants and representatives shall not be deemed or construed to be employees or agents of the other Party. No employee, agent, consultant or representative of either Party shall make any claim, demand, or application to or for any right or privilege applicable to an officer or employee of the other Party. Each Party shall be solely responsible for any claims for wages or compensation by its employees, agents, and representatives, including consultants and shall indemnify and hold the other Party harmless from any such claims. No joint venture or partnership is formed as a result of this Agreement.

AA. **Force Majeure**

If any Party is rendered unable, wholly or in part, by a Force Majeure, to perform or comply with any obligation or condition of this Master Agreement then, upon giving notice and reasonably full particulars to the other Party, such obligation or condition shall be suspended only for the time and to the extent reasonably necessary to allow for performance and compliance and restore normal operations.

BB. **Binding on Successors and Assigns**

This Master Agreement, together with all exhibits and attachments now or hereafter made a part, shall be binding on the Parties hereto and their respective, successors and assigns.

CC. **Exhibits**

All exhibits and attachments referenced in and attached to this Master Agreement are incorporated by this reference.
DD. **Survival of Certain Provisions**

The following sections shall survive any termination or expiration of this Master Agreement.

1) Audits, Inspections and Reports

2) Indemnification

3) Risk Management Program

4) Workers' Compensation

5) Dispute Resolution

EE. **Authorization to Act**

By their signatures below, the representatives of CITY and DART state that they are authorized to enter into this Master Agreement. CITY and DART will each provide documentation that this Master Agreement has been authorized by its respective governing body.

FF. **Claims Management**

1) Claims involving injuries to persons and property damage of others and recovery claims for injuries and damage to Streetcar System personnel shall be paid and handled, including defense of litigation, by the DART Risk Management Program in accordance with established claims handling practices.

2) Upon the happening of any occurrence or accident reasonably likely to involve participation by CITY, written notice shall be given to CITY as soon as practicable.

3) CITY shall not supervise or be responsible for the settlement or defense of any claim or suit made against DART arising out of this Master Agreement. CITY shall have the right, at its own expense, to associate with DART in the defense and control of any such claim or suit where the claim or suit appears to involve CITY’s payment obligation, in which event DART and CITY shall cooperate in the defense of such claim or suit. CITY and DART further agree to cooperate in the enforcement of claims or suits against third-parties and benefitting the Streetcar System.

GG. **Rights and Remedies**

The rights and remedies of the Parties in this Master Agreement are in addition to any other rights and remedies provided by law, except as otherwise provided in this Master Agreement.

HH. **No Third-Party Rights**

It is understood and agreed that this Master Agreement is solely for the benefit of the Parties hereto and gives no right to any other party. Nothing in this Master Agreement, whether
expressed or implied, is intended to confer rights or remedies under or by reason of this Master Agreement on any person other than the Parties.

II. Compliance with Laws

Each Party shall comply, and to the best of its ability shall ensure, that its employees, agents, consultants, contractors and representatives comply with all federal, state, and local law, regulations, and ordinances, including, but not limited to, applicable public works and procurements laws and regulations, bonding, prevailing wage, nondiscrimination, retainage, insurance, and workers compensation requirements.

JJ. Licensing and Certification of Employees

Each Party shall comply, and to the best of its ability shall ensure, that its employees, agents, consultants, contractors and representatives comply with all federal, state and local licensing, registration, filing and/or certification standards, all applicable accrediting standards, and any other standards or criteria established by any agency of the State of Texas or of the federal government applicable to the work or services for which it is responsible under this Master Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Master Agreement effective as of first above written.

CITY OF DALLAS:
T. C. Broadnax, City Manager

By: ____________________________  
   Assistant City Manager

Approved As To Form:
Christopher J. Caso
Interim City Attorney

By: ____________________________  
   Robert L. Sims
   Assistant City Attorney

DALLAS AREA RAPID TRANSIT

By: ____________________________  
   Gary C. Thomas
   President/Executive Director
EXHIBIT A

LIST OF STREETCAR FOUNDATION AGREEMENTS

Interlocal Agreement between Dallas Area Rapid Transit and City of Dallas for Planning and Design of a Modern Streetcar System (DART Board Resolution No. 100134 and City Council Resolution No 10-1921)

Interlocal Agreement between DART, the City of Dallas, and NCTCOG for Implementation of the Dallas TIGER-funded Streetcar Project and Amendment to the FY 2011 Twenty-Year Financial Plan (DART Board Resolution No. 110041 and City Council Resolution No. 11-1185)

Interlocal Agreement between North Central Texas Council of Governments (NCTCOG), DART and City of Dallas, Related to Procurement and Financial Matters for Implementation of the Dallas TIGER-funded Modern Streetcar Project (DART Board Resolution No. 120038 and City Council Resolution No. 121649)

Interlocal Agreement between the City of Dallas and DART Related to Procurement and Financial Matters for Implementation of the Dallas Urban Circulator Streetcar Project (DART Board Resolution No. 130008 and City Council Resolution No. 13-0618)

Interlocal Agreement between the City of Dallas and DART for Operations and Maintenance of the Dallas Union Station to Oak Cliff TIGER-funded Streetcar Project (DART Board Resolution No. 140020 and City Council Resolution No. 14-0831)

Interlocal Agreement between DART and the City of Dallas for the Design and Design Support During Construction for Extensions 1 and 2, and Procurement of Rail for Extension 1 of the Dallas Union Station to Oak Cliff Streetcar (DART Board Resolution No. 140074 and City Council Resolution No. 14-1646)

Interlocal Agreement between DART and the City of Dallas Related to Construction Services for Extensions of the Dallas Union Station to Oak Cliff Streetcar Project (DART Board Resolution No. 150043 and City Council Resolution No. 15-1168).

First Amendment to Interlocal Agreement Between Dallas Area Rapid Transit and the City of Dallas from Union Station to Oak Cliff Streetcar Operations and Maintenance (DART Board Resolution No. 160097 and City Council 16-0980)
## EXHIBIT B

### DART

Streetcar System Financial Plan
Sources and Uses of Funds, in millions

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EXHIBIT C
CITY-Owned Streetcar Equipment and Facilities

TIGER Funded Streetcar Assets subject to this agreement:

1. Approximately 1.5 miles of Streetcar Track from Union Station to the Colorado Boulevard / Beckley Avenue intersection (including rail, switches, overhead power supply, and signals)
2. 800 feet of connector track from DART mainlines to Union Station
3. Traction Power SubStation at Greenbrier Lane
4. Streetcar Stop at Union Station
5. Streetcar Stop at Greenbrier Lane
6. Streetcar Stop at Oakenwald Street
7. Streetcar Stop at Colorado Boulevard and Beckley Avenue
8. Streetcar Vehicle 301
9. Streetcar Vehicle 302

Southern Extension Streetcar Assets subject to this agreement:

1. Streetcar Vehicle 303
2. Streetcar Vehicle 304
3. Approximately 0.75 miles of Streetcar Track from the Colorado Boulevard / Beckley Avenue intersection to the Zang Boulevard / 7th Street intersection (including rail, switches, overhead power supply, and signals)
4. Traction Power SubStation at Beckley Avenue
5. Streetcar Stop at West 6th Street
6. Streetcar Stop at Davis Street
EXHIBIT D
Streetcar System Map

DALLAS STREETCAR
DATE: July 9, 2019

SUBJECT: Approval of the University of Texas Southwestern (UTSW) Medical Center Site-Specific Shuttle Service Agreement

RECOMMENDATION

Approval of a resolution authorizing the President/Executive Director or his designee to execute a three-year agreement with the University of Texas Southwestern Medical Center, for funding and operation of a shuttle service in the Medical Center area, substantially in the form shown in Exhibit 1 to the Resolution, and subject to legal review, in a total authorized amount not-to-exceed $99,500 annually.

COMMITTEE CONSIDERATIONS

- On June 18, 2018, the Public Affairs and Communication Committee unanimously moved to forward this item to the July 9, 2019, Committee-of-the-Whole Consent Agenda.

FINANCIAL CONSIDERATIONS

- This service agreement is included in the Planning & Development Department’s approved FY 2019 Operating budget.

- Sufficient funding for this service agreement in the amount of $99,500 annually is included in both the Planning & Development Department’s FY 2019 Operating Expense budget and the Total Operating Expense line item of the FY 2019 Twenty-Year Financial Plan.

BUSINESS PURPOSE

- Approval of this agreement will assist DART in achieving Board Strategic Priority 1: Continually improve service and safety experiences and perceptions for customers and the public.

- On March 14, 2006 (Resolution No. 060028), the Board approved a four-year site-specific shuttle agreement with the University of Texas Southwestern (UTSW) Medical Center to operate a site-specific shuttle service from the TRE Medical/Market Center Station to various stops including Parkland, Zale Lipshy, UT Southwestern Medical Center North and South Campuses, Clinic and Administration Buildings, Exchange Park, and St. Paul Medical Center (see Attachment 1).

- On June 15, 2010 (Resolution No. 100071), the Board approved an additional three-year term of the agreement.
On May 24, 2016 (Resolution No. 160054), the Board approved an additional three-year term of the agreement.

DART and UTSW have worked closely together over the years to build this service into a very productive site-specific shuttle operation. Current ridership has grown to 254 daily passengers, with a DART subsidy per passenger of $0.94. The UTSW shuttle's performance exceeds DART’s minimum standards for site-specific shuttles.

The term of the new agreement is proposed to begin September 1, 2019. DART’s current participation in this shuttle service is 50% of the operating expense, with a not-to-exceed amount of $99,500 per year. DART’s participation will remain at a not-to-exceed amount of $99,500 per year for the duration of this three-year agreement.

DART and UTSW will work over the coming years to adjust the current routes to reflect expansion of the UTSW campus and other significant changes in the Medical District area that these routes serve.

LEGAL CONSIDERATIONS

Section 452.055 of the Texas Transportation Code authorizes DART to enter into contracts with any person.

DART Policy III.16, Site Specific Shuttle Service Policy, provides for Board consideration of joint funding arrangements for privately operated shuttle service. The policy allows DART to consider funding up to 50% of the service cost in circumstances where the service meets DART's service standards and where the service is an enhancement to the DART system. The policy also provides for the operation of circulator/distributor shuttle services which connect to rail stations or transit centers where performance of the service is marginal, but where an employer or other entity agrees to subsidize the service. The policy also requires that route performance be measured by three indicators: passengers per mile, passengers per trip and subsidy per passenger; and for quarterly evaluation of the service.
WHEREAS, on March 24, 2016 (Resolution No. 160054), the Board approved a three-year site-specific shuttle agreement with the University of Texas Southwestern (UTSW) Medical Center to operate a site-specific shuttle service; and

WHEREAS, in accordance with Policy III.16, DART’s financial participation in this service agreement is 50% of the shuttle service cost; and

WHEREAS, DART and UTSW desire to continue the site-specific shuttle service operation; and

WHEREAS, funding for this service agreement is within current Budget and FY 2019 Twenty-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President/Executive Director or his designee is authorized to execute a three-year agreement with the University of Texas Southwestern Medical Center, for funding and operation of a shuttle service in the Medical Center area, substantially in the form shown in Exhibit 1 to the Resolution, and subject to legal review, in a total authorized amount not-to-exceed $99,500 annually.
Approval of the University of Texas Southwestern (UTSW) Medical Center Site-Specific Shuttle Service Agreement

Prepared by: 
Todd Plesko
Vice President
Planning and Development

Approved by: 
Timothy H. McKay, P.E.
Executive Vice President
Growth/Regional Development

Approved as to form: 
Gene Gamez
Interim General Counsel

Approved by: 
Gary C. Thomas
President/Executive Director
INTERLOCAL SHUTTLE SERVICE AGREEMENT
between
Dallas Area Rapid Transit
and
University of Texas Southwestern Medical Center at Dallas

THIS AGREEMENT ("Agreement") is made and entered into by and between DALLAS AREA RAPID TRANSIT ("DART"), a regional transportation authority organized and existing pursuant to Chapter 452 of the Texas Transportation Code, and UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS ("UTSWMC"), a governmental entity organized and existing pursuant to State law.

WITNESSETH:

WHEREAS DART, as a part of its regional transportation system, desires to facilitate access to its transit system for UTSWMC within the DART service area; and

WHEREAS, UTSWMC wishes to provide shuttle van service between DART’s Trinity Railway Express Station and various UTSWMC campus locations.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration herein set forth, the receipt sufficiency of which is hereby acknowledged, DART and UTSWMC do hereby agree as follows:

1. Service Description. The service to be provided by UTSWMC (hereinafter called the "Shuttle Service or Service") shall consist of van shuttle service between the DART Medical Market Center Station and various campus locations. The routes and schedules for the Shuttle Service are set forth in the “Operation Plan” attached to this Agreement as Exhibit “A” and incorporated herein for all purposes. The Operation Plan may be changed by UTSWMC as required to meet its needs and the needs of its passengers (and subject to DART’s reasonable approval). UTSWMC shall provide Notice to DART of any change in the Operation Plan.

2. DART Obligations.

2.01. DART shall reimburse UTSWMC for 50% of the direct and actual costs incurred for the Service, not to exceed $99,500 per year during the term of the Agreement, and not to exceed the total cumulative aggregate sum of $298,500 for the entire term of this Agreement.

2.02. Marketing and Technical Assistance. DART will assist UTSWMC in developing the Operation Plan for providing the Shuttle Service, including routing, scheduling, and internal marketing.
2.03. **Coordination.** DART will alert UTSWMC of any changes in DART's rail or bus schedules that would affect the Shuttle Service.

2.04. **Customer Complaint Procedures.** UTSWMC shall develop a customer complaint procedure acceptable to DART to resolve any dispute or complaint by any customer relating to the Shuttle Service.

3. **UTSWMC's Obligations.**

3.01. **Equipment.** UTSWMC shall provide, or cause to be provided by a subcontractor, at least three (3) motor coach vehicles, each capable of carrying at least fourteen (14) passengers (“the Vehicles”). Each Vehicle used in providing the Shuttle Service shall display the DART logo and a sign identifying the Shuttle Service. Each Vehicle shall comply with all applicable state, local and federal requirements for vehicles of this type. UTSWMC will be responsible for assuring that each Vehicle is maintained in a clean, safe, mechanically sound and reliable condition.

3.02. **Drivers.** UTSWMC shall provide its own drivers and back-up drivers, each of whom shall be qualified within DART and other applicable standards and duly licensed by the State of Texas to operate vehicles of the type and size described herein. Each driver shall be appropriately dressed in a uniform that is selected by UTSWMC and reasonably satisfactory to DART.

3.03. **Operational Hours.** UTSWMC shall provide Shuttle Service between the rail station and the campus between the hours of 5:40 AM to 7 PM, or as otherwise agreed by the parties.

3.04. **Record-Keeping and Reporting.** UTSWMC shall keep and maintain records regarding operations and maintenance, including, but not limited to Shuttle Service passenger counts and mileage logs. UTSWMC shall provide such records and logs to DART by the fourth (4th) day of the month following the month for which the report is made. All such reports reasonably requested by DART shall be delivered via e-mail, mail or hand-delivery to DART at 1401 Pacific Avenue, Dallas, Texas, 75202, Attn: Service Planning Department.

3.05. **Operation.** UTSWMC shall use reasonable efforts to assure that each Vehicle is driven in a safe, prudent and courteous manner and at all times in accordance with all laws of the State of Texas. UTSWMC shall allow DART Transit Police on any Vehicle when DART, in its sole discretion, determines such to be appropriate or necessary, however, DART has no obligation to police or safeguard the Shuttle Service or provide security for the Service.

3.06. **Report of Incidents and Violations.** UTSWMC shall immediately upon receipt of actual knowledge promptly notify DART of: (a) any contact between a Vehicle and any other vehicle, property, person or animal, regardless of injury or damage; and (b) receipt by any Vehicle driver of a ticket, citation or warning for any moving violation.
under the motor vehicle laws, or a ticket, arrest or arraignment for any violation of any
criminal law, and immediately upon any conviction arising under any of the foregoing, 
whether or not arising out of the operation of the Vehicle, any other motor vehicle or 
otherwise. 

3.07. Advertising. UTSWMC shall manage exterior and interior advertising on 
the Vehicles in its sole discretion, however, such advertising shall conform with DART’s 
advertising policy and standards. UTSWMC shall allocate at least ten percent (10%) of 
interior advertising inventory to DART at no cost to DART for the purpose of DART 
service promotion and advertising. All revenues generated by the sale of Vehicle 
advertising shall belong to UTSWMC.

3.08. Open to the Public. The Shuttle Service shall be available to any 
passenger at no fare cost, provided, however, that passengers with pets (except animals 
needed for assistance), alcohol, or disruptive or combative passengers shall be denied 
boarding.

3.09. Insurance. UTSWMC shall, at all times during the term of this 
Agreement and extended terms thereof, provide and maintain, workers compensation 
insurance and liability insurance or self-insurance with limits in accordance to the Texas 
Practice and Remedies Code. In the event UTSWMC contracts the services outlined in 
the sections 3.01 or 3.02 sections of this agreement, UTSWMC shall require its 
contractor to maintain the following types of insurance protecting the interests of 
UTSWMC and DART against any loss, cost or expense, of any kind arising out of the 
Service to be provided hereunder, DART, Fort Worth Transportation Authority, Herzog 
Transit Services Inc., and UTSWMC shall be named as additional insureds, provided a 
waiver of subrogation and shall be provided with evidence of insurance from an 
insurance company or companies acceptable to DART and UTSWMC, at least twenty 
(20) days prior to the commencement of performance hereunder. Said policy or policies 
shall bear an endorsement giving DART and UTSWMC a thirty (30) day written notice 
of cancellation. In the event UTSWMC allows any coverage to lapse during the terms 
hereof, DART shall have the right to terminate this Agreement.

3.091. Workers’ Compensation Insurance. Provide benefits comparable 
to those provided under the Workers’ Compensation ACT of the State of Texas 
and/or any other State or Federal law or laws.

with limits of liability of not less than $500,000.00 each accident, $500,000.00 
each employee for disease and $500,000.00 policy limit for disease. This 
insurance must be endorsed with a Waiver of Subrogation Endorsement, waiving 
the carrier’s right of recovery under subrogation or otherwise from DART and 
UTSWMC.

3.093. Commercial General Liability Insurance. Provide limits of not 
less than $5,000,000.00 for bodily injury and property damage per occurrence
with a general aggregate of $5,000,000.00. There shall not be any policy exclusions or limitations for Contractual Liability covering Contractor's obligations herein, Personal Injury, Advertising Liability, Medical Payments, Fire Damage Legal Liability, Broad Form Property Damage and Liability for Independent Contractors. The policy shall be primary and non-contributory.

3.094. Commercial Automobile Liability Insurance. Covering all owned, hired and non-owned vehicles used in connection with this Agreement with a combined single limit for bodily injury and property damage liability of not less than $5,000,000.00.

3.095. No Recourse. Companies issuing the insurance policies herein described shall have no recourse against DART or UTSWMC for payment of any premiums or assessments for deductibles, such premiums and deductibles being the sole responsibility and risk of UTSWMCs subcontractors.

3.096. Use of Contractors. Nothing in this agreement shall prevent UTSWMC from using a contractor or agent to perform UTSWMC’s obligations and duties contemplated by this Agreement.

4. Billing and Payment for the Service. UTSWMC shall submit to DART monthly, an original and four (4) copies of an invoice in a form acceptable to DART, properly documented, summarizing and verifying the costs by description, e.g., cost per hour, reflecting the total amount then due and owing. Invoices should be mailed to: DART, P.O. Box 223805, Dallas, TX 75222-3805. DART shall make payment to UTSWMC within thirty (30) days after receipt of UTSWMC’s invoice provided it is properly prepared, executed, and documented, subject, however, to the maximum provided in section 2.01.

5. Term. This Agreement shall begin on the 1st day of September, 2019 (“Effective Date”), and terminate at midnight on the 31st day of August, 2022; provided, however, that either party shall have the right to terminate this Agreement earlier in accord with the termination provisions of this Agreement.

6. Termination. This Agreement may be terminated by either party giving the other thirty (30) days prior written notice, provided, however, that DART shall have the right to immediately terminate this Agreement if ten (10) days after written notice: (a) UTSWMC fails to remove a driver from the Shuttle Service if the driver is determined to be negligent (in DART’s sole discretion) in the operation of the Vehicle; (b) UTSWMC fails to remove a driver from the Shuttle Service upon such driver receiving a ticket for a moving violation under the motor vehicle laws; (c) failure of UTSWMC to timely submit a record required hereunder; (d) failure of UTSWMC to properly maintain a Vehicle (in DART’s discretion); and (e) failure of UTSWMC to operate the Shuttle Service on a punctual schedule (in DART’s discretion).
7. Indemnification.

7.01. TO THE EXTENT PERMITTED BY LAW, UTSWMC AGREES TO DEFEND, INDEMNIFY AND HOLD DART, FORT WORTH TRANSPORTATION AUTHORITY, HERZOG TRANSIT SERVICES INC., THEIR OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL NEGLIGENCE CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, CIVIL OR CRIMINAL PENALTY, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY ANY NEGLIGENT ACT OR OMISSION OF UTSWMC, IT’S OFFICERS, AGENTS, EMPLOYEES OR CONTRACTORS IN CONNECTION WITH THIS AGREEMENT.

7.02. In the event of joint and concurring negligence of the parties, responsibility, shall be apportioned comparatively in accordance with the law of the State of Texas, without waiving any governmental immunity or any other defense available to either party under Texas law.

7.03. The provisions of this paragraph are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

8. Miscellaneous.

8.01. Notices. Any notice required or permitted to be given by either party to the other shall be in writing and shall be deemed to have been duly given when delivered personally with proof of delivery or sent by certified mail, return receipt requested, in a postage paid envelope addressed to the other party at the address set out below:

DART               Dallas Area Rapid Transit 
P.O. Box 660163  
Dallas, Texas 75266-7202 
Attention: VP, Service and Planning 

UTSWMC            The University of Texas Southwestern Medical Center at Dallas  
5323 Harry Hines Blvd. 
Dallas, Texas 75390  
Attention: Contract Management 

8.02. Assignment. This Agreement shall not be assigned by a party without the prior written consent of the other party.

8.03. Governing Law; Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, and is entirely performable in Dallas.
County, Texas. Venue for any legal action arising by reason of this Agreement shall be in the courts of Dallas County, Texas.

8.04. Entirety and Amendments. This Agreement embodies the entire agreement between the parties and supersedes all prior agreements and understandings, if any, relating to the matters addressed herein, and may be amended or supplemented only by a written instrument executed by the party against whom enforcement is sought.

8.05. Parties Bound. This Agreement shall be binding upon and inure to the benefit of the executing parties and their respective successors and approved assigns.

8.06. Number and Gender. Words of any gender used in this Agreement shall be held and construed to include any other gender; and words in the singular shall include the plural and vice versa, unless the text clearly requires otherwise.

8.07. No Partnership or Joint Enterprise. The parties hereto acknowledge and agree that the relationship described herein between the parties is not intended to be a partnership, a joint enterprise or any other relationship wherein one party is the agent for the other or liable for the other’s obligations of any nature. Specifically, the parties disclaim that there is any common purpose, any equal right of control or pecuniary interest regarding their relationship described in this Agreement.

8.08. No Kickbacks. Each party warrants that no trustee, officer, employee, or agent of either party has been or will be employed, retained or paid a fee, or otherwise has received any personal compensation or consideration by or from either party or such party’s directors, officers, employees or agents in connection with the obtaining, arranging, negotiation or performance of this Agreement.

8.09. Partial Invalidity. Any portion of this Agreement being declared by law to be invalid shall not invalidate the remaining provisions which shall remain in full force and effect.

8.010. Counterparts. This Agreement may be executed in any number of counterparts; all of which taken together shall constitute one and the same agreement.

8.011. Signature Authority. Each of the individuals signing this Agreement on behalf of a party warrants that he or she is duly and properly authorized to execute this Agreement on behalf of their respective party.

8.012. Superseding Agreement. This Agreement supersedes and cancels any prior agreement between the parties on this subject matter as of the Effective Date of this Agreement. This Agreement represents the entire agreement of the parties on this subject matter and neither party is relying on any oral or other information of the other party not expressed herein. Neither party shall be deemed to have drafted this Agreement for purposes of construction and interpretation.
IN WITNESS WHEREOF, the parties have executed this Agreement in multiple originals as of the _____ day of ________, 2019.

DALLAS AREA RAPID TRANSIT

By: _____________________________
   Gary C. Thomas
   President/Executive Director
   Date:_______________

UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS

By: _____________________________
   Name:_________________________
   Title:_________________________ 
   Date:_______________
DATE: July 9, 2019

SUBJECT: Approval of the First Amendment to the Agreement with Parkland Hospital for Site-Specific Shuttle Service

RECOMMENDATION

Approval of a resolution authorizing the President/Executive Director or his designee to execute a three-year Amendment to the Interlocal Agreement with Parkland Hospital for the operation of a site-specific shuttle service, substantially in the form shown in Exhibit 1 of the Resolution, in the total authorized amount not to exceed $5,480,000.

COMMITTEE CONSIDERATIONS

. On June 18, 2018, the Public Affairs and Communication Committee unanimously moved to forward this item to the July 9, 2019, Committee-of-the-Whole Consent Agenda.

FINANCIAL CONSIDERATIONS

. Funding for the service provided through this agreement is included in the Planning Department's FY 2019 operating budget.

. Sufficient funding for the service provided through this agreement is included in both the Planning Department's FY 2019 operating budget and the Total Operating Expenses line item of the FY 2019 Twenty-Year Financial Plan.

BUSINESS PURPOSE

. Approval of this ILA will assist DART in achieving the Board Strategic Priority 1: Continually improve service and safety experiences and perceptions for customers and the public.

. On July 12, 2011 (Resolution No. 110066), the Board approved a five-year, site-specific shuttle agreement with Parkland Hospital to operate a site-specific shuttle service from the DART Green Line Southwestern Medical District / Parkland Station to Parkland Hospital.

. On June 16, 2015 (Resolution No. 150062), DART Board approved an additional four-year term of the agreement.

. Dallas County Hospital District funds these DART shuttle services, operating routes that are ADA accessible and open to the public to provide reliable and efficient transport for Parkland employees.
Currently, this service is provided by Routes 704 and 705, which carry about 20,000 and 5,000 passengers per month respectively (see Attachment 1). Parkland’s subsidy is $4.70 per boarding for the fare free service.

Parkland Hospital has requested that DART operate a third route (706) to serve off-site employees on weekdays (see Attachment 2).

Dallas County Hospital District and Parkland Hospital wish to continue this arrangement for the benefit of their employees, hospital visitors and the general public, and to encourage increased transit ridership on other DART services.

LEGAL CONSIDERATIONS

Section 452.055 of the Texas Transportation Code authorizes DART to enter into contracts with any person.

Section 452.056(a) of the Texas Transportation Code authorizes DART to exercise all powers necessary or useful in the construction repair, maintenance or operation of the public transportation system.

DART Board Policy III.16, Site Specific Shuttle Service Policy, provides for Board consideration of joint funding arrangements for privately operated transportation services. The policy allows DART to consider funding up to 50% of the service cost in circumstances where the service meets DART’s service standards and where the service is an enhancement to the DART system. The policy also provides for the operation of circulator/distributor shuttle services which connect to rail stations or transit centers where performance of the service is marginal, but where an employer or other entity agrees to subsidize the service. The policy also requires that route performance be measured by three indicators: passengers per mile, passenger miles per revenue miles and subsidy per passenger; and for quarterly evaluation of the service.
ROUTE 704
Parkland Employee Parking to Old Parkland via Southwestern Medical District / Parkland Station
PROPOSED ROUTE 706
Southwestern Medical District / Parkland Station to Parkland Off-Site Offices via UTSW Bass Center
DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of the First Amendment to the Agreement with Parkland Hospital for Site-Specific Shuttle Service

WHEREAS, on April 14, 1998 (Resolution No. 980078), the Board approved Policy III.16, Site Specific Shuttle Service, that allows DART to initiate or continue DART-operated circulator/distributor shuttle services which connect to rail stations or transit centers where performance of the service is marginal or needs additional service, but where an employer or other entity agrees to subsidize the service; and

WHEREAS, on July 12, 2011 (Resolution No. 110066), the Board approved a five-year site-specific shuttle agreement with Parkland Hospital to operate a site-specific shuttle service from the DART Green Line to Parkland Hospital; and

WHEREAS, on June 16, 2015 (Resolution No. 150062), the DART Board approved an additional four-year term of the agreement; and

WHEREAS, DART and Parkland Hospital have established an on-going partnership to provide shuttle services adjacent to the Parkland campus to serve patient, staff, and visitors; and

WHEREAS, DART continuously monitors bus and rail services to ensure that established standards of effectiveness and efficiency are met; and

WHEREAS, DART's Site-Specific Shuttle Service Policy permits the partial funding by DART of transit services connecting to rail stations or transit centers; and

WHEREAS, the Dallas County Hospital District and Parkland Hospital funds 100% direct operating expense, and DART provides the vehicles and management overhead; and

WHEREAS, service will now include a third shuttle route to supplement current activity on Routes 704 and 705, serving off-site employees and the Employee Physician Office, DART Southwestern Medical District / Parkland Station, and the new Parkland Hospital; and

WHEREAS, funding for the service provided through this agreement is within FY2019 Budget and Twenty-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President/Executive Director or his designee is authorized to execute a three-year Amendment to the Interlocal Agreement with Parkland Hospital for the operation of a site-specific shuttle service, substantially in the form shown in Exhibit 1 of the Resolution, in the total authorized amount not to exceed $5,480,000.
Approval of the First Amendment to the Agreement with Parkland Hospital for Site-Specific Shuttle Service

Prepared by: [Signature]
Todd Plesko
Vice President
Planning and Development

Approved by: [Signature]
Timothy H. McKay, P.E.
Executive Vice President
Growth/Regional Development

Approved as to form: [Signature]
Gene Gamez
Interim General Counsel

Approved by: [Signature]
Gary C. Thomas
President/Executive Director
FIRST AMENDMENT TO PARKLAND PUBLIC TRANSIT SHUTTLE SERVICE AGREEMENT

This First Amendment ("First Amendment") to the Parkland Public Transit Shuttle Service Agreement by and between Dallas Area Rapid Transit ("DART") and Dallas County Hospital District d/b/a Parkland Health and Hospital System Parkland Hospital ("Parkland") collectively referred to herein as "the Parties" and each individually referred to herein as a "Party" is made and entered into as of ____________, 2019.

WITNESSETH

WHEREAS, on or about August 17, 2015, DART and Parkland into an Agreement ("Agreement") for shuttle bus service (referred to herein and in the Agreement as "Service") pursuant to DART Resolution 150062 approved on June 16, 2015; and

WHEREAS, DART and Parkland wish to amend the Agreement to reflect the Parties' intentions with regard to the term and additional routes to be provided; and

WHEREAS, defined terms herein shall have the same meaning as specified in the Agreement, unless stated otherwise herein.

NOW THEREFORE, in consideration of the mutual covenants set forth in this First Amendment, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby amend the Agreement as follows:

Section 1. Amendment to Agreement. The Parties hereby agree to amend and restate the Agreement by amending Section 1.05 to read as follows:

1.05. The public transit shuttle service to be provided pursuant to this Agreement shall operate:

- **Route 704** New Route 24 Hour service. Circulator service serving the SMD/Parkland Station. stops along Parkland Blvd including the Parkland Employee Parking Lots, along Maple Avenue. along Tex Oak Avenue, the new Parkland Hospital Employee entrance, stops on Butler Street to serve pharmacy, and finally, the main entrance (Valet Parking) stop at existing Parkland Hospital which will be the Day Clinic. Frequency: 24 hour service. 6 minutes peak, 10 minutes off-peak, 20 minutes overnight from 9 pm to 5 am

1 Words in *strike through type* are deletions from the existing agreement; words in *underlined* type are additions.
• **Route 705 New Route.** Circulator service starting at the TRE Medical/Market Center Station, serving the Children's Medical Center Emergency Room Garage, via Southwestern Medical Avenue and Medical District Drive to the Medical District. Campus to a stop near Zale Lipshy Hospital and Parkland employee entrance at existing hospital. The route will cross Harry Hines and operate along Parkland Boulevard to SMD/Parkland Station. Service operates 7 days a week from 5 am until 11 pm; frequency 7 minutes peak and 10 minutes off-peak.

• **Route 706** Shuttle service starting at SWMD/Parkland Station, serving New Parkland Hospital, the Bass Center at 6300 Harry Hines via Harry Hines Boulevard, the Parkland Employee Physician Office at 7920 Elmbrook via Empire Central Drive, 1341 West Mockingbird Road, and 8435 North Stemmons Freeway. The service will operate on weekdays from 7:00 am to 6:00 pm with a 15 minute headway.

PROVIDED, HOWEVER, that DART shall have the option to increase or decrease service hours and number vehicles based on ridership and passenger loading, and PROVIDED, FURTHER, that DART shall give Parkland (60) days’ notice before any reduction in service is implemented and obtain Parkland's, written approval and agreement. The parties understand and agree that any change in the transit shuttle service will be accompanied by a proportionate change in the monthly cost to Parkland, as determined by DART in accordance with the rates set forth in the attached Exhibit A.

3. **Term.** The term of this Agreement shall begin 12:10 a.m. on the 17th day of August 2015 and terminate at midnight on the 16th day of August 2019 or on such earlier date that the total aggregate cost of the service provided by DART equals meets the maximum amount payable by Parkland under this Agreement; PROVIDED, HOWEVER, that either party shall have the right to terminate the Agreement by giving the other party one hundred twenty (120) days’ notice thereof. Accordingly, as of midnight, on August 16th, 2019, the prior current agreement between the parties (dated originally in 2011) for this shuttle service is deemed terminated by mutual agreement of the parties.

4.02. Parkland shall make a monthly payment to DART in accordance with the schedules as set out in Exhibit "A" REVISED February 15, 2019 and attached hereto and incorporated herein.

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1 Words in *strike through type* are deletions from the existing agreement; words in *underlined* type are additions. **FIRST AMDT TO PARKLAND Shuttle Service Agreement HSK-mt amdmt 2-4-19**
for all pertinent purposes. Payment will be based on Exhibit "A". The payments may be adjusted based upon demand and are subject to proportionate change as determined by DART in the event that hours increase or decrease.

4.04. The maximum amount payable by Parkland under this Agreement is **Six Million One Hundred Nine Thousand Sixty-Nine Dollars and No Cents ($6,109,069.00)** Five Million Four Hundred Seventy-Nine Thousand Three Hundred One Dollars and No Cents ($5,479,301). Parkland may unilaterally increase this maximum amount payable by obtaining the necessary Parkland approvals and giving ten (10) days written notice to DART.

**Section 2. No Further Modifications.** All other provisions of the Agreement, other than as specifically addressed herein, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this First Amendment upon the terms and conditions above stated on the day and year first above written.

DALLAS AREA RAPID TRANSIT:

________________________________

By: ____________________________
Title: ____________________________
Date: ____________________________

PARKLAND HOSPITAL

________________________________

By: ____________________________
Title: ____________________________
Date: ____________________________
Exhibit A

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Note: Costs increased annually by 3% to adjust for inflation estimates

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1 Words in *strike through type* are deletions from the existing agreement; words in *underlined* type are additions.
FIRST AMDT TO PARKLAND Shuttle Service Agreement HSK-mt amdmt 2-4-19
DATE: July 9, 2019

SUBJECT: Approval of Vehicle Color Scheme for the Cotton Belt Regional Rail Corridor

RECOMMENDATION

Approval of a resolution authorizing the President/Executive Director to designate the vehicle color scheme for the DART service that will run on the Cotton Belt regional rail corridor, utilizing DART’s blue and yellow color scheme with the addition of silver.

COMMITTEE CONSIDERATIONS

. On June 18, 2018, the Public Affairs and Communication Committee unanimously moved to forward this item to the July 9, 2019, Committee-of-the-Whole Consent Agenda.

FINANCIAL CONSIDERATIONS

. All costs related to the vehicle color scheme of the service that will run on the Cotton Belt regional rail corridor are included in current budget and FY 2019 Twenty-Year Financial Plan allocations.

BUSINESS PURPOSE

. A passenger rail corridor from the DART Red Line in the Richardson/Plano area to the Green Line in Carrollton was included in the original 1983 DART Service Plan.

. On October 26, 2006 (Resolution No. 060177), the Board approved the 2030 Transit System Plan, which included the Cotton Belt Corridor as a regional passenger rail line from the Red Line to DFW Airport.

. On December 11, 2018 (Resolution Nos. 180135 and 180136), the Board approved a design-build contract and a contract for a Project Manager/Owner’s Representative (respectively), for the Cotton Belt regional rail project. Pre-construction work has begun in the corridor.

. On May 28, 2019 (Resolution No. 190060), the Board approved a contract for the vehicle procurement and design of the Equipment Maintenance Facility for the Cotton Belt Regional Rail Project.

. The purpose of this item is to finalize the vehicle color scheme for the service that will run on the Cotton Belt regional rail corridor.
Approval of this item will contribute to achieving Board Strategic Priority 4: Expand DART’s transportation system to serve cities inside and outside the current service area.

LEGAL CONSIDERATIONS

Sections 452.054 and 452.056 of the Texas Transportation Code authorizes DART to use all powers necessary or useful in the construction, repair, maintenance and operation of its public transportation system.
DRAFT
RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

Approval of the Vehicle Color Scheme for the Cotton Belt Regional Rail Corridor

WHEREAS, a passenger rail corridor from the DART Red Line in the Richardson/Plano area to the Green Line in Carrollton was included in the original 1983 DART Service Plan; and

WHEREAS, on October 26, 2006 (Resolution No. 060177), the Board approved the 2030 Transit System Plan, which included the Cotton Belt Corridor as a regional passenger rail line from the Red Line to DFW Airport; and

WHEREAS, on December 11, 2018 (Resolution Nos. 180135 and 180136), the Board approved a design-build contract and a contract for a Project Manager/Owner’s Representative (respectively), for the Cotton Belt regional rail project and pre-construction work has begun in the corridor; and

WHEREAS, on May 28, 2019 (Resolution No. 190060), the Board approved a contract for the vehicle procurement and design of the Equipment Maintenance Facility for the Cotton Belt Regional Rail Project; and

WHEREAS, the Board desires to provide direction on the vehicle color scheme for the DART service that will run on the Cotton Belt regional rail corridor; and

WHEREAS, funding for all costs related to the vehicle color scheme of the service that will run on the Cotton Belt regional rail corridor are included in current budget and FY 2019 Twenty-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President/Executive Director is authorized to designate the vehicle color scheme for the DART service that will run on the Cotton Belt regional rail corridor, utilizing DART’s blue and yellow color scheme with the addition of silver.
Approval of the Vehicle Color Scheme for the Cotton Belt Regional Rail Corridor

Prepared by: Nicole Fontayne-Bardowell
Executive Vice President
Chief Administrative Officer

Approved as to form: Gene Gamez
Interim General Counsel

Approved by: Gary C. Thomas
President/Executive Director
Agenda Report

DATE: July 9, 2019

SUBJECT: Call for Public Hearing and Approval to Submit FY 2019 and FY 2020 Federal Transit Administration (FTA) Grant Applications

RECOMMENDATION

Approval of resolution to: 1) call a public hearing to be held on August 12, 2019, at 12:00 p.m. and 6:00 p.m. in the DART Board Room regarding the FY 2019 and FY 2020 grant applications; and 2) authorize the President/Executive Director or his designee to submit and execute the grant applications.

COMMITTEE CONSIDERATIONS

. On June 18, 2018, the Budget and Finance Committee unanimously moved to forward this item to the July 9, 2019, Committee-of-the-Whole Consent Agenda.

BUSINESS PURPOSE AND FINANCIAL CONSIDERATIONS

. For FY 2019 and FY 2020, DART has funding available under the Federal Transit Administration (FTA) formula, State of Good Repair (SOGR), and Bus and Rail Facilities projects.

. These projects are included in various capital project line items of the approved FY 2019 and proposed FY 2020 Capital Budgets.

. Funding for the local share of these projects is within current budget and FY 2019 Twenty-Year Financial Plan allocations.

. The formula grant amounts are estimates and may vary slightly depending upon the FTA FY 2019 and FY 2020 Apportionments and Allocations. The FTA authorizes grants for funding of Formula; SOGR; and Bus and Rail Facility projects.

. The North Central Texas Council of Governments (NCTCOG) approves Federal Highway Administration Congestion Mitigation/Air Quality (CMAQ) funding for eligible DART projects. These funds are typically transferred to FTA for funding of DART’s projects.

. DART proposes to request public comment on and to file the following grant applications:

   . FY 2019 Formula Grant: The $57,707,855 ($46,166,284 FTA and $11,541,571 DART) grant will provide the funding for capital preventive maintenance and security projects.
   . FY 2020 Formula Grant: The $57,707,855 ($46,166,284 FTA and $11,541,571 DART) grant will provide the funding for capital preventive maintenance and security projects.
• FY 2019 Bus and Rail Facility Formula Grant: The $7,050,059 ($5,992,549 FTA and $1,057,510 DART) grant will provide the funding for expansion buses.

• FY 2020 Bus and Rail Facility Formula Grant: The $7,050,059 ($5,992,549 FTA and $1,057,510 DART) grant will provide the funding for expansion buses.

• FY 2019 State of Good Repair Formula Grant: The $22,955,573 ($18,364,458 FTA and $4,591,115 DART) grant will provide funding for all rail preventive maintenance.

• FY 2020 State of Good Repair Formula Grant: The $22,955,573 ($18,364,458 FTA and $4,591,115 DART) grant will provide funding for all rail preventive maintenance.

• FY 2019 and FY 2020 Cotton Belt Grants: The $60,250,000 ($48,200,000 FTA and $12,050,000 DART) will provide Congestion Mitigation/Air Quality (CMAQ) funding for Cotton Belt project costs.

• FY 2019 Cotton Belt Grant: The $6,250,000 ($5,000,000 FTA and $1,250,000 DART) will provide CMAQ funding for the Town of Addison’s Cotton Belt project costs.

• FY 2020 Hidden Ridge Station Grant: The $11,000,000 ($8,800,000 FTA and $2,200,000 City of Irving) will provide CMAQ funding for the design and construction of the Hidden Ridge Station.

• FY 2019 Inland Port Transportation Management Association (TMA): The $1,250,000 ($1,000,000 CMAQ and $250,000 TMA) will provide funding for the implementation of the TMA.

• FY 2019 FTA Low or No (LoNo) Emission Program: DART has submitted an application for $7,500,000 for buses and chargers. This is a competitive program and subject to FTA selection for funding.

• FY 2019 FTA Innovation in Transit Public Safety Program: DART has submitted an application for $62,000 for activities including Public Safety Announcements, a Summit and Virtual Training to increase public awareness and prevention of Human Trafficking on the DART system.

Approval of the grant applications will help achieve Board Strategic Priority 2: Optimize and preserve (state of good repair) the existing transit system; Strategic Priority 4: Expand DART’s transportation system to serve cities inside and outside the current service area; and Strategic Priority 6: Innovate to improve levels of service, business processes, and funding.

D/M/WBE CONSIDERATIONS

• DART agrees that, as a condition of receiving Federal financial assistance from the Federal Transit Administration, it will comply with all applicable Federal nondiscrimination laws, rules, regulations, circulars and guidance, including but limited to Title VI and Title VII of the Civil Rights Act of 1964, FTA Circular 4702.1B, FTA Circular 4704.1A, 49 CFR Part 21, 49 CFR Part 26, and DART’s DBE program.

• DART will be required to enter into a contractual agreement with FTA, the terms of which require DART to agree to comply with all rules and regulations concerning the expenditure of grant funds, including the requirement to receive public comments.

LEGAL CONSIDERATIONS

• Section 452.055 of the Texas Transportation Code authorizes DART to make agreements with and accept grants from the Federal and State government.
DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Call for Public Hearing and Approval to Submit FY 2019 and FY 2020 Federal Transit Administration (FTA) Grant Applications

WHEREAS, the Federal Transit Administrator has been delegated authority to award Federal financial assistance for transportation projects; and

WHEREAS, grants for Federal financial assistance will impose certain obligations upon DART and require DART to provide the local share of the proposed projects which are included in current Budget and FY 2019 Twenty-Year Financial Plan allocations; and

WHEREAS, DART will provide annual certifications and assurances to the Federal Transit Administration (FTA) required for the projects; and

WHEREAS, FTA regulations require an opportunity for public comments on the candidate list of projects.

NOW, THEREFORE, BE IT RESOLVED, by the Dallas Area Rapid Transit Board of Directors that:

Section 1: A public hearing is called on August 12, 2019, at 12:00 p.m. and 6:00 p.m. in the DART Board Room to solicit public comments on the projects for the FY 2019 and FY 2020 FTA Grant Applications.

Section 2: The President/Executive Director or his designee is authorized to execute and file applications for Federal assistance on behalf of DART, with FTA for Federal Assistance authorized by 49 USC Chapter 53, Title 23, United States Code; or other Federal statutes authorizing a project administered by the FTA.

Section 3: The President/Executive Director or his designee is authorized to execute and file annual certifications and assurances and other documents the Federal Transit Administration requires before awarding a Federal assistance grant agreement.

Section 4: The President/Executive Director or his designee is authorized to execute the grant agreements with the Federal Transit Administration on behalf of DART.
Call for Public Hearing and Approval to Submit FY 2019 and FY 2020 Federal Transit Administration (FTA) Grant Applications

Prepared by: Joseph G. Costello
Senior Vice President, Finance

Approved as to form: Gene Gamez
Interim General Counsel

Approved by: Gary C. Thomas
President/Executive Director
DATE: July 9, 2019

SUBJECT: Approval of Agreements with Texas Cooperative Liquid Assets Securities System Trust (CLASS) and TexasTERM Local Government Investment Pools for Cash Investment Needs

RECOMMENDATION

Approval of a Resolution authorizing the President/Executive Director or his designee to: 1) execute an agreement, in substantially the form shown in Exhibit 1 to the Resolution, with Texas Cooperative Liquid Assets Securities System Trust (CLASS) Local Government Investment Pool for cash investment needs; and 2) execute an agreement, in substantially the form shown in Exhibit 2 to the Resolution, with TexasTERM Local Government Investment Pool for cash investment needs.

COMMITTEE CONSIDERATIONS

. On June 18, 2018, the Budget and Finance Committee unanimously moved to forward this item to the July 9, 2019, Committee-of-the-Whole Consent Agenda.

BUSINESS PURPOSE AND FINANCIAL CONSIDERATIONS

. Local government investment pools (LGIP) are money market-type investment vehicles, used exclusively by governmental entities.

. On August 23, 2016 (Resolution No. 160086), the DART Board approved the use of two local government investment pools (LOGIC and TexPool) for cash investment needs.

. Due to the success of DART’s two LGIPs, which have produced competitive returns on investment, staff recommends adding two additional pools: Texas Cooperative Liquid Assets Securities System Trust (CLASS), and TexasTERM Local Government Investment Pool.

. These additional LGIPs will diversify DART’s liquid assets and improve opportunities to meet daily cash investment needs.

. The approval of this item will help achieve Board Strategic Priority 6: Innovate to improve levels of service, business processes, and funding.

LEGAL CONSIDERATIONS

. Section 452.102(c) of the Texas Transportation Code authorizes that the Board may invest funds in any investment authorized under Texas Government Code, Chapter 2256.
Section 2256.016 of the Texas Government Code provides DART may invest its funds and funds under its control through an eligible investment pool if the governing body of the entity by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool.
DRAFT
RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

Approval of Agreements with Texas Cooperative Liquid Assets Securities System Trust (CLASS) and TexasTERM Local Government Investment Pools for Cash Investment Needs

WHEREAS, Dallas Area Rapid Transit (DART) is a subregional transportation authority of the State of Texas and is empowered to delegate authority to invest funds to a public funds investment pool to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in DART’s best interest to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with Texas Government Code, Chapter 2256, known as the Public Funds Investment Act; and

WHEREAS, on August 23, 2016 (Resolution No. 160086), the Board approved the use of two local government investment pools, LOGIC and TexPool, for cash investment needs; and

WHEREAS, because the funds invested in LOGIC and TexPool have produced competitive returns on investment, the DART Board desires to add two additional local government investment pools: Texas Cooperative Liquid Assets Securities System Trust (CLASS) and TexasTERM; and

WHEREAS, the resolution authorizes the President/Executive Director or his designee to enter into agreements needed to establish accounts for the purpose of transmitting local funds for investments; and

WHEREAS, Texas Government Code, Chapter 2256.016 requires the Board to adopt a resolution authorizing investment in local government investment pool(s).

NOW, THEREFORE, BE IT RESOLVED, by the Dallas Area Rapid Transit Board of Directors that the President/Executive Director or his designee is authorized to execute:

Section 1: An Agreement with Texas Cooperative Liquid Assets Securities System Trust (CLASS) Local Government Investment Pool, substantially in the form shown in Exhibit 1 to the Resolution.

Section 2: An Agreement with TexasTERM Local Government Investment Pool, substantially in the form shown in Exhibit 2 to the Resolution.
Approval of Agreements with Texas Cooperative Liquid Assets Securities System Trust (CLASS) and TexasTERM Local Government Investment Pools for Cash Investment Needs

Prepared by: Joseph G. Costello
Senior Vice President, Finance

Approved as to form: Gene Gamez
Interim General Counsel

Approved by: Gary C. Thomas
President/Executive Director
Texas Cooperative Liquid Assets Securities System Trust

EIGHTH AMENDED AND RESTATED

Trust Agreement

Dated as of April 8, 2019

by and among

The Texas Participants
that have entered into this Agreement,
Wells Fargo Bank, N.A., as Custodian
and
Public Trust Advisors, LLC, as Program Administrator
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PREAMBLE

This Eighth Amended and Restated Trust Agreement dated as of April 8, 2019 (the Agreement) is by and among the Texas local governmental entities and public entities that have taken the actions required by Section 2256.016 of the Public Funds Investment Act, Texas Government Code, and that have either executed this Agreement or counterparts of this Agreement or Participation Certificates pursuant to Section 2.3 hereof (the Participants), Wells Fargo Bank, N.A., as Custodian (the Custodian) and Public Trust Advisors, LLC, (the Program Administrator) and amends and restates that certain Seventh Amended and Restated Trust Agreement dated as of August 5, 2016, among the Participants, the Custodian and Public Trust Advisors, LLC the Program Administrator.

WHEREAS, each Participant is permitted pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code, to pool its funds, or funds under its control, with any similar funds in the treasury of other Participants for the purpose of investing such funds in statutory permitted investments; and

WHEREAS, each Participant will receive a substantial benefit by agreeing to invest such funds in concert with the other Participants because of economies of scale; and

WHEREAS, it will increase the efficiency of such investment if the funds to be invested in concert are held by one entity, the Custodian, which will hold such funds and investments in its capacity as custodian for the benefit of the Participants; and

WHEREAS, it will increase the efficiency of such investment if the advisory, recordkeeping, and other administrative functions are performed by one entity, the Program Administrator, acting on behalf of the Board of Trustees (as hereinafter defined) and the Participants and if the investment instructions of the Participants are transmitted through one entity, the Program Administrator, to the Custodian.

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants, and agreements contained herein, each party hereto agrees that all moneys, assets, securities, and property now or hereafter acquired by the Trust (as hereinafter defined) shall be held and managed in trust by the Board of Trustees (as hereinafter defined) for the equal and proportionate benefit of the Participants without privilege, priority, or distinction among the Participants and subject to the terms, covenants, conditions, purpose, and provisions hereof as follows:
ARTICLE I

The Trust and Definitions

1.1 The Trust

(a) The name of the Trust created by this Agreement shall be Texas Cooperative Liquid Assets Securities System Trust or Texas CLASS. The Board of Trustees retains all rights to the use of the names Texas CLASS and Texas Cooperative Liquid Assets Securities System Trust, and neither the Program Administrator nor the Custodian shall use the name without express consent of the Board of Trustees as reflected in the minutes of the Board of Trustees or another written document approved by the Board of Trustees. Any and all reports, information, data, statistics, forms, plans, procedures, studies, and any other communications or form of knowledge prepared or assembled by the Program Administrator for the specific and exclusive benefit of the Board of Trustees or Texas CLASS shall become the property of the Board of Trustees and shall not be made available to any individual, company, or organization without the prior written approval of the Board of Trustees or except as required by law. So far as may be practicable and pursuant to the provisions of this Trust Agreement, the Custodian and the Board of Trustees shall conduct the Trust's activities, execute all documents, and sue or be sued under either of the foregoing names.

(b) The purpose of the Trust is to establish one or more investment pools for the Participants pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code, through which a Participant may pool any of its funds or funds under its control with the same such funds of any other Participant in order to preserve principal, to maintain the liquidity of the Participant, and to maximize yield in accordance with the Public Funds Investment Act (the Act), Section 2256.001, et seq., Texas Government Code or other laws of the state of Texas, from time-to-time in effect, governing the investment of funds of a Participant or funds under its control.

(c) The Trust shall maintain an office of record in the state of Texas and may maintain such other offices or places of business as the Board of Trustees may from time-to-time determine. The initial office of record of the Trust shall be: c/o Bracewell LLP, Attention: Julie M. Partain, Esq., 1445 Ross Avenue, Ste 3800 Dallas, Texas 75202. The office of record may be changed from time-to-time by resolution of the Board of Trustees, and notice of such change of the office of record shall be given to each Participant, the Custodian and the Program Administrator.

(d) (i) The Trust shall be a trust organized and existing under the laws of the state of Texas. The Trust is not intended to be, shall not be deemed to be, and shall not be treated as a general partnership, limited partnership, joint venture, corporation, investment company, or joint stock company. The Participants shall be beneficiaries of the Trust, and their relationship to the Board of Trustees shall be solely in their
capacity as Participants and beneficiaries in accordance with the rights conferred upon them hereunder.

(ii) This Agreement is an agreement creating one or more investment pools within the meaning of the Act.

(e) The Board may authorize the creation of one or more different portfolios or pools provided, however, that each such portfolio or pool shall conform in all respects to the requirements of this Agreement.

(f) The Board may authorize the use of the names Texas Cooperative Liquid Assets Securities Systems Trust and Texas CLASS in conjunction with other products, portfolios, pools, and services that provide investment, financial, or other cash management services to Participants and for purposes of this Agreement, such name shall include any pools or portfolios established pursuant to this Agreement. The Program Administrator may identify a name for any additional pools or portfolios established pursuant to this Agreement, subject to Board approval.

1.2 Definitions

"Account(s)" shall have the meaning set forth in Section 5.3 (a) hereof.

"Act" shall have the meaning set forth in Section 1.1 (b) hereof.

"Affiliate" means with respect to any person, another person directly or indirectly in control of, controlled by or under common control with such person, or any officer, director, partner, or employee of such persons.

"Agreement" means this Eighth Amended and Restated Trust Agreement dated as of April 8, 2019, as amended, by and among Public Trust Advisors, LLC, as Program Administrator, Wells Fargo Bank, N.A., as Custodian, and the Participants.

"Balance(s)" for each Participant means the amounts initially equal to zero that are adjusted pursuant to Article II hereof to reflect, among other things, cash investments by such Participant in each pool or portfolio established pursuant to this Agreement, within the Trust, cash payments to such Participant, a pro rata distribution of income from the earnings of each pool or portfolio established pursuant to this Agreement, in which each Participant has invested funds, investment results, and expenses and fees for each pool or portfolio established pursuant to this Agreement, in which the Participant has invested.

"Board of Trustees" means the board of the trustees established pursuant to Article III hereof.
"Business Day" means any day of the year other than (a) a Saturday or Sunday, (b) any day on which banks located in the state of Texas are required or authorized by law to remain closed, or (c) any day on which the New York Stock Exchange is closed.

"Conflicting Provisions" shall have the meaning set forth in Section 10.3 hereof.

"Custodian" means Wells Fargo Bank, N.A., as custodian, or any person or persons appointed, employed, or contracted with by the Trust pursuant to Article V hereof.

"Effective Date" means the first day that execution copies of this Agreement have been executed by the Program Administrator, the Custodian, and the Chairman and Secretary of the Board of Trustees.

"Good Standing" means a Participant that has funded an account with Texas CLASS.

"Investment Advisor" shall mean any person or persons appointed, employed, or contracted by the Board on behalf of the Trust pursuant to Article III hereof or by the Program Administrator pursuant to Article IV hereof.

"Investment Funds" means immediately available funds delivered by each Participant to the Custodian for investment in one or more pools or portfolios established pursuant to this Agreement but only if (i) the representative appointed by such Participant is authorized pursuant to the laws of the state of Texas to invest such funds and (ii) the Participant has taken all actions necessary pursuant to the laws of the state of Texas to authorize the delivery and investment of such funds.

"Investment Policy" means that investment policy or policies containing procedures and criteria for the investment of funds in Texas CLASS and its subaccounts or in any other pool or portfolio established pursuant to this Trust Agreement as adopted annually by the Board of Trustees of Texas CLASS and incorporated herein by reference.

"Investment Procedures" means the procedures for making investments in the Investment Property set forth in Exhibit A attached hereto, as the same may be amended from time-to-time notwithstanding Section 9.1 (a) hereby the Program Administrator providing notice of such change to the Custodian and the Participants.

"Investment Property" means any and all securities, cash, and other personal property, tangible or intangible, that is transferred, conveyed, or paid to the Account(s) pursuant to Section 2.1 hereof or otherwise and all proceeds, income, profits, and gains therefrom that have not been distributed to a Participant pursuant to Section 2.2 hereof used to discharge an Investment Property Liability or offset by losses, if any, and expenses. Notwithstanding anything to the contrary, the Custodian shall not be required to hold, purchase, sell, or invest in interests in real property under
this Agreement, and the Participants shall not attempt to transfer such interests to the Custodian. Investment Property shall not include securities purchased in anticipation of the delivery of funds by a Participant when such funds are not actually received by the Custodian by the anticipated delivery date, and any such securities may be immediately sold and the proceeds used to pay any Person that did in fact provide monies to purchase such securities.

"Investment Property Liability" means any liability (whether known, unknown, actual, contingent, or otherwise) incurred in connection with the Investment Property pursuant to this Agreement that is not specified in Section 6.1 hereof as being paid by the Program Administrator or specified in this Agreement as being paid directly by a Participant.

"Investment Property Value" means the value of the Investment Property net of the amount of the Investment Property Liabilities as determined pursuant to Section 4.5 hereof and the valuation procedures. Such value shall be determined separately for each pool or portfolio established pursuant to this Trust Agreement.

"Meeting of the Board of Trustees" means a duly called meeting of the Board of Trustees.

"Participants" means any municipality, county, school district, or authority created under Section 52(b)(1) or (2), Article III or Section 59, Article XVI, Texas Constitution, a fresh water supply district, a hospital district, and any political subdivision, authority, public corporation, body politic, or instrumentality of the state of Texas, any office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities (i) to which Chapter 2256 is applicable; (ii) that has taken the actions required by Section 2256.016 of the Act; (iii) that has executed either this Agreement or counterparts of this Agreement or Participation Certificates pursuant to Section 2.3 hereof; and (iv) that is in good standing.

"Participation Certificate" means a certificate entered into pursuant to Section 2.3 hereof.

"Payment Procedures" means the procedures for requesting payments out of the Investment Property set forth in Exhibit B attached hereto, as the same may be amended from time-to-time (notwithstanding Section 9.1(a) hereof) by the Program Administrator providing notice of such change to the Custodian and the Participants.

"Person" means any municipality, county, school district, or authority created under Section 52(b)(1) or (2), Article III or Section 59, Article XVI, Texas Constitution, a fresh water supply district, a hospital district, and any political subdivision, authority, public corporation, body politic, or instrumentality of the state of Texas, any office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities, corporation, national association, natural
person, firm, joint venture, partnership, trust, unincorporated organization, or group.

"Program Administrator" means Public Trust Advisors, LLC or any person or persons appointed, employed, or contracted with by the Trust pursuant to Article IV hereof.

"Representatives" means those persons who have been designated as representatives by the Participants pursuant to Section 2.6 hereof.

"Trust" means the Texas trust created as set forth in Section of this Agreement.

"Trustee" means any representative selected pursuant to Article III hereof.

"Valuation Procedures" means the procedures for determining the value of the Investment Property set forth in Exhibit C attached hereto, as the same may be amended from time-to-time (notwithstanding Section 9.1 (a) hereof) by the Program Administrator providing notice of such change to the Custodian and the Participants.

ARTICLE II

Participants

2.1 Investments

(a) Each Participant shall have the right, from time-to-time, to invest Investment Funds for credit to such Participant's Balance. A Participant that wishes to make such an investment shall notify the Program Administrator acting on behalf of the Board of Trustees and follow the Investment Procedures set forth in Exhibit A. Upon such investment in accordance with Exhibit A, the Participant shall have an undivided beneficial interest in the Investment Property.

(b) The Balance of a Participant shall be increased upon the investment of Investment Funds by an amount equal to the amount of such Investment Funds.

(c) No later than the next business day after a Participant has made an investment of Investment Funds, the Custodian shall deliver a confirmation to the Program Administrator. The Program Administrator shall retain a copy of the confirmation in its records.

(d) Any funds that the Program Administrator is informed do not meet the conditions set forth in clauses (i) or (ii) of the definition of Investment Funds shall be returned to the Participant investing such funds by the Custodian at the request of the Program Administrator, and such Participant shall bear all of the costs and liabilities associated with the return of such funds.
(e) There is no maximum or minimum amount that must be invested pursuant to this Agreement nor are there any maximum or minimum limitations on the aggregate amount of Investment Funds that any Participant may have invested at one time.

(f) The execution of a certificate for participation, in substantially the form attached as Exhibit D, shall constitute the express written authorization to deposit, withdraw, invest, transfer, and manage funds of the Participant required by Section 2256.005(f) of the Act.

2.2 Payments

(a) Each Participant shall have the right from time-to-time to request, in accordance with the Payment Procedures set forth in Exhibit B hereto, that the Program Administrator notify the Custodian to pay to the Participant (by the transfer of the proceeds received from the sale or maturity of securities held by the Custodian), or on its behalf, any amount (rounded to the nearest whole cent) that is less than or equal to the Participant's balance at the time that payment is made pursuant to such request. Except as provided in Exhibit B, there shall be no limitation on the period of time that Investment Funds must be invested through the Trust prior to such payment.

(b) Upon the receipt of any payment request, the Program Administrator shall notify the Custodian, in writing or orally to be followed by written confirmation, of the payment request from the Participant, and the requested amount (rounded to the nearest whole cent) shall be paid (by the transfer of the proceeds received from the sale or maturity of securities held by the Custodian) by the Custodian to or on behalf of such Participant as provided in Exhibit B.

(c) Whenever any payment is made to or on behalf of any Participant pursuant to Section 2.2 (b) hereof, such Participant's balance shall be reduced by the Program Administrator by the amount of such payment.

(d) Each Participant agrees that, without prior notice, the right to payments may be temporarily suspended or postponed for the whole or any part of any period (i) during which trading in fixed income securities generally in any national trading market shall have been suspended or minimum prices or maximum daily charges shall have been established on such market, (ii) a general banking moratorium shall have been declared by Federal or Texas state authorities, or (iii) there shall have occurred any outbreak or material escalation of hostilities or other calamity or crisis, the effect of which on the financial markets of the United States is such as to make it impracticable (a) to dispose of the Investment Property because of the substantial losses that might be incurred or (b) to determine the Investment Property Value in accordance with the Valuation Procedures set forth in Exhibit C from time-to-time. The Custodian and each Participant shall be notified as soon as practicable orally or in writing by the Program Administrator in the event that such a suspension or postponement is commenced. Such a suspension or postponement shall not itself directly alter or affect a
2.2(d) Notwithstanding anything contained in this Section 2.2(d) to the contrary, if during a suspension or postponement period, a Participant demands in writing the right to receive a payment and it is not impossible to accommodate such demand, the Program Administrator shall make all reasonable efforts to effectuate such payment demand.

2.3 Additional Participants After Initial Execution

(a) Any local government or state agency as defined in the Act of the state of Texas that has the authority to pool any of its money pursuant to Section 2256.016 of the Act that wishes to become a party to this Agreement after the effective date may do so by taking the actions required by Section 2256.016 of the Act and by executing either a counterpart to this Agreement or a Participation Certificate attached hereto as Exhibit D and delivering the counterpart or the original executed Participation Certificate to the Program Administrator. The Program Administrator shall provide written notification monthly to the Board of Trustees and the Custodian of the admission of a new Participant. Any entity that becomes a Participant pursuant to this Section 2.3 shall have the same rights and obligations hereunder as the other Participants.

2.4 Termination of Participation

(a) Any Participant may withdraw from this Agreement at any time upon written notice to the Program Administrator who shall notify the Custodian and the Board of Trustees upon receipt of such notice of withdrawal. Upon its withdrawal from this Agreement, a Participant shall cease to have any rights or obligations under this Agreement except for any obligations arising on or before the date of withdrawal. A notice of withdrawal shall be deemed to constitute (i) a request under the payment procedures that an amount equal to the requesting Participant's entire balance(s) as of the date of such notice be paid to such Participant and (ii) a termination of the Board of Trustees' trust relationship hereunder with the Participant. No withdrawal shall become effective until such Participant's balance(s) is equal to zero, and until such time, such Participant shall continue to possess all of the rights and be subject to all of the obligations arising from this Agreement.
(b) Any Participant that breaches any material covenant contained in Article VIII hereof or for which any of the representations contained in Article VII hereof ceases to be true shall be deemed to have given a notice of withdrawal pursuant to Section 2.4(a) hereof immediately upon such breach or cessation, but shall not be deemed to have requested the payment of its balance(s) unless and until it either makes an actual payment request or the Program Administrator determines that such a breach or cessation has occurred.

2.5 **Receipt of Statements and Reports; Requests**

(a) The Program Administrator, on behalf of the Board of Trustees, shall provide to each Participant a copy of the statements prepared pursuant to Section 4.2 hereof and of the reports prepared pursuant to Section 4.3 hereof applicable to such Participant.

(b) In addition, each Participant may direct the Program Administrator to provide a statement of the value of the Participant's balance(s) as of the date of the request, provided such request is received by the Program Administrator by 4:00 p.m. CT on a given day. The Program Administrator shall provide such statement, subject only to account activity as of such date.

(c) On behalf of each Participant, the Program Administrator shall maintain the records relating to such Participant in a manner that records the Participant's balance(s) as one or more subaccounts or other special accounts to accommodate the desire of such Participant to segregate a portion of its Investment Funds. The Program Administrator shall maintain a separate record for each Participant and shall record the individual transactions involving each such Participant and the total value by subaccount of all investments or portions thereof belonging to each such Participant.

(d) No Participant shall be entitled to any reports or statements applicable solely to another Participant.

2.6 **Representatives**

(a) Each Participant shall designate a representative to act for the Participant hereunder (the Representative) for all purposes including without limitation to give consents on behalf of the Participant and to receive notices on behalf of the Participant. Pursuant to Section 2256.005 (f) of the Act, such representative shall be the investment officer that is empowered by the charter, ordinances, or other rules or regulations of the Participant to direct the investment of such Participant's Investment Funds. The representatives, in their capacity as representatives shall not be required to devote their entire time to duties under the Agreement. To the extent permitted by law, each representative may designate additional persons who may act on behalf of the representative to transmit the representative's instructions to the Program Administrator, the Custodian, or the Board of Trustees.
(b) Each representative shall be the official responsible for the investment of Investment Funds into the Trust and all payments made from the Trust for the Participant represented by said representative. In making such investments and payment requests, each representative shall use judgment and care to achieve the following objectives in the indicated order: (i) preservation and safety of principal, (ii) liquidity, and (iii) yield.

2.7 Liability - No representative shall be subject to any personal liability whatsoever to any person in connection with the Investment Property or affairs of the Board other than liability arising from the bad faith, willful misfeasance, gross negligence, or reckless disregard of duty by such representative of a Participant. No representative of a Participant who is made a party to any suit or proceeding to enforce any such liability shall on account thereof be held to any personal liability.

ARTICLE III
Trustees and the Board of Trustees

3.1 Selection of Trustees

(a) Each calendar year, the Program Administrator shall call, upon at least fifteen days' written notice to the Participants, a meeting of the Participants for the purpose of selecting Trustees for the Trust. If the Program Administrator shall fail to call such a meeting, any two Participants may call such a meeting by providing at least fifteen days' written notice to the other Participants. At such meeting, the Participants may nominate persons to serve as Trustees of the Trust. In order to qualify to be nominated as a Trustee, a candidate must be a representative. The number of Trustees to be selected shall be determined by the Participants at such meeting, provided that the number of Trustees shall be an odd number of three (3) or more. In order to be elected as a Trustee, a candidate must receive a majority of the votes of the Participants present and voting at such meeting. A quorum for such meeting shall be the lesser of (i) fifteen Participants or (ii) ten percent of the total number of Participants determined at the time the notice of the meeting is sent. If a quorum is not present, the meeting may be adjourned to a future time and place set at such meeting. Each Participant shall be entitled to one vote regardless of the amount of funds invested in the Trust. To the extent permitted by law, each representative may designate a person who may act on behalf of the representative at a meeting of Participants.

(b) The Program Administrator shall send written notice to the Participants and the Custodian listing the names of the Trustees elected at each annual meeting.
3.2 **Board of Trustees** - The Board of Trustees shall be made up of all of the Trustees elected by the Participants or designated pursuant to Section 3.5 hereof. The Board of Trustees shall supervise the Trust and the affairs of the Trust and shall act as the liaison between the Participants and the Custodian and the Program Administrator. The Board of Trustees shall appoint an Advisory Board to advise the Trust as required by the Act. The Board of Trustees shall have the power to administer the affairs of the Trust and to enter into contracts and agreements on behalf of the Trust in order to effectuate the terms of this Agreement. The Board of Trustees shall have the power to select all of the Trust's consultants including without limitation the Program Administrator and the Custodian, subject to the terms of this Agreement. The Trustees shall select by majority vote a chairman of the Board of Trustees and may select such other officers of the Board of Trustees including without limitation a vice chairman and a secretary, as the Trustees deem appropriate. In the absence of the chairman, the vice chairman, if any, shall have the power to act in place of the chairman hereunder.

3.3 **General Powers** - Subject to the rights of the Participants as provided herein, the Board shall have, without other or further authorization, power to administer the Trust and the affairs of the Trust. The Board may do and perform such acts and things as in their sole judgment and discretion are necessary and proper for the administration of the Trust and the investment of the Trust Property but shall invest with the degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of the property of another, not in regard to speculation but in regard to the permanent disposition of funds considering the probable income as well as the probable safety of capital.

3.4 **Legal Title** - Title to all of the Trust Property shall be vested in the Trust on behalf of the Participants who shall be the beneficial owners. The Trust shall have full and complete power to cause legal title to any Trust property to be held, on behalf of the Participants, by or in the name of the Trust or in the name of any other person as nominee on such terms, in such manner, and with such powers as the Board may determine so long as in its judgment the interest of the Trust is adequately protected.

3.5 **Power to Contract, Appoint, Retain, and Employ**

(a) The Board is responsible for the investments of the Trust consistent with the investment policies established in this Trust Agreement and for the general administration of the business and affairs of the Trust conducted by officers, agents, employees, administrators, investment advisors, distributors, or independent contractors of the Trust. However, members of the Board are not required to devote their entire time to the business and affairs of the Trust or to personally conduct the routine business of the Trust. Consistent with their responsibilities, the Board may appoint, employ, retain, or contract on behalf of the
Trust with any persons the Board may deem necessary or desirable for the transaction of the affairs of the Trust, and the expenses relating to such persons shall be Investment Property Liabilities. The Board may appoint, employ, retain, or contract on behalf of the Trust with such persons for the purpose of:

(i) Serving as Investment Advisor to the Trust;
(ii) Serving as Program Administrator of the Trust;
(iii) Serving as Custodian for the Trust;
(iv) Furnishing reports to the Trust and provide research, economic, and statistical data in connection with the Trust's investments;
(v) Acting as consultants, accountants, technical advisors, attorneys, brokers, underwriters, corporate fiduciaries, escrow agents, depositaries, custodians, agents for collection, insurers or insurance agents, or in any other capacity deemed by the Board to be necessary or desirable;
(vi) Acting as attorney-in-fact or agent in the purchase or sale or other disposition of investments and in the handling, prosecuting, or other enforcement of any lien or security securing investment; or
(vii) Assisting in the performance of such other functions necessary in the management of the Trust.

(b) The same person may serve simultaneously as the Program Administrator and as the Investment Advisor, but no person serving as the Program Administrator or the Investment Advisor may serve as the Custodian.

3.6 Meetings - Meetings of the Board of Trustees may be called by the Program Administrator at any time and shall be called by the Program Administrator upon the request of at least two Trustees on at least seventy-two hours' notice to each Trustee and shall be held at the time and place and for the purposes stated in the call of the meeting. There shall be at least one meeting of the Board of Trustees in each calendar year.

3.7 Delegation; Committees; Bylaws; Policies; Procedures - The Board shall have full and complete power to delegate, from time-to-time, to one or more of their number (who may be designated as constituting a Committee of the Board) or to officers, employees, or agents of the Trust (including without limitation the Program Administrator, the Custodian, or the Investment Advisor) the doing of such acts and things and the execution of such instruments as the Board may, from time-to-time, deem expedient and appropriate in the furtherance of the business affairs and purposes of the Trust. The Board may adopt and, from time-to-time, amend or repeal bylaws, policies, or procedures for the conduct of the business of the Trust. Such bylaws, policies, or
procedures may, among other things, define the duties of the respective officers, agents, employees, and representatives of the Trust.

3.8 Term - The term of office for Trustees elected pursuant to Section 3.1(a) hereof shall commence thirty days after the notice specified in Section 3.1(c) is sent to the Participants and the Custodian. The term of office for Trustees selected pursuant to Section 3.5 hereof shall commence immediately upon such selection. Each Trustee shall hold office until the first to occur of (a) the Trustee resigning, (b) the Trustee ceasing to be a representative of a Participant, (c) the Trustee's death, (d) the Trustee being adjudicated incompetent or otherwise losing the capacity to discharge the duties of the office of a Trustee, and (e) the term of office of the Trustee's successor having begun pursuant to this Section 3.8.

3.9 Vacancies - If any Trustee resigns, is removed, or otherwise ceases to serve, the remaining Trustees may designate a qualified successor to fill such vacancy until the next annual meeting of Participants.

3.10 Costs - The expenses of each representative to attend the annual meeting shall be borne by each Participant. The reasonable out-of-pocket expenses of the Trustees incurred in the performance of their duties hereunder and of attending a meeting of the Board of Trustees shall be Investment Property Liabilities.

3.11 Investment Officer - The chairman of the Board of Trustees, ex officio (or in the absence of the chairman, the vice chairman, if any), shall be the investment officer for the Trust as required by Section 2256.005(f) of the Act.

3.12 Public Proceedings - Notwithstanding anything contained in this Agreement, the Board of Trustees shall comply with the applicable provisions of Chapter 552 of the Texas Government Code.

3.13 Telephone Participation - Upon the occurrence of an emergency or unforeseeable circumstances requiring immediate action, a representative may participate in a meeting of Participants and a Trustee may participate in a meeting of the Board of Trustees through the use of a conference telephone provided that such representative or Trustee is able to hear the deliberations of the other representatives or Trustees, respectively, and the other representatives or Trustees are able to hear such representative or Trustee, respectively, simultaneously.
3.14 Liability - No Trustee or officer of the Board shall be subject to any personal liability whatsoever to any person, in connection with the Investment Property or affairs of the Board, other than liability arising from the bad faith, willful misfeasance, gross negligence, or reckless disregard of duty by such Trustee or officer; and all persons shall look solely to the Investment Property for satisfaction of claims of any nature arising in connection with the affairs of the Board. No member or officer of the Board who is made a party to any suit or proceeding to enforce any such liability shall on account thereof be held to any personal liability.

3.15 Insurance - The Board shall have full and complete power to purchase and pay for, entirely out of Trust property, insurance policies insuring the Trust, the Trustees, officers, employees, and agents of the Trust individually against all claims and liabilities of every nature arising by reason of holding or having held any such office or position or by reason of any action alleged to have been taken or omitted by the Trust or any such person, officer, employee, and agent including any action taken or omitted that may be determined to constitute negligence whether or not the Trust would have the power to indemnify such person against such liability. The Board may instruct the Program Administrator to obtain such insurance on behalf of the Board in such amount as the Board and the Program Administrator shall deem adequate to cover all foreseeable liabilities to the extent available at reasonable rates.

ARTICLE IV

Program Administrator

4.1 Appointment; General Provisions

(a) The Participants hereby appoint Public Trust Advisors, LLC as the Program Administrator under this Agreement, subject to the overall supervision of the Board of Trustees, for the period and on the terms set forth in this Agreement.

(b) Public Trust Advisors, LLC accepts such appointment and agrees to render the services and to assume the obligations set forth herein for the compensation herein provided.

(c) The Participants and the Board of Trustees agree that the Program Administrator shall invest the Investment Property in investments meeting the criteria set forth in Exhibit E and in the Investment Policy applicable to each pool or portfolio established pursuant to this Trust Agreement, and in a manner that maintains the 'AAAm' or equivalent rating of Texas CLASS and any other pool or portfolio established pursuant to this Trust Agreement. The Program Administrator is directed to cause Investment Property of each Participant to be invested in investments meeting the criteria set forth in Exhibit E and in the Investment
Policy applicable to each pool or portfolio established pursuant to this Trust Agreement and in a manner that maintains the 'AAAm' or equivalent rating of any pool or portfolio established pursuant to this Agreement. The Board and the Participants delegate no investment discretion to the Program Administrator hereunder to invest in investments not meeting the criteria set forth in Exhibit E, and the Program Administrator expressly refuses to accept any delegation of such discretion. The decision concerning which criteria shall be contained on Exhibit E shall remain at all times under the control of the Board of Trustees. The Board of Trustees shall ensure that the criteria set forth on Exhibit E are permitted by and consistent with the standards and the duty of care set forth in the Act.

(d) Each Participant directs the Custodian to act and the Custodian agrees to act in accordance with the instructions of the Program Administrator that shall act in a manner consistent with this Agreement. The Program Administrator shall at no time have custody of, possession of, or physical control over any of the Investment Property. If a Participant in error delivers Investment Funds for investment to the Program Administrator instead of to the Custodian, the Program Administrator shall immediately transfer such Investment Funds to the Custodian. The Program Administrator shall not be liable for any act or omission of the Custodian but shall be liable for the Program Administrator's acts and omissions as provided herein. Under no circumstance shall the Program Administrator be authorized or permitted to withdraw or instruct the Custodian to withdraw Investment Property maintained with the Custodian unless acting upon the request of a Participant pursuant to Section 2.2 (a).

4.2 Monthly Statements

(a) Within 15 days subsequent to the end of each month, the Program Administrator shall, on behalf of the Board of Trustees, prepare and submit to each Participant who was a Participant during such month a statement setting forth the information required by Section 2256.016(c)(2) of the Act.

(b) The Program Administrator, upon the request of a Participant, shall furnish to the Participant a statement of such Participant's balance(s) as of the date of such request subject only to account activity as of such date, provided that such request is received by the Program Administrator by 5:00 p.m. CT on a given date.

4.3 Reports

(a) The Program Administrator shall prepare or cause to be prepared:

(i) at least annually a report of operations containing a statement of the Investment Property and the Investment Property Liabilities and statements of operations and of net changes in net assets prepared in conformity with generally accepted accounting principles consistently applied and;
(ii) at least annually an opinion of an independent certified public accountant on such financial statements based on an examination of the books and records of the Program Administrator with respect to the Investment Property performed in accordance with generally accepted auditing standards. A copy of such signed report of operations and accountant’s opinion shall be filed with the Board of Trustees and the Participants within ninety (90) days after the close of the period covered thereby.

(b) The Program Administrator shall provide to the Board, on an annual basis, the Certification substantially as set forth in Exhibit H.

(c) The Program Administrator shall provide to the Board the Securities and Exchange Commission form ADV filing of Public Trust Advisors, LLC within ninety (90) days of such filing.

(d) The Program Administrator shall provide to the Board, on an annual basis, the Public Trust Advisors, LLC disaster/contingency plan for the protection of the assets of Texas CLASS and any other pool or portfolio established pursuant to this Trust Agreement.

4.4 Investment Activities and Powers - Subject to the supervision of the Board of Trustees and consistent with Section 4.1 (c), the investment criteria set forth in Exhibit E, and the Investment Policies, the Program Administrator shall perform the following services:

(a) advise the Board of Trustees concerning investments that appear to the Program Administrator to be advantageous to the Participants within the investment criteria set forth in Exhibit E and within all applicable law provided, however, the Board of Trustees shall have the duty to inform the Program Administrator of any changes to the Act;

(b) implement or cause to be implemented securities transactions for the Trust on behalf of the Board of Trustees and the Participants as permitted by the investment criteria set forth in Exhibit E (including without limitation by executing or causing to be executed on behalf of and as an agent of the Trust agreements and other documents containing representations, warranties, and covenants that are common or standard for such agreements and documents within the investment industry) or, despite the intention of the parties hereto to always have the Investment Property fully invested, cause the Custodian to hold the Investment Property uninvested in a custodial account maintained for the benefit of the Trust;

(c) from time-to-time, review the permitted investments and the investment criteria set forth in Exhibit E and, if circumstances and applicable law permit, recommend changes in such permitted investments and such investment criteria;

(d) provide such advice and information to the Participants and the Board of Trustees on matters related to investments as the Participants or the Board of Trustees may
reasonably request including, without limitation, research and statistical data concerning the Investment Property and other matters within the scope of the permitted investments and investment criteria set forth in Exhibit E;

(e) advise whether and in what manner all rights conferred by the Investment Property should be exercised;

(f) prepare such information and material as may be required in the implementation of the Valuation Procedures or the computation of the balance(s) and the preparation of any and all records and reports required by this Agreement or applicable laws; and

(g) employ, consult with, obtain advice from, and exercise any of the Program Administrator's rights or powers under this Agreement through the use of agents including investment advisors, brokers, dealers, auditors and legal counsel (who may be counsel to the Program Administrator or the Board of Trustees), or other advisors. Notwithstanding Section 10.9 hereof, the Program Administrator may transmit information concerning the Investment Property and the Participants to such agents.

4.5 Daily Calculation of Program Value and Rate of Return

(a) The Program Administrator shall calculate the Investment Property Value once on each business day at the time and in the manner provided in the Valuation Procedures.

(b) Upon performing the valuation specified in Section 4.5(a) hereof, the Program Administrator shall calculate (rounding off to the nearest whole cent) the balance of each Participant, and each balance of each of the Participants shall be adjusted proportionately so that the total balances of all the Participants equals the Investment Property Value.

(c) For purposes of calculating the Investment Property Value, the amount of any uncertain or contingent Investment Property Liability shall be deemed to be equal to the amount of the reserve, if any, against such Investment Property Liability that has been approved from time-to-time by the Program Administrator.

(d) For purposes of calculating the Investment Property Value, if the value of any part of the Investment Property is uncertain or contingent, the value of such part of the Investment Property shall be deemed to be equal to the amount determined from time-to-time by the Program Administrator.

(e) The Program Administrator shall calculate daily the rate of return earned on the Investment Property.

4.6 Administration of Program - The Program Administrator shall perform the following administrative functions on behalf of the Board of Trustees in connection with the implementation of this Agreement:
Exhibit 1

(a) collect and maintain for such time period as may be required under any applicable Federal or Texas law written records of all transactions affecting the Investment Property or the balances including but not limited to (a) investments by and payments to or on behalf of each Participant; (b) acquisitions and dispositions of Investment Property; (c) pledges and releases of collateral securing the Investment Property; (d) determinations of the Investment Property Value; (e) adjustments to the Participants' Balances; and (f) the current Balance and the Balances at the end of each month for each Participant. There shall be a rebuttable presumption that any such records are complete and accurate. On behalf of each Participant, the Program Administrator shall maintain the records relating to such Participant in a manner that subdivides the Participant's balance into subaccounts or other special accounts to accommodate the desire of such Participant to segregate a portion of its Investment Funds;

(b) assist in the organization of the annual meeting required by Section 3.1 (a) hereof and of meetings of the Board of Trustees including preparation and distribution of the notices and agendas therefore;

(c) respond to all inquiries and other communications of Participants, if any, that are directed to the Program Administrator or, if any such inquiry or communication is more properly addressed by an officer of the Custodian, referring such inquiry or communication to such person and coordinating his response thereto;

(d) pay all Investment Property Liabilities in accordance with this Agreement from the Investment Property and engage in marketing activities to promote participation of Texas governmental entities in the Trust.

(e) engage in marketing activities to promote participation of Texas governmental entities in the Trust.

4.7 Resignation and Removal

(a) The Program Administrator may resign as Program Administrator upon the giving of at least sixty (60) days' prior written notice of such resignation to the Board of Trustees and the Custodian.

(b) A majority of the Board of Trustees may remove the Program Administrator upon the giving of at least sixty (60) days' prior written notice to the Program Administrator and the Custodian.

(c) In the event that the Program Administrator shall give notice of its resignation or if the Board of Trustees shall give notice of the removal of the Program Administrator, a majority of the Board of Trustees shall appoint a successor.

(d) Upon notification of the removal or resignation of the Program Administrator, the Program Administrator shall deliver to the Board all data and records pertaining to Texas
CLASS and its Participants within 60 days of the notification of removal or resignation provided, however, that the Program Administrator may retain copies of any such data and records required to be retained by it by law or in compliance with the requirements of its corporate records retention policy. The Program Administrator shall continue to administer Texas CLASS until a successor program administrator is appointed by the Board under the terms of this Agreement.

(e) If a new program administrator is not appointed by the Board within 60 days of a notification of removal or resignation of the Program Administrator, the Program Administrator shall continue to administer Texas CLASS until a successor program administrator is selected but shall be compensated for such administration pursuant to an agreement to be negotiated between the Program Administrator and the Board.

4.8 Liability

(a) Each Participant agrees that the Program Administrator and its officers, directors, agents, and employees shall not be liable for any action performed or omitted to be performed or for any errors of judgment made in good faith in connection with any matters to which this Agreement relates provided that such disclaimer shall not relieve any of them for liability arising from negligence, malfeasance, material breach of this Agreement by the Program Administrator, or violation of applicable law by any of them (Program Administrator Liabilities). Nothing herein shall constitute a waiver or limitation of any rights that the Participants may have under any Federal or state securities laws.

(b) Each Participant, the Board of Trustees, and the Custodian understand that in performing its services hereunder, the Program Administrator will rely on information provided by others and agree that the Program Administrator is not responsible for the accuracy of such information.

4.9 Power to Receive Investment Advice - The Program Administrator shall have the right, at its own cost, to receive investment advice concerning the Investment Property from any other third party. Notwithstanding the provisions of Section 10.9 hereof, the Program Administrator may transmit information concerning the Investment Property and the Participants to such other third parties in order to obtain such investment advice. The Program Administrator shall notify the Board of Trustees if any third parties are retained pursuant to this Section 4.9 within 45 days of such retention.

4.10 Advice to Other Clients - It is understood that the Program Administrator performs investment advisory services for various clients. The Participants agree that the Program Administrator may give advice and take action with respect to any of its other clients that may differ
from the advice given to or the timing or nature of action taken with respect to the Investment Property provided that the policy and practice of the Program Administrator is not to favor or disfavor consistently or consciously any client or class of clients in the allocation of investment opportunities and that, to the extent practical, such opportunities are allocated among clients over a period of time on a fair and equitable basis. Nothing herein contained shall be construed so as to prevent the Program Administrator or any of its directors, officers, employees, shareholders, or affiliates in any way from purchasing or selling any securities for its or their own accounts prior to, simultaneously with, or subsequent to any recommendation or actions taken with respect to the Investment Property or impose upon the Program Administrator any obligation to purchase or sell or to recommend for purchase or sale for the Investment Property any security that the Program Administrator or any of its shareholders, directors, officers, employees, or affiliates may purchase or sell for its or their own accounts or for the account of any other client, advisory or otherwise, provided, however, that the Program Administrator shall always use its best efforts to maximize the gains for the Investment Property in a manner consistent with the investment criteria set forth in Exhibit E hereof.

4.11 Special Subaccounts - Notwithstanding anything in this Agreement to the contrary, the Program Administrator may, from time-to-time, propose to the Participants that the Participants establish specially designated subaccounts with investment, payment procedures, fees, or other characteristics different from those set forth in this Agreement. Such characteristics may include, without limitation, certain restrictions on amounts to be invested, holding periods prior to payments, or certain other conditions to be met for payments such as possible payment penalties or additional fees for administering such specially designated subaccounts. In its sole discretion, a Participant may create any such special subaccount using the same procedures for establishing other subaccounts set forth in this Agreement. The establishment of such special subaccounts shall not be deemed an amendment of this Agreement. Any special subaccount that is created pursuant to this Section 4.11 shall be subject to the terms set forth in the proposal of the Program Administrator until the terms governing such special subaccount are amended pursuant to this Agreement. The Program Administrator may calculate the return realized by such special subaccounts separate and apart from the returns realized by other subaccounts maintained for each Participant.

4.12 Intellectual Property

(a) The Trust will own all Intellectual Property related to the name Texas Cooperative Liquid Assets Securities System Trust and Texas CLASS. For purposes of this section, Intellectual Property shall mean all of the rights relating to the names Texas Cooperative Liquid Assets Securities System Trust and Texas CLASS including copyrights, trademark and service mark rights, trade dress rights, rights of publicity, website, and the Internet domain rights. Public Trust Advisors, LLC makes no representation or warranty that it owns any Intellectual Property rights in those names and that there are no third parties who may claim
(b) Public Trust Advisors, LLC hereby assigns all Intellectual Property rights that it has or may have that are not otherwise conveyed by other instrument or party to the Trust. Public Trust Advisors, LLC represents and warrants to the Board that it has the right and authority to transfer to the Trust all Intellectual Property that it has or may have in each case to the extent such Intellectual Property is reasonably necessary for the Trust’s ownership, operating, and full enjoyment of the name Texas Cooperative Liquid Assets Securities System Trust and Texas CLASS. The Board assigns to Public Trust Advisors, LLC an irrevocable license curing the term of the Public Trust Advisors, LLC tenure as Program Administrator to use all Intellectual Property rights described herein in connection with the administration of the Trust.

ARTICLE V

The Custodian

5.1 Appointment and Acceptance; Sub-Custodians

(a) Wells Fargo Bank, N.A., as Custodian, is appointed by each of the Participants to be the Custodian for the collective interests of the Participants under this Agreement for the period and on the terms set forth herein. The Participants hereby delegate to the Custodian the authority to hold legal title to investments purchased with their funds pursuant to Section 2256.016(d) of the Act. Wells Fargo Bank, N.A., as Custodian, accepts such appointment and agrees to render the services and to assume the obligations set forth herein for the compensation herein provided.

(b) The Custodian may employ other banks and trust companies as subcustodians including without limitation affiliates of the Custodian. The appointment of a subcustodian under this Section shall not relieve the Custodian of any of its obligations under this Agreement.

(c) No Investment Funds or Investment Property received or held by the Custodian pursuant to this Agreement shall be accounted for in any manner that might cause such Investment Funds or Investment Property to become assets or liabilities of the Custodian.

5.2 Resignation and Removal; Successors

(a) The Custodian may resign upon the giving of at least sixty (60) days' prior written notice to the Board of Trustees and the Program Administrator. A majority of the Board of Trustees may remove the Custodian upon at least sixty (60) days' prior written notice to the
Custodian and the Program Administrator. Notwithstanding the foregoing, the resignation or removal of the Custodian shall not be deemed effective unless a successor has been chosen pursuant to Section 5.2(b) hereof. In the event that assets remain in the possession of the Custodian due to the failure of the Board of Trustees to appoint a successor custodian, the Custodian shall be entitled to compensation for its services during such period, and the provisions of this Agreement relating to the duties and obligations of the Custodian shall remain in full force and effect. Alternatively, the Custodian shall have the right to commence an action in the nature of an interpleader and seek to deposit the assets in a court of competent jurisdiction.

(b) In the event that the Custodian shall give notice of its resignation or if the Board of Trustees shall give notice of the removal of the Custodian, a majority of the Board of Trustees shall appoint a successor provided, however, that so long as the Program Administrator is required to pay the fees of the Custodian pursuant to Article VI hereof, the appointment of such successor custodian shall require the prior written consent of the Program Administrator.

5.3 Powers

(a) (i) The Custodian is authorized and directed to open and maintain, and the Custodian shall open and maintain, one or more custody accounts for the benefit of the Trust (the Account) in the name of "[Name of Custodian] as Custodian for the Benefit of Texas CLASS® (and/or the name of such other pool or portfolio as established pursuant to this Trust Agreement) and will accept for safekeeping and for credit to the accounts, in accordance with the terms hereof, all securities representing the investment of Investment Funds pursuant to Section 2.1 hereof and the income or earnings derived therefrom. The Custodian may accept funds hereunder for the purchase of securities to be held by the Custodian and shall not be required to make an independent determination whether such funds are Investment Funds.

(ii) Except as provided in Section 5.3(c)(iii), all securities and other non-cash Investment Property held in each account shall be physically segregated from other securities in the possession of the Custodian and from other pools or portfolios established pursuant to this Trust Agreement and shall be identified as subject to this Agreement.

(b) In accordance with instructions of the Program Administrator who shall act in a manner consistent with this Agreement, the Custodian shall, for the account and benefit and burden of the Participants:

(i) receive and deliver Investment Funds and all other Investment Property in accordance with the requests of Participants pursuant to Article II and Exhibits A and B hereof;

(ii) exchange securities in temporary or bearer form for securities in definitive
or registered form and surrender securities at maturity or earlier when advised of a call for redemption;

(iii) make, execute, acknowledge, and deliver as Custodian any and all documents or instruments (including but not limited to all declarations, affidavits, and certificates of ownership) that may be necessary or appropriate to carry out the powers granted herein;

(iv) make any payments incidental to or in connection with this Section 5.3(b);

(v) sell, exchange, or otherwise dispose of any and all Investment Property free and clear of any and all interests of the Trust and any and all Participants at public or private sale, with or without advertisement; and execute and deliver any deed, power, assignment, bill of sale, or other instrument in connection therewith;

(vi) with respect to enforcing rights in connection with the Investment Property: (a) collect, sue for, receive, and receipt for all sums of money or other personal property due; (b) consent to extensions of the time for payment or to the renewal of any securities, investments, or obligations; (c) engage or intervene in, prosecute, defend, compromise, abandon, or adjust by arbitration or otherwise any actions, suits, proceedings, disputes, claims, demands, or things relating to the Investment Property; (d) foreclose on any personal property, security, or instrument securing any investments, notes, bills, bonds, obligations, or contracts that are part of or relate to the Investment Property; (e) exercise any power of sale and convey good title thereunder free of any and all interests of any and all Participants and in connection with any such foreclosure or sale, purchase, or otherwise acquire title to any personal property; (f) be a party to the reorganization of any person and transfer to and deposit with any corporation, committee, voting trustee, or other person any securities, investments, or obligations of any person that form a part of the Investment Property for the purpose of such reorganization or otherwise; (g) participate in any arrangement for enforcing or protecting the interests of the holders of such securities, investments, or obligations and to pay any assessment levied in connection with such reorganization or arrangement; (h) extend the time (with or without security) for the payment or delivery of any debts or personal property and to execute and enter into releases, agreements, and other instruments; (i) pay or satisfy any debt or claims; and (j) file any financing statements concerning the Investment Property with the appropriate authorities to protect the Investment Property from any potential claim of any creditors of any of the Participants; and

(vii) exercise all other rights and powers to take any action in carrying out the purposes of this Agreement.
(c) (i) with respect to Investment Property held by the Custodian hereunder, the Custodian shall collect all income or other payments, release and deliver such Investment Property, and take any other action as directed by the Program Administrator with respect to dividends, splits, distributions, spinoffs, puts, calls, conversions, redemptions, tenders, exchanges, mergers, reorganizations, rights, warrants, or any other similar activity relating to the Investment Property held in the Account. The Custodian shall request direction of the Program Administrator upon receipt of actual notice of any such activity. For purposes of this paragraph, the Custodian shall be deemed to have actual notice if the Program Administrator informs the Custodian of such activity or if information concerning any such activity is published in one or more of the following publications: J.J. Kenny's Munibase System, Financial Card Service, Xcitek, Inc., Standard & Poors' Called Bond Listing, Depository Trust Reorganization Notices, and The Wall Street Journal. If the Custodian does not have actual notice of such activity, any such activity will be handled by the Custodian on a "best efforts" basis.

The Custodian shall not be under any obligation or duty to take action to effect collection of any amount if the assets on which such amount is payable are in default and payment is refused after due demand or presentation. The Custodian will, however, promptly notify the Program Administrator in writing of such default and refusal to pay.

The Custodian is not authorized and shall not disclose the name, address, or security positions of the Participants in response to requests concerning shareholder communications under Section 14 of the Securities Exchange Act of 1934, the rules and regulations thereunder, and any similar statute, regulation, or rule in effect from time-to-time;

(ii) the Custodian shall promptly deliver or mail to the Program Administrator all forms of proxies and all notices of meetings received by the Custodian relating to Investment Property held under this Agreement and, upon receipt of instructions from the Program Administrator, shall execute and deliver such proxies or other authorizations as may be required. Neither the Custodian nor its nominee shall vote any Investment Property or execute any proxy to vote the same or give any consent to take any other action with respect thereto (except as otherwise herein provided) unless directed to do so by Program Administrator upon receipt of instructions;

(iii) the Custodian shall hold the Investment Property (a) in its vaults physically segregated and held separate and apart from other property of the Custodian; (b) in its account at The Depository Trust Company or other depository, sub-custodian, or clearing corporation; or (c) in a book entry account with the Federal Reserve Bank in which case a separate accounting of the Investment Property shall be maintained by the Custodian at all times. The Investment Property held by any such depository, sub-custodian, clearing corporation, or Federal Reserve Bank may be held in the name of their respective nominees provided, however, that the custodial relationship and the interests of the Trust or the Participants regarding such Investment Property shall be
noted on the records kept by the Program Administrator and the custodial relationship on behalf of the Trust or the Participants shall be noted on the records of the Custodian and, to the extent possible, the Custodian shall cause the custodial relationship on behalf of Trust or the Participants to be noted on the records of such depository, sub-custodian, clearing corporation or Federal Reserve Bank. The Custodian shall not be obligated or liable for costs, expenses, damages, liabilities, or claims (including attorneys' or accountants' fees) that are sustained or incurred by reason of any action or inaction of the Federal Reserve Bank book entry system, The Depository Trust Company, or any other central depository or clearing agency which is or may become standard market practice to use for the comparison and settlement of securities trades provided, however, that nothing in this sentence shall relieve the Custodian of its obligations set forth in Section 5.1 (b) hereof regarding banks or trust companies selected as sub-custodians; and

(iv) the Custodian shall hold and physically segregate for each account all Investment Property owned by each account other than Investment Property held pursuant to 5.3(c)(iii)(b) and (c) above. Investment Property physically held by the Custodian (other than bearer securities) may be registered in the name of any nominee of Custodian, provided that the records of the Custodian provide that such Investment Property is held in a custodial capacity and that such Investment Property is not an asset of the Custodian or such nominee. All Investment Property accepted by Custodian under the terms of this Agreement shall be in negotiable form.

5.4 Custodial Relationship: Custodian Records

(a) The Custodian shall hold the Investment Property in its capacity as custodian for the benefit of the Trust. The Investment Property shall be custodial property of the Custodian and shall not be or be deemed to be an asset of the Custodian. Each Participant has an undivided beneficial interest in the Investment Property to the extent of such Participant's balance.

(b) The Custodian shall maintain its own internal records concerning the account(s) and the transactions contemplated by this Agreement, and the Custodian shall cause all of such records to reflect the custodial relationship created by this Agreement and the fact that the Investment Property in each account belongs to the Trust for the collective benefit of the Participants in each pool or portfolio established pursuant to this Trust Agreement, respectively. Notwithstanding the foregoing, the Program Administrator shall maintain all records regarding each Participant's beneficial interest in such Investment Property, and such records shall conclusively determine the beneficial interests of each Participant in the Investment Property segregated between the pools or portfolios in which such Investment Property is held. The records maintained by such Program Administrator shall be conclusively determinative of the beneficial interests of the Participants in each pool or portfolio.
established pursuant to this Trust Agreement, it being understood that the Custodian shall not be obligated to maintain records concerning the beneficial interest of individual Participants in the Investment Property.

5.5 Reliance on Instructions

(a) The Custodian is authorized to accept and shall be fully protected if it relies upon the instructions given by any authorized officer, employee, or agent of the Program Administrator including any oral instructions that the individual receiving such instructions on behalf of the Custodian believes in good faith to have been given by an authorized officer, employee, or agent of the Program Administrator, and all authorizations shall remain in full force and effect until canceled or superseded by subsequent instructions received by the appropriate account officer of the Custodian. The authorized officers, employees, or agents of the Program Administrator shall be only such persons as are designated in writing to the Custodian by the Program Administrator. The Custodian may rely on instructions received by telephone, tested telex, TWX, facsimile transmission, or by bank wire that the Custodian believes in good faith to have been given by an authorized person. The Custodian may also rely on instructions transmitted electronically through a customer data entry system or any similar electronic instruction system acceptable to the Custodian. Any instructions delivered to the Custodian by telephone shall promptly thereafter be confirmed in writing by an authorized person, but the Custodian will incur no liability for the Program Administrator's failure to send such confirmation in writing. Instructions are deemed given to the Custodian when actually received by the Custodian.

(b) In the absence of bad faith or negligence on its part, the Custodian may conclusively rely on the truth and correctness of the statements expressed in notices, certificates, or documents submitted to it, and the Custodian need not investigate any fact or matter stated in any such notice, certificate, or document submitted to it or verify the accuracy of the contents thereof.

5.6 Degree of Care

(a) The Custodian shall hold the Investment Property in the account(s) with the same degree of care and protection with which it holds its own property. The Custodian agrees that it shall be responsible for any loss of Investment Property caused solely by the negligence or bad faith of the Custodian or its agents or any material breach of this Agreement by the Custodian. The Custodian is hereby released from liability except for liability arising from the negligence or bad faith of the Custodian or its agents or from any material breach of this Agreement by the Custodian. In the event of any such loss of Investment Property, the Custodian shall promptly replace the Investment Property or the value thereof and the value of any such loss of rights or privileges resulting from such loss. The Custodian shall not be
responsible for the acts or omissions or solvency of any broker or agent selected by the Program Administrator to affect any transactions for the account(s).

(b) The Custodian shall not be liable for any error of judgment made in good faith by an employee, officer, or agent of the Custodian unless it was proved that the Custodian was negligent in ascertaining the pertinent facts.

(c) Except as provided in Section 5.6(a), the Custodian shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers unless it receives indemnity satisfactory to it for repayment of such funds or against such risk of liability.

(d) The Custodian shall have no discretion whatsoever with respect to the management, disposition, or investment of Investment Property and is not a fiduciary to the Program Administrator or the Participants. During the term of this Agreement, the Custodian may, with respect to questions of law and construction of this Agreement, apply for and obtain, at the cost of the Custodian, the advice and opinion of counsel of its choice and shall be fully protected with respect to anything done or omitted by it in good faith in conformity with such advice or opinion. The Custodian shall have no duties except those that are specifically set forth in this Agreement. The Custodian shall only be responsible for custody hereunder of Investment Property delivered to it and then only while such Investment Property is held in the Account.

5.7 Subrogation - At the election of a majority of the Board of Trustees, the Trust shall be entitled to be subrogated to the rights of the Custodian with respect to any claim against any other person or institution that the Custodian may have as a consequence of any loss or damage to the Investment Property. In such event, the Board of Trustees shall consult with the Custodian concerning selection of counsel and management of any litigation to recover for such loss.

5.8 Insurance

(a) The Custodian shall maintain insurance coverage the following types and amounts with limits agreed to be the Board of Trustees:

(b) Financial Institution Bond - $100,000,000

(c) Professional Liability - $100,000,000

5.9 Setoff - The Custodian shall not have, and shall not seek to enforce, any right of setoff, recoupment, or similar rights against the Investment Property for any amounts owed to the Custodian pursuant to this Agreement.
ARTICLE VI

Trust Expenses

6.1 Expenses

(a) In consideration of the performance of its obligations hereunder, the Program Administrator shall receive a fee from the Trust as set forth on Exhibit F, which fee shall be paid from the earnings of the Trust. The Program Administrator's fee shall be an Investment Property Liability. The Program Administrator shall submit a monthly bill to the chairman of the Board of Trustees for approval stating the amount of the fee for the previous month and providing sufficient information to demonstrate that the fee was calculated in accordance with Exhibit F. The chairman of the Board of Trustees is hereby given the authority to approve or disapprove the bills submitted by the Program Administrator. After receiving the approval of the chairman of the Board of Trustees of such bills, the Program Administrator shall submit such bills to the Custodian for payment, and the Custodian shall pay such bills from the earnings of the Trust. If the chairman of the Board of Trustees does not approve the bills submitted by the Program Administrator within 60 days of their submittal, the Program Administrator may present the bills to the Board of Trustees for review and approval.

(b) From its fee, the Program Administrator shall pay the following costs and expenses:

1. the Custodian's fee as set forth in Exhibit I;
2. all custodial and securities clearance transaction charges;
3. the costs of third parties retained by the Program Administrator to render investment advice pursuant to Section 4.9;
4. all Investment Property record-keeping expenses;
5. the costs of preparing monthly and annual reports;
6. the costs related to sales, marketing, and client service (including website maintenance and certain conference sponsorships);
7. the cost of valuing the Investment Property;
8. outgoing wire charges of the Custodian and the costs of Participant communications including Participant surveys and mailings;
9. the costs of the Trust's auditors and legal counsel;
10. the costs of meetings of the Participant or the Board of Trustees;
11. outgoing wire charges of the Custodian and the cost of obtaining a rating, if any;
12. expenses for Board and Participant meetings including Board travel and education expenses; and

13. the costs of Insurance for the Board and the Trust.

The Program Administrator and the Board of Trustees shall annually establish a budget for the Board's expenses including without limitation the expenses of the Board and committee meetings, the Participant meeting(s), Board travel and education expenses, legal fees, audit fees, and insurance the Program Administrator shall facilitate the payment of these expenses on behalf of the Board from its fee.

(c) Any expenses not paid by Public Trust Advisors, LLC above shall be as mutually agreed upon by the Program Administrator and the Board of Trustees.

ARTICLE VII

Representations and Warranties

7.1 Representations and Warranties of Each Participant - Each Participant hereby represents and warrants that:

(a) the Participant has taken all necessary actions and has received all necessary approvals and consents and adopted all necessary resolutions including without limitation as required by Section 2256.016(a) of the Act in order to execute and deliver this Agreement and to perform its obligations hereunder including without limitation the appointment of the Trustees as Trustees, the appointment of the Custodian as Custodian, and the appointment of the Program Administrator as Program Administrator; and

(b) the execution, delivery, and performance of this Agreement by the Participant is within the power and authority of the Participant and does not violate the laws of the state of Texas applicable to the Participant itself and not to the other parties hereto or the Participant's charter or its organizational statute, instrument, or documents or any other applicable local ordinance, resolution, rule, or regulation; and

(c) the execution, delivery, and performance of this Agreement has been duly authorized, and this Agreement is the legal, valid, and binding obligation of the Participant enforceable against the Participant in accordance with its terms subject to applicable bankruptcy, insolvency, moratorium, fraudulent conveyance, reorganization, and similar laws now or hereafter in effect relating to creditors' rights generally and subject to general principles of equity (whether applied in a proceeding at law or in equity); and

(d) the certificates delivered heretofore or hereafter by the Participant pursuant to this Agreement, as of the date specified therein, are true and complete and contain no material misstatements of fact or omissions that render them misleading; and
(e) the execution, delivery, and performance of this Agreement do not conflict with or result in the breach or termination of, or otherwise give any other person the right to terminate, or constitute a default, event of default, or an event with notice or lapse of time or both would constitute a default or an event of default under the terms of any contract or permit to which the Participant is a party or by which the Participant or its properties are bound; and

(f) the proposed investment strategies of the Trust are consistent with and are contemplated by the investment strategy adopted by the Participant pursuant to Section 2256.005(d) of the Act.

7.2 **Representations and Warranties of the Custodian** - The Custodian hereby represents and warrants that:

(a) the Custodian is a duly organized and validly existing national banking organization organized under the laws of the United States with an office in Dallas, Texas, and is duly qualified to conduct business in the state of Texas; and

(b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary action on the part of the Custodian and this Agreement is the legal, valid, and binding obligation of the Custodian enforceable against the Custodian in accordance with its terms subject to applicable bankruptcy, insolvency, moratorium, fraudulent conveyance, reorganization, and similar laws now or hereafter in effect relating to creditors' rights generally or the rights of creditors of banks, and subject to general principles of equity (whether applied in a proceeding at law or in equity); and

(c) the performance by the Custodian of its obligations under this Agreement does not violate any laws, rules or regulations of the State of Texas applicable to the Custodian itself and not to the other parties hereto.

7.3 **Representations and Warranties of the Program Administrator** - The Program Administrator hereby represents and warrants that:

(a) the Program Administrator is a duly organized and validly existing Colorado limited liability company, and is an investment advisor duly registered under the Investment Advisers Act of 1940; and

(b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of the Program Administrator and this Agreement is the legal, valid and binding obligation of the Program Administrator, enforceable against the Program Administrator, in accordance with its terms subject to applicable bankruptcy, insolvency, moratorium, fraudulent conveyance, reorganization and similar laws now or hereafter in effect relating to creditors' rights generally, and subject to
general principles of equity (whether applied in a proceeding at law or in equity); and

(c) the performance by the Program Administrator of its obligations under this Agreement does not violate any laws, rules, or regulations of the state of Texas applicable to the Program Administrator itself and not to the other parties hereto.

ARTICLE VIII

Covenants

8.1 Source of Investments - Each Participant hereby covenants that it will invest, pursuant to Section 2.2, only Investment Funds that are permitted to be invested by it pursuant to the laws of the state of Texas and any charter, instrument, organizational document, or organizational statute applicable to such Participant and any state or local ordinance, resolution, rule, or regulation applicable to such Participant and that it will perform all actions required by the laws of the state of Texas and any charter, instrument, organizational document, or organizational statute applicable to such Participant and any state or local ordinance, resolution, rule, or regulation applicable to such Participant to be done prior to such investment.

8.2 Truth of Representations and Warranties - Each party to this Agreement hereby covenants that it shall withdraw from this Agreement prior to the time any of the representations and warranties made by it in Article VII hereof ceases to be true.

ARTICLE IX

Amendment and Termination

9.1 Amendment

(a) Unless explicitly set forth otherwise herein, this Agreement may be amended only by a writing consented to by the Program Administrator, the Custodian, and the Trust acting through the Board of Trustees.

(b) Any amendment executed pursuant to Section 9.1(a) hereof will be effective thirty (30) days after notice is mailed to the Participants setting forth such amendment and stating that the last consent required by Section 9.1(a) hereof has been obtained.

(c) Notwithstanding the foregoing, Exhibit E may be amended by the written consent of a majority of the Board of Trustees. Any such amendment shall become effective thirty (30) days after notice is mailed to the Program Administrator, the Custodian, and the Participants.
setting forth such amendment and stating that such amendment has been consented to by a majority of the Board of Trustees.

(d) Notwithstanding the foregoing, Exhibits A, B, and C may be amended by the Program Administrator. Any such amendment shall become effective thirty (30) days after notice is mailed to the Participants and the Custodian setting forth such amendment.

(e) Notwithstanding the foregoing, Exhibit G may be amended by an amendment consented to by the Program Administrator and the Custodian. Any such amendment shall become effective upon the obtaining of such consents.

(f) All Participants that remain Participants after any amendment becomes effective shall be deemed to have consented to the amendment.

9.2 Termination

(a) This Agreement shall continue in full force and effect unless terminated as set forth in this Section 9.2. This Agreement may be terminated at any time pursuant to a duly adopted amendment hereto. This Agreement shall terminate automatically if this Agreement is not amended to name a new Custodian or Program Administrator on or before the day that is immediately prior to the date on which the resignation, withdrawal, or removal of the Custodian or Program Administrator would otherwise become effective.

(b) Upon the termination of this Agreement pursuant to this Section 9.2:

(i) The Custodian, the Board of Trustees, the Trust, and the Program Administrator shall carry on no business in connection with the Investment Property except for the purpose of satisfying the Investment Property Liabilities and winding up their affairs in connection with the Investment Property;

(ii) The Custodian, the Board of Trustees, the Trust, and the Program Administrator shall proceed to wind up their affairs in connection with the Investment Property, and all of the powers of the Custodian, the Board of Trustees, the Trust, and the Program Administrator under this Agreement shall continue until the affairs of the Custodian, the Board of Trustees, the Trust, and the Program Administrator in connection with the Investment Property shall have been wound up including but not limited to the power to collect amounts owed, sell, convey, assign, exchange, transfer, or otherwise dispose of all or any part of the remaining Investment Property to one or more persons at public or private sale for consideration that may consist in whole or in part of cash, securities, or other property of any kind, discharge or pay Investment Property Liabilities and do all other acts appropriate to liquidate their affairs in connection with the Investment Property; and

(iii) After paying or adequately providing for the payment of all Investment
Property Liabilities and upon receipt of such releases, indemnities, and refunding agreements as each of the Custodian, the Board of Trustees, the Trust, and the Program Administrator deem necessary for their protection, the Program Administrator shall direct the Custodian to distribute the remaining Investment Property, in cash or in kind or partly in each, among the Participants according to their respective proportionate balances.

(c) Upon termination of this Agreement and distribution to the Participants as herein provided, the Program Administrator shall execute and lodge among the records maintained in connection with this Agreement an instrument in writing setting forth the fact of such termination, and the Program Administrator, the Custodian, the Board of Trustees, and the Participants shall thereupon be discharged from all further liabilities and duties hereunder, the Trust shall cease, and the rights and benefits of all Participants hereunder shall cease and be canceled and discharged; provided that Sections 4.6(a), 4.8 and 5.6 hereof shall survive any resignation or termination of the Program Administrator or the Custodian or any termination of this Agreement.

(d) If this Agreement is terminated pursuant to Section 9.2 (a) hereof because of the resignation and/or removal of the Program Administrator, such resignation and/or removal shall be postponed until the instrument contemplated by Section 9.2(c) hereof has been executed and lodged among the records maintained in connection with this Agreement.

(e) Notwithstanding the above, one or more separate pools or portfolios established pursuant to this Trust Agreement may be terminated and its assets distributed to the Participants of that pool or portfolio. The dissolution of a pool or portfolio established pursuant to this Trust Agreement does not affect any other pool or portfolio established pursuant to this Trust Agreement. No pool or portfolio established pursuant to this Agreement shall have any right to or claim on the assets of any other pool or portfolio established pursuant to this Agreement.

ARTICLE X

Miscellaneous

10.1 Governing Law - This Agreement is executed by the Participants and delivered in the state of Texas and with reference to the laws thereof, and the rights of all parties and the validity, construction, and effect of every provision hereof shall be subject to and construed according to the laws of the state of Texas.

10.2 Counterparts - This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall
constitute but one and the same instrument that shall be sufficiently evidenced by any such original counterpart.

10.3 **Severability** - The provisions of this Agreement are severable, and if any one or more of such provisions (the Conflicting Provisions) are in conflict with any applicable laws, the conflicting provisions shall be deemed never to have constituted a part of this Agreement, and this Agreement may be amended pursuant to Section 9.1 hereof to remove the conflicting provisions; provided, however, that such conflict or amendment shall not affect or impair any of the remaining provisions of this Agreement or render invalid or improper any action taken or omitted prior to the discovery or removal of the conflicting provisions.

10.4 **Pools Separately Managed** - Separate pools or portfolios established and operated pursuant to the Trust Agreement shall be managed and operated separately and independently by the Program Administrator. There shall be no co-mingling of funds between pools or portfolios, and Participants in one pool or portfolio established pursuant to this Trust Agreement shall have no claim on the funds or assets of another pool or portfolio established pursuant to this Trust Agreement, and investment earnings shall remain in the pool or portfolio in which they are realized.

10.5 **Gender Section Headings and Table of Contents**

(a) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(b) Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof shall be solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction, or effect.

10.6 **No Assignment** - No party hereto may sell, assign, pledge, or otherwise transfer any of its rights or benefits under this Agreement to any other person, and any purported sale, assignment, pledge, or other transfer shall be null and void.

10.7 **No Partnership** - Other than the creation of the Trust by the Participants hereunder, no provision of this Agreement shall create or constitute an association of two or more persons to carry on as co-owners a business for profit, and none of the parties intends this Agreement to constitute a partnership or any other joint venture or association.
10.8 **Notice** - Unless oral notice is otherwise allowed in this Agreement, all notices required to be sent under this Agreement:

(a) shall be in writing;

(b) shall be deemed to be sufficient if given by (i) depositing the same in the United States mail, postage prepaid, or (ii) electronically transmitting such notice by any means such as by facsimile transmission, telegraph, telex, or computer hookup; or (iii) by depositing the same with a courier delivery service, addressed to the person entitled thereto at his address or phone number as it appears on the records maintained by the Program Administrator;

(c) shall be deemed to have been given on the day of such mailing, transmission, or deposit; and

(d) any of the methods specified in Section 10.7(b) shall be sufficient to deliver any notice required hereunder notwithstanding that one or more of such methods may not be specifically listed in the sections hereunder requiring such notice.

10.9 **Entire Agreement** - Except with respect to the letter described in Exhibit G between the Custodian and the Program Administrator, this Agreement shall constitute the entire agreement of the parties with respect to the subject matter and shall supersede all prior oral or written agreements in regard thereto.

10.10 **Confidentiality**

(a) All information and recommendations furnished by the Program Administrator to the Participants or the Board of Trustees that is marked confidential and all information and directions furnished by the Program Administrator to the Custodian shall be regarded as confidential by each such person to the extent permitted by law. The Program Administrator and the Custodian shall regard as confidential all information concerning the Investment Property and the affairs of the Trust and Participants. Nothing in this paragraph shall prevent any party from divulging information as required by law or from divulging to civil, criminal, bank, or securities regulatory authorities where such party may be exposed to civil or criminal proceedings or penalties for failure to comply or to prevent the Program Administrator from distributing copies of this Agreement or the aggregate value of the Trust to third parties provided, however, confidential information shall not include (i) information that is independently developed or obtained by a party without the use of information provided by any other party; or (ii) information that is otherwise available to the public.

(b) In the event that online terminals or similar electronic devices are used for communication from the Program Administrator to the Custodian or from the Participants to either the Program Administrator or the Custodian, the Program Administrator and the Participants agree to safeguard and maintain the confidentiality of all passwords or numbers
and to disclose them only to such of its employees and agents as reasonably require access to the information concerning the Investment Property. The Custodian agrees to safeguard and maintain the confidentiality of all passwords or numbers and to limit access to this information for the purpose of acting pursuant to this Agreement. The Custodian and the Program Administrator may electronically record any instructions given by telephone and any other telephone discussions with respect to the Account or transactions pursuant to this Agreement.

10.11 Disputes - In the event of any dispute between the parties, the parties agree to attempt to resolve the dispute through negotiation or a method of alternative dispute resolution. No litigation shall be commenced without a certification by an authorized officer, employee, or agent of any party that the dispute cannot be resolved by negotiation or alternative dispute resolution provided in writing at least ten days before commencing legal action.

10.12 Majority of Participants - Whenever any provision hereof refers to a majority of the Participants, such majority shall be determined based upon the number of Participants at that time and shall not be determined by a reference to the balance of each Participant.

10.13 Writings - Whenever this Agreement requires a notice, instruction, or confirmation to be in writing or a written report to be made or a written records to be maintained, it shall be sufficient if such writing is produced or maintained by electronic means or maintained by any other photo static, photographic, or micrographic data storage method such as microfiche as well as on paper.

10.14 Effective Date - This Agreement shall become effective on the effective date.
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in its name and on its behalf as of the date first written above.

Public Trust Advisors, LLC

By: ____________________________
Name: Randy S. Palomba
Title: Managing Director

By: ____________________________
Name: Thomas D. Jordan
Title: Chief Executive Officer
Wells Fargo Bank, N.A.
as Custodian

By: ____________________________
Name: __________________________
Title: __________________________

THE PARTICIPANTS IN THE TRUST THAT HAVE ENTERED INTO THIS AGREEMENT

By: ____________________________
Chair, Board of Trustees of the Trust

By: ____________________________
Secretary, Board of Trustees of the Trust
Wells Fargo Bank, N.A.
as Custodian

By: [Signature]
Name: [Signature]
Title: Vice President

THE PARTICIPANTS IN THE TRUST THAT HAVE ENTERED INTO THIS AGREEMENT

By: ____________________________
Chair, Board of Trustees of the Trust

By: ____________________________
Secretary, Board of Trustees of the Trust
EXHIBIT A

Investment Procedures

1) A Participant shall provide notification to the Program Administrator via methods acceptable to the Program Administrator indicating the amount to be invested and, if more than one fund or account with Texas CLASS has been established, into which fund or account such amount shall be invested (there is no minimum investment). The Participant shall instruct its bank depository to wire Investment Funds to the corresponding account at the Custodian.

2) Receipt of the Program Administrator prior to the cut-off time established pursuant to the Texas CLASS website, accessible at https://www.texasclass.com, of notification of Investment Funds being deposited will cause the value of the Investment Funds to be credited and earn interest on the same business day.

3) Receipt by the Program Administrator after the cut-off time established pursuant to the Texas CLASS website, accessible at https://www.texasclass.com, of notification of Investment Funds being deposited will cause the value of the Investment Funds to be credited and earn interest on the next business day.

4) If Investment Funds for which notification of deposit has been given are not received (except if the Participant can show the contribution procedures have been followed) by the end of the business day on which such notification is given, the Program Administrator shall deduct the value of such Investment Funds from the Participant's balance if previously credited. If the Participant fails to instruct its bank depository to wire Investment Funds before the cut-off time established pursuant to the Texas CLASS website, accessible at https://www.texasclass.com, on the day notice of the deposit is provided to the Program Administrator, the Participant's balance shall be charged interest equal to any interest earned on such failed deposit for each day the Participant's balance was credited with the deposit before the date the deposit was received. If the Participant can show the contribution procedures have been followed and, notwithstanding, the Investment Funds are not received, then the Program Administrator shall seek to obtain such Investment Funds from the party responsible for the failure of delivery.

5) Participants are prohibited from withdrawing Investment Funds credited to their balance(s) pursuant to (2) and (3) above until such Investment Funds are received by the Custodian.

6) These investment procedures may be amended from time-to-time pursuant to Section 9.1(d) hereof provided, however, that the Program Administrator will only change the times set forth above after consulting with the Custodian.
EXHIBIT B

Payment Procedures

1) The Participant shall provide notification to the Program Administrator via methods acceptable to the Program Administrator indicating the amount to be withdrawn and, if more than one fund or account within Texas CLASS has been established, from which fund or account such amount shall be withdrawn.

2) The Participant shall indicate the payee and include wire or ACH instructions.

3) Requests for withdrawals received by the Program Administrator by the cut-off time established pursuant to the Texas CLASS website, accessible at https://www.texasclass.com, will be processed to permit payment on the business day.

4) Requests for withdrawals received by the Program Administrator after the cut-off time established pursuant to the Texas CLASS website, accessible at https://www.texasclass.com, will be processed the following business day.

5) Participants may only request withdrawals from an account of an amount not to exceed their balance in such account at the time payment is made pursuant to such request.

6) Requests for withdrawals received in accordance with (3) above by the Program Administrator shall be wired or processed through ACH in accordance with the Participant's instructions after noon on such business day, and the funds so wired or processed through ACH shall be immediately available funds.

7) These payment procedures may be amended from time to time pursuant to Section 9.1 (d) hereof, provided, however, that the Program Administrator will only change the times set forth above after consulting with the Custodian.
EXHIBIT C

Valuation Procedures

1. Portfolio Valuation

   a. **Amortized Cost Valuation** - On a daily basis, normally at 3:00 p.m. ET, the Investment Property Value shall be determined using the amortized cost valuation method. The amortized cost valuation method involves initially valuing a security at its cost and thereafter accreting to maturity any discount or amortizing to maturity any premium, regardless of the impact of fluctuating interest rates on the market value of the instrument.

   b. **Mark-to-Market** - At least daily, the Investment Property Value shall be determined on a mark-to-market basis as follows:

      The Program Administrator shall determine the market value of the specific investment holdings for the Texas CLASS pool or portfolio. The market values shall be obtained from one or more sources that the Program Administrator believes to be reliable for providing such information. A credible pricing source will be used by the Program Administrator to price the underlying securities on a daily basis.

      The market value of the collateral supporting repurchase agreements that are "delivery versus payment" shall be determined by the portfolio manager for each portfolio using the current bid price of the collateral securities obtained from Bloomberg L.P.

      The market value of the collateral supporting tri-party repurchase agreements shall be determined by the tri-party custodian. The tri-party custodian will forward a collateral report to the Texas CLASS operations team every business day.

2. Amendment

These Valuation Procedures may be amended from time-to-time pursuant to Section 9.1 (d) hereof.
EXHIBIT D

Participation Certificate

The undersigned _________________ does hereby request that it be admitted as a Participant pursuant to Section 2.3 of the Eighth Amended and Restated Trust Agreement (the Agreement) dated as of April 8, 2019, by and between the Participants, Wells Fargo Bank, N.A. as Custodian, and Public Trust Advisors, LLC. By executing this Participation Certificate, the undersigned agrees that, upon the execution hereof by the Program Administrator, it will become subject to the same obligations and shall have the same rights as if it had executed the Agreement.

The undersigned hereby certifies that ___________________________ is the duly designated representative of the undersigned as required by the Agreement.

The undersigned hereby certifies that its governing body has taken all actions required by Section 2256.016 of the Public Funds Investment Act, Texas Government Code, in order for it to participate in the Trust created by the Agreement.

__________________________________________________________________________
(Name of Participant)

PARTICIPANT EXECUTION DATE

By: ________________________________
   Name: ________________________________
   Title: ________________________________

Accepted:

Public Trust Advisors, LLC

By: ________________________________
   Name: ________________________________
   Title: ________________________________
EXHIBIT E

Investment Criteria

1. General Objectives
   a. Legality: invest only in investments legally permissible under Texas law.
   b. Safety: minimize risk by managing portfolio investments so as to preserve principal and maintain a stable asset value. The Trust shall be managed so that the Trust shall receive the highest rating for a local government investment pool from a nationally recognized statistical rating organization for so long as such a rating is required by Texas law.
   c. Liquidity: manage portfolio investments to ensure that cash will be available as required to finance Participants' operations.
   d. Yield: maximize current income to the degree consistent with legality, safety, and liquidity.

2. General Standard - All investments made on behalf of the Trust shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives in order of priority:

   1. preservation of safety of principal;
   2. liquidity; and
   3. yield.

3. Investments - Investment Funds may be invested in any or all of the legal investments specified in Sections 2256.009 through 2256.016, Public Funds Investment Act, Texas Government Code, as the same may be hereafter amended or in any successor statute but only to the extent that such investments would be permitted by Rule 2a-7, as amended from time-to-time, promulgated by the United States Securities and Exchange Commission pursuant to the Investment Company Act of 1940, as amended (the Rule) if the Rule were applicable to the Trust. The investment criteria for any additional pools or portfolios established pursuant to the Agreement may provide for a more limited investment criteria or investment in only certain investments specified in the Public Funds Investment Act.

4. Amendments - These Investment Criteria may be amended from time-to-time pursuant to Section 9.1 (c) hereof.
EXHIBIT F

Program Administrator's Fee

For the performance of its obligations under this Agreement, the Program Administrator will charge a fee from the Investment Property Value (the Daily Fee) for each pool or portfolio established pursuant to this Agreement. This Daily Fee will accrue on a daily basis and be paid monthly in arrears and prorated for any portion of the month in which this Agreement is in effect.

The Daily Fee shall be calculated as follows: The Investment Property Value is multiplied by the Applicable Fee Rate and is divided by 365 or 366 days in the event of a leap year to equal the Daily Fee accrual. The Investment Property Value shall be based on the current day's shares outstanding. For weekend days and holidays, the shares outstanding for the previous business day will be utilized for the calculation of fees.

The Applicable Fee Rate shall be determined monthly on the first business day of each month for each pool or portfolio established pursuant to this Agreement and shall be calculated according to the schedule below which is applicable to each pool or portfolio established pursuant to this Agreement:

<table>
<thead>
<tr>
<th>Cumulative Balance</th>
<th>Fee Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>First $1,000,000,000</td>
<td>0.120%</td>
</tr>
<tr>
<td>Next $1,000,000,000</td>
<td>0.110%</td>
</tr>
<tr>
<td>Next $1,000,000,000</td>
<td>0.100%</td>
</tr>
<tr>
<td>Next Over $3,000,000,000</td>
<td>0.090%</td>
</tr>
</tbody>
</table>

Fees may be waived or abated at any time, or from time-to-time, at the sole discretion of the Program Administrator. Any such waived fees may be restored by the written agreement of the Board of Trustees in its sole discretion.

In the event that the Investment Property Value for each pool or portfolio established pursuant to this Agreement declines at any time to a level that would cause the Program Administrator's fee to equal an amount equal to or in excess of the remaining Investment Property Value, the fee shall be reduced to zero.

The blended fee shall never be greater than the yield to the Participants in the corresponding pool or portfolio.
EXHIBIT G

Custodian's Fee

**Rate Schedule** - The Program Administrator shall pay to the Custodian the costs and fees specified in the Fee Schedule effective April 1, 2013, from the Custodian to the Program Administrator as amended from time-to-time by the Program Administrator and the Custodian pursuant to Section 9.1(e) hereof.
Model Resolution or Ordinance:

Participation Agreement

Authorizing Participation in TexasTERM

WHEREAS ___________________________________________________________________ ("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the TexasTERM Local Government Investment Pool ("TexasTERM"), a public funds investment pool, was created on behalf of entities whose investment objectives in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

A. That Participant shall enter into a Participation Agreement to establish an account in its name in TexasTERM, for the purpose of transmitting local funds for investment in TexasTERM.

B. The Participant shall designate one or more individuals to act as "Authorized Representatives" of the Participant, in the manner provided in the form attached to this Participation Agreement, to transmit funds for investment in the Pool and to withdraw funds from the Pool from time to time, to issue letters of instruction, and take such other actions deemed necessary or appropriate for the investment of local funds.

C. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexasTERM receives a copy of any such amendment or revocation.

This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the _____ day of ___, 20___.

NAME OF PARTICIPANT: ____________________________________________________________

BY: __________________________________________________ ATTEST: _______________________

Signature

Printed Name

Title

Seal:

Signature

Printed Name

Title
DATE: July 9, 2019

SUBJECT: Contract Award for Consulting Engagement for the Universal Payment Processing Platform (UP3) Feasibility Study

RECOMMENDATION

Approval of a resolution authorizing the President/Executive Director or his designee to award a three-month contract for a consulting engagement with KPMG LLP to conduct a feasibility study exploring the expansion of the GoPass mobile application for a total authorized amount not to exceed $673,801.

COMMITTEE CONSIDERATIONS

- On June 18, 2018, the Public Affairs and Communication Committee unanimously moved to forward this item to the July 9, 2019, Committee-of-the-Whole Consent Agenda.

FINANCIAL CONSIDERATIONS

- This contract for a consulting engagement for a Universal Payment Processing Platform (UP3) Feasibility Study is included in the Office of the President's approved FY 2019 operating budget.

- Sufficient funding for this contract in the amount of $673,801 is included in the Office of the President's FY 2019 Operating Expense budget and the Total Operating Expense line item of the FY 2019 Twenty-Year Financial Plan.

BUSINESS PURPOSE

- DART’s GoPass mobile app was introduced in 2013 and included mobile ticketing, trip planning and access to special events, and offers as its primary areas of focus. Since then, DART has continued to expand the functionality and capabilities of the app to provide a better customer user experience by including additional payment options, and availability of on demand services, rideshare and other third-party transit options within the app to support Mobility as a Service.

- GoPass continues to be well received by customers and is nationally recognized within the industry in the areas of innovation and service.

- Based on the continued level of success of the app, DART is being encouraged to provide an expanded platform that other transit agencies could leverage for mobile app functionality and Mobility as a Service options.
As a result of the regional and national interest in GoPass and to determine the feasibility and future potential of providing an expanded platform, DART issued a Request for Proposals seeking a consultant to conduct market research, evaluate the existing technology value chain, and provide the following professional services to support this effort:

- Consulting services to advise DART on the feasibility of a GoPass mobile app national platform value proposition;
- Create the business case and conduct the market research required to determine if GoPass can be scaled up to a national level; and
- If feasible, develop a product roadmap for the agency to include the framework and direction required as well as the process required for determining pricing of these services and a go-to-market strategy.

Approval of this contract will help achieve Board Strategic Priority 1: Continually improve services and safety experiences and perceptions for customers and the public; and Strategic Priority 6: Innovate to improve levels of service, business processes, and funding.

PROCUREMENT CONSIDERATIONS

- On January 25, 2019, a Request for Qualifications (RFQ) notification was sent to 2,257 firms for Consulting Engagement for Universal Payment Processing Platform (UP3) Feasibility Study.
- By the closing date of February 13, 2019, four responses were received.
- On March 8, 2019, a Request for Proposals (RFP) notification was sent to two firms for the Consulting Engagement for Universal Payment Processing Platform (UP3) Feasibility Study.
- This will be an indefinite quantity contract, with firm fixed price task orders for a term of three-months.
- By the closing date of March 22, 2019, one proposal was received.
- KPMG LLP possesses the technical and financial capability to perform the contract.
- The pricing was determined to be fair and reasonable, and this firm is recommended for award.
- The contract award analysis is provided as Attachment 1.

D/M/WBE CONSIDERATIONS

- The goal for this contract was established in November 2018 at 13% M/WBE combination participation.
- KPMG, LLP, the prime contractor, has committed to exceed the goal.
- The M/WBE analysis and Equal Employment Opportunity (EEO-1) information are included in Attachment 2. The prime contractor's actual EEO-1 report is available upon request.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.
Contract Information

A. Description: Consulting Engagement for Universal Payment Processing Platform (UP3) Feasibility Study

B. Contractor: KPMG LLP

C. Contract Number: C-2045430-01

D. Contract Amount: Not to exceed $673,801

E. Contract Type: Indefinite Delivery/Indefinite Quantity

F. Performance Period/Term of Contract: Three months

G. Options Available: N/A

H. Bond Requirement: N/A

I. Liquidated Damages: N/A

J. Funding Source: Local

Solicitation Information

A. Determination of Responsibility
   Bond Check: N/A
   Reference Check: Yes
   Financial Responsibility Survey: Yes
   Insurance Check: Yes
   On-Site Inspection: N/A
   Arithmetic Check: Yes
   Verification of Offer: Yes
   Buy America Certification and/or Audit, if applicable: N/A
   Debarred/Suspended list: Not on the debarred/suspended list

B. Negotiation Memorandum: Available for review in the contract file.

C. Cost & Price Considerations: Price is fair and reasonable based on a comparison to the Independent Cost Estimate (ICE) and similar contracts with other transit agencies.

D. Protests Received: None

E. Determinations Required: Use of competitive sealed proposal method of procurement, shortening of proposal preparation time to less than 21 days, Deviations to the DPR, Minor Informality.
**Determination and Recommendation**

KPMG LLP is a responsible contractor, has the capacity to perform this contract, and is recommended for award.
Contract Award for Consulting Engagement for Universal Payment Processing Platform (UP3) Feasibility Study

M/WBE Considerations

The goal for this contract was established in November 2018 at 13% M/WBE combination participation. KPMG, LLP, the prime contractor, has committed to exceed the goal through utilization of the following certified firm:

**M/WBE PARTICIPATION**

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>LOCATION</th>
<th>ETHNICITY</th>
<th>SERVICE</th>
<th>AMOUNT</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheng Solutions, LLC</td>
<td>Brooklyn, NY</td>
<td>Asian Female</td>
<td>Transportation, Planning and Economic Analysis</td>
<td>$89,548</td>
<td>13.29%</td>
</tr>
</tbody>
</table>

**TOTAL M/WBE PARTICIPATION:** $89,548 13.29%*

**NOTE:** The goal is based on the not to exceed amount of $673,801. If there are any changes to this amount, the original goal will apply.

*The percentage and dollar amount may remain level, increase or decrease depending on the circumstances.

**Summary of EEO-1 Report**

KPMG, LLP is located in Chicago, IL and employs 1,595 individuals. The following is an analysis of their EEO-1 report:

<table>
<thead>
<tr>
<th></th>
<th>ASIAN</th>
<th>BLACK</th>
<th>HISPANIC</th>
<th>NATIVE AM.</th>
<th>WHITE</th>
<th>Two or More Race</th>
<th>TOTAL</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MALES</strong></td>
<td>163</td>
<td>51</td>
<td>61</td>
<td>1</td>
<td>582</td>
<td>12</td>
<td>870</td>
<td>54.54%</td>
</tr>
<tr>
<td><strong>FEMALES</strong></td>
<td>82</td>
<td>85</td>
<td>65</td>
<td>3</td>
<td>483</td>
<td>7</td>
<td>725</td>
<td>45.46%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>245</td>
<td>136</td>
<td>126</td>
<td>4</td>
<td>1,065</td>
<td>19</td>
<td>1,595</td>
<td>100%</td>
</tr>
<tr>
<td><strong>PERCENTAGE</strong></td>
<td>15.36%</td>
<td>8.53%</td>
<td>7.90%</td>
<td>0.25%</td>
<td>66.77%</td>
<td>1.19%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>
WHEREAS, DART’s GoPass mobile app was introduced in 2013 and included mobile ticketing, trip planning and access to special events and offers as its primary areas of focus; and

WHEREAS, DART has continued to expand the functionality and capabilities of the app to provide a better customer user experience by including additional payment options, and availability of on-demand services, rideshare and other third-party transit options within the app to support Mobility as a Service; and

WHEREAS, as a result of the regional and national interest in GoPass and to determine the feasibility and future potential of providing an expanded platform, DART issued a Request for Proposals seeking a consultant to conduct market research, and provide professional services to support this effort; and

WHEREAS, a competitive sealed procurement for a three-month contract with no options was conducted in accordance with the DART Procurement Regulations; and

WHEREAS, the proposed price for this contract is fair and reasonable; and

WHEREAS, funding for this contract is within current Budget and FY 2019 Twenty-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President/Executive Director or his designee is authorized to award a three-month contract for a consulting engagement with KPMG LLP to conduct a feasibility study exploring the expansion of the GoPass mobile application for a total authorized amount not to exceed $673,798.
Contract Award for Consulting Engagement for Universal Payment Processing Platform (UP3)
Feasibility Study

Prepared by: Nicole Fontayne-Bardowell
Executive Vice President
Chief Administrative Officer

Approved as to form: Gene Gamez
Interim General Counsel

Approved by: Gary C. Thomas
President/Executive Director
DATE:       July 9, 2019

SUBJECT:  Approval of an Exception to the DART Board Policy III.07 Relating to the Interlocal Agreements with the Cities of Allen and Wylie and the Town of Fairview

RECOMMENDATION

Authorize an exception to the 36-month contracting limitation under Policy III.07, Section 3.04, to allow Allen, Wylie, and Fairview an additional 36 months to complete the service plan, financial plan and plan for membership.

FINANCIAL CONSIDERATIONS

. Agreements with non-service area entities will generate revenue which will offset direct and indirect costs and include Board-approved access and impact fees beneficial to the Agency.

BUSINESS PURPOSE

. This item will assist DART in achieving Board Strategic Priority 1: Continually improve service and safety experiences and perceptions for customers and the public.

. This agenda report summarizes the history of Policy III.07, which governs DART’s authority to provide public transportation services to governmental entities outside the boundary of the service area. The current version of Board Policy III.07 is included as Attachment 1.

. DART is authorized under Texas Transportation Code 452.056 (2) to contract with a municipality, county, or other political subdivision to provide public transportation services outside the authority. There are no limits to the public transportation services which may be provided or the term of the agreements.

. On April 25, 1995 (Resolution No. 950097), the DART Board approved the first Policy III.07 stipulating that “transit service will not extend beyond the DART Service Area.” This new policy was added to limit the broad authority to contract with governmental entities provided under the enabling legislation. Discussion by the Board at that time emphasized the policy objective to incentivize non-service area governmental entities to join DART by ending the ability for contracted service.

. On November 11, 1997 (Resolution No. 970226), the DART Board amended Policy III.07 to permit the extension of existing DART routes to serve universities and colleges outside the service area if the institution paid the full allocated cost of the service. The primary impact of
this amendment was to permit Eastfield College to obtain the extension of a DART bus route onto the campus which benefited residents of the service area. The community college makes an annual payment to DART to offset the cost of the service to the Mesquite campus.

. On August 10, 2004 (Resolution No. 040098), Policy III.07 was modified to permit “the provision of commuter rail outside the service area under one or more service agreements with governmental entities.” This change was in support of a legislative effort which was presented to the Texas Legislature in 2009.

. In 2009, DART championed a large regional effort to obtain state legislative authority for municipalities to seek voter approval to raise the sales tax cap and authorize the additional 1% sales tax to be dedicated to DART. The sales tax increase did not obtain approval leading to an effort for an alternative strategy for different types of local option taxes to support public transit. Despite strong local support for the initiative, the proposed Texas Local Option Tax Act (TLOTA) legislation was not successful.

. On April 12, 2011 (Resolution No. 110037), the DART Board approved a modification of Policy III.07 again to permit “the provision of commuter rail and express bus service under one or more interlocal agreements with local governmental entities.” There was no limit on the duration of the contract. The City of Mesquite initiated the request for express bus service as an alternative to commuter rail.

. On March 5, 2013 (Resolution No. 130023), the DART Board approved an amendment to Policy III.07 as follows: 1) the policy was modified to permit contracting of all services including commuter rail, streetcar, bus, and paratransit (light rail was exempted); and 2) the amended policy limited the term to 48 months unless the municipality completed a transit system plan and passed a referendum to join the service area by contributing the full 1% sales tax to DART.

. On December 8, 2015 (Resolution No. 150123), the DART Board amended Policy III.07 to permit contracting for transit services if DART and the municipality completed a transit system plan, financial plan, and plan for DART membership within 36 months.

. While the term “member” of DART is often perceived to mean joining the agency through election and committing the full 1% sales tax to DART, the term “member” is not used within the DART enabling legislation. The lack of a definition has resulted in confusion by non-service area cities interested in contracting with DART and by the Board in interpreting the Policy.

. In 2015, 2016, 2017, and 2018, Board members and executive staff conducted meetings with elected officials and city management staff for nearly all of the municipalities surrounding the DART Service Area to explain the benefits of joining the DART Service Area through an election and the options of obtaining service under Policy III.07. The cities included the Best Southwest Cities, Mesquite, Balch Springs, Grand Prairie, Arlington, and the northern Collin County cities including McKinney, Frisco, Allen, Wylie and the Town of Fairview.

. The message received by DART from 100% of the elected officials and city managers during these meetings is that these cities are unwilling to hold an election for committing the 1% sales tax. Most cities have used the 1% sales tax for what would otherwise go to DART for other purposes under what are called 4A/4B taxes, entertainment districts, public investment and/or property tax abatement.

. All these cities have some public transportation for senior and disabled, but only Mesquite currently has any fixed route service. With the exception of McKinney, Allen, and Fairview, none of these cities have anticipated realistically a rail service. The mobility service interests that these cities have requested from DART include fixed route bus service, microtransit, paratransit,
transit assistance programs (TAP), and shared ride services like UberPool. One of the largest recent interests requested of DART include technology for GoPass, GoLink and TAP.

- Because the cities have not been willing to dedicate sales tax to a public transit system, many communities are pursuing contracting.

- The following cities have public transit service provided through contracting:
  - McKinney -- contract with DCTA for taxi voucher service
  - Celina -- contract with DCTA for taxi voucher service
  - Melissa -- contract with DCTA for taxi voucher service
  - Princeton -- contract with DCTA for taxi voucher service
  - Lowry Crossing -- contract with DCTA for taxi voucher service
  - Prosper -- contract with DCTA for taxi voucher service
  - Frisco -- contract with DCTA for senior & disabled paratransit and automated vehicles
  - Little Elm -- contract with SPAN for senior & disabled paratransit
  - Coppell -- contract with SPAN for senior & disabled paratransit
  - The Colony -- contract with SPAN for senior & disabled paratransit
  - Mesquite -- contract with STAR Transit for senior and disabled paratransit
  - Mesquite -- contract with DART for fixed route shuttle service
  - Balch Springs -- contract with STAR Transit for On Demand Service
  - Seagoville -- contract with STAR Transit for On Demand Service
  - DeSoto -- contract with STAR Transit for On Demand Service
  - Hutchins -- contract with STAR Transit and Federal Express for shuttle service
  - Arlington -- directly operating elderly and disabled paratransit
  - Arlington -- contract with Via for microtransit
  - Arlington -- contract with Drive.AI for automated shuttle service

- Under the current Policy III.07, the Dallas Area Rapid Transit Mobility Service, LGC (LGC), has contracts with four municipalities for public transportation services, which include:
  - Mesquite -- commuter bus service contract ends 9/30/19
  - Allen -- taxi subsidy for seniors and disabled ending 9/30/19
  - Fairview -- taxi subsidy for seniors and disabled ending 9/30/19
  - Wylie -- taxi subsidy for seniors and disabled ending 9/30/19

- Policy III.07 requires that a municipality contracting with DART prepare a transit system and financial plan and a plan for membership with DART. Mesquite has actually had service with DART under three variations of Policy III.07 beginning in 2011. Mesquite, in collaboration with DART, developed the transit plan and financial plan and their plan for membership. In April of 2018 Mesquite requested that DART accept a plan for membership based upon long term contracting with the LGC. The Mesquite Council said that the use of their current 1% sales tax, if dedicated, would be used for: 1) property tax abatement; and: 2) support of the park system. An election to shift that to DART would result in substantial property tax increases, so was deemed not feasible. Contracting would allow the council to use general revenue for the provision of public transit until new local option sources of revenue were allowed under Texas Law.

- Staff spoke to the Mesquite City Manager on May 8, 2019, to discuss options for dedicating sales tax revenue to support its public transportation plan. The City Manager explained that the mayor and council have changed since the planning effort began. The current council has asked
its staff to evaluate non-traditional, mobility services like DART’s GoLink Microtransit as an alternative to traditional fixed route transit. In fact, the City is considering ending the Compass Route which has failed to attract acceptable ridership. He explained that Mesquite has been offered these services from other transit districts including STAR Transit and DCTA which have been promoting contract services for new mobility transit options.

The City Manager explained that Mesquite could not commit significant funds like the 1% sales tax without new State Legislation like the failed Local Option Funding proposed in 2009. In the meantime, contract service was the only feasible solution to providing some public transit. Staff did discuss the idea of a 1/8 percent dedication of sales tax within a 15-year period. The City Manager said that would probably be the largest amount feasible, but even that amount would take many years to make the financial modifications of revenue sources to free up that amount of sales tax funding.

In June 2019, the City of Mesquite Council directed Mesquite staff to contract exclusively with STAR Transit for the Compass Route and any future microtransit and fixed route transit service effective October 1, 2019. This change will eliminate the need for any exception to Policy III.07 for Mesquite. Mesquite, Rockwall and Kaufman County have requested that NCTCOG prepare a transit plan for those communities.

STAR Transit will need to negotiate an amendment to their current DART access agreement for UNT Station to include Buckner and Lawnview Stations effective October 1, 2019.

Allen, Wylie and Fairview are waiting for the North Central Texas Council of Governments (NCTCOG) to complete the Collin County Transit Plan. These cities originally planned to develop the plan with DART, but the Collin County Board of Commissioners requested that NCTCOG complete the county-wide plan rather than DART. Funding for this project is anticipated to be available in FY 2020 and should take 18 months to complete.

It is proposed that the Board authorize an exception of Policy III.07 which requires completion of the service plan, financial plan and plan for membership within 36 months or contracted service would end. In the case of Allen, Wylie and Fairview, the exception would authorize an extension of the contracts until September 30, 2022. This would allow time for Allen, Wylie and Fairview to work with NCTCOG and DART to complete the service plan and work out options for compliance with Policy III.07 for an acceptable relationship with DART for longer term service when the community has accepted the service plan.

LEGAL CONSIDERATIONS

Section 452.056(a) of the Texas Transportation Code authorizes DART to exercise all powers necessary or useful in the construction, repair, maintenance or operation of the public transportation system.
DART Services Outside the Service Area Boundary

DATE ISSUED: April 25, 1995
Resolution No. 950097
Amended by Resolution: 970226, 040098, 110037, 130023, 150123
Policy No. III.07 (Operations)

Section 1.
Except for Charter and Special Events services as authorized by separate policy and other services as described in this policy, DART transit service will not extend beyond the boundaries of the DART Service Area. For the purposes of this policy, D/FW Airport is considered to be part of the DART Service Area.

Section 2.
Existing bus routes may be extended to service any publicly-funded, post-secondary educational institution whose campus is contiguous to the DART service area when the extension does not involve operation over the streets of a non-member jurisdiction and the institution enters into an interlocal agreement to pay DART the fully allocated cost of such service.

Section 3.

3.01 DART shall consider providing rail, bus or paratransit service outside the DART Service Area under one or more service agreements.

3.02 A service agreement under this section must be approved by the DART Board of Directors, shall not adversely impact or delay any transit service that is included in the then-current Transit System Plan and Twenty Year Financial Plan and shall not be inconsistent with any DART policy or program for paid parking at DART facilities. A service agreement under this section shall include the following elements:

3.03 Within the first 36 months of service between DART and a municipality or county, DART shall prepare a transit system plan and a supporting financial plan for the municipality or county that includes projected costs and revenues and also includes a plan for becoming a DART member; the municipality or the county shall provide ½ of the funding for such transit system plan and supporting financial plan with payment of ¼ of the estimated cost to be paid upon commencement of the work and the remaining balance of ½ of actual expense upon completion of the work. In the event that a municipality or county fails or refuses to agree to the plan to become a DART member and provide all or portion of the funding for the development of a transit system plan and...
DART Services Outside the Service Area Boundary

twenty year financial plan, the service agreement shall terminate within thirty (30) days and DART shall cease service in the municipality or county being provided under the agreement.

3.04 Such service may be provided directly by DART or through a DART local government corporation in compliance with the transit system plan and twenty year financial plan prepared for the municipality or county.
WHEREAS, on April 25, 1995 (Resolution No. 950097), the DART Board approved the first Policy III.07 stipulating that “transit service will not extend beyond the DART Service Area”; and

WHEREAS, on November 11, 1997 (Resolution No. 970226), the DART Board amended Policy III.07 to permit the extension of existing DART routes to serve universities and colleges outside the service area if the institution paid the fully allocated cost of the service; and

WHEREAS, on August 10, 2004 (Resolution No. 040098), Policy III.07 was modified to permit “the provision of commuter rail outside the service area under one or more service agreements with governmental entities”; and

WHEREAS, on April 12, 2011 (Resolution No. 110037), the DART Board approved a modification of Policy III.07 again to permit “the provision of commuter rail and express bus service under one or more interlocal agreements with local governmental entities.” There was no limit on the duration of the contract. The City of Mesquite initiated the request for express bus service as an alternative to commuter rail; and

WHEREAS, on March 5, 2013 (Resolution No. 130023), the DART Board approved an amendment to Policy III.07 as follows: 1) the policy was modified to permit contracting of all services including commuter rail, streetcar, bus, and paratransit (light rail was exempted); and 2) the amended policy limited the term to 48 months unless the municipality completed a transit system plan and passed a referendum to join the service area by contributing the full 1% sales tax to DART; and

WHEREAS, on December 8, 2015 (Resolution No. 150123), the DART Board amended Policy III.07 to permit contracting for transit services if DART and the municipality complete a transit system plan, financial plan, and plan for DART membership within 36 months; and

WHEREAS, on September 12, 2017 (Resolution No. 170090), the DART Board authorized the extension of the agreement between the LGC, the City of Mesquite, and STAR Transit for the operation of Route 282 Compass through September 30, 2018; and

WHEREAS, DART has interlocal agreements with Allen, Wylie, Fairview and Mesquite which will expire on September 30, 2019; and

WHEREAS, the Collin County Board of Commissioners have asked the North Central Texas Council of Governments to prepare the transit system plan required under Section 3.04 of the Policy III.07 and this planning work will not begin until FY 2020 and may not be completed until late FY 2021; and
WHEREAS Mesquite has elected to end its contractual relationship with DART with the expiration of the current contract on September 30, 2019 and thereafter contract directly with STAR Transit; and

WHEREAS, DART Policy III.07 requires the completion of a service and financial plan as well as a plan for membership within the three-year period; and

WHEREAS, agreements with non-service area entities will generate revenue which will offset direct and indirect costs and include Board-approved access and impact fees beneficial to the Agency.

NOW, THEREFORE, BE IT RESOLVED that the Dallas Area Rapid Transit Board of Directors authorize an exception to the 36-month contracting limitation under Policy III.07, Section 3.04, to allow Allen, Wylie, and Fairview an additional 36 months to complete the service plan, financial plan and plan for membership.
Approval of an Exception to the DART Board Policy III.07 Relating to the Interlocal Agreements with the Cities of Allen and Wylie and the Town of Fairview

Prepared by: Todd Flesko
Vice President
Planning and Development

Approved by: Timothy H. McKay, P.E.
Executive Vice President
Growth/Regional Development

Approved as to form: Gene Gamez
Interim General Counsel

Approved by: Gary C. Thomas
President/Executive Director

Exception to Policy III.07
DATE: July 9, 2019

SUBJECT: Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Allen for the Continuation of Collin County Demand Responsive Service

RECOMMENDATION

Approval of a resolution authorizing the President of the Dallas Area Rapid Transit Mobility Service, LGC (LGC), or his designee to execute an Interlocal Agreement between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Allen, substantially in the form shown in Exhibit 1 to the Resolution and subject to legal review.

FINANCIAL CONSIDERATIONS

. This agreement will generate revenue which will offset the direct and indirect costs of the service through the Dallas Area Rapid Transit Mobility Service, LGC.

BUSINESS PURPOSE

. Approval of this agreement will assist DART in achieving Board Strategic Priority 3: Optimize DART’s influence in regional transportation planning; and Priority 4: Expand DART’s transportation system to serve cities inside and outside the current service area.

. On November 17, 2015 (Resolution No. 150116), the DART Board authorized the Dallas Area Rapid Transit Mobility Service, LGC, (LGC) to execute an agreement with North Central Texas Council of Governments (NCTCOG) to restore demand responsive transit service for elderly and disabled persons in Collin County who lost service when Texoma Area Paratransit (TAPS) service was discontinued.

. On December 10, 2015, the Regional Transportation Council (RTC) approved federal and regional toll funding to reimburse the LGC for the replacement service. The City of Allen also contributed funding to NCTCOG to support the restored service.

. On February 29, 2016, LGC began demand responsive transportation service within Collin County that was available to residents of Allen, Fairview and Wylie through May 27, 2016.

. On April 12, 2016 (Resolution No. 160032), the DART Board authorized the LGC to accept a $1 million grant from Toyota Motor North America to assist with continuation of the demand responsive service in unserved areas of Collin County, and funding from this grant was available in FY 2018 and FY 2019.
In May 24, 2016 (Resolution No. 160048), the DART Board authorized the LGC to continue service for the elderly and disabled residents for the City of Allen through September 30, 2017.

This service is operated pursuant to Policy III.07, that was approved by the Board on December 8, 2015 (Resolution No. 150123) and which defines the conditions by which the LGC may provide service to non-service area cities. This policy requires that the City and DART develop a Transit System Plan, Financial Plan and a Plan for Membership within three years of initiation of the services. The policy does not require an election and there is no definition of membership (See Attachment 1).

On September 12, 2017 (Resolution No. 170083), the DART Board authorized the LGC to execute an agreement with Allen to provide public transportation services for elderly and disabled residents through September 30, 2019. From the original agreement with Allen initiating service on May 29, 2016, until September 19, 2019, the duration of the agreements with Allen will be 40 months.

In 2018, Collin County Commissioners Court requested the Collin County transit planning effort be funded and managed by the NCTCOG rather than DART. This request was approved and funded by the RTC in 2018, but the federal funding to hire planning and financial consultants will not be available until late 2019 or 2020, when the planning work will begin.

The Board was informed about this change in funding responsibility and the impact upon Allen’s ability to complete the Transit System Plan, Financial Plan, and Plan for Membership within the limits of Policy III.07. The City of Allen, however, paid DART its required obligation to fund the plans under the terms of Policy III.07 in the 36-month contract ending September 30, 2019.

In February 2019 the City of Allen staff informed DART staff that the City would like to extend the agreement for elderly and disabled transportation for an additional three years. Further, Allen senior staff expressed the sincere desire to participate with DART and NCTCOG to develop all of the plans required under Policy III.07 if the agreement is approved by DART. Allen staff was disappointed that the plans had not been completed within the original 36 months because the City wants an expanded transit system but needs the plans to build community consensus to obtain funding for the services.

For a three-year agreement, the proposed funding from Allen for FY 2020, FY 2021, and FY 2022, is summarized below:

<table>
<thead>
<tr>
<th>Municipality</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
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</thead>
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<td>City of Allen</td>
<td>$150,000</td>
<td>$151,500</td>
<td>$156,045</td>
<td>$160,726</td>
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</tbody>
</table>

The interlocal agreement for Allen is attached as Exhibit 1 to the Resolution.

DART Board authorization of an exception to Policy III.07 relating to the three-year time line for a service plan will allow NCTCOG time to complete the required service plan. Approval of the agreement will allow service to continue while NCTCOG, Allen, and DART collaborate with other Collin County cities to complete the plans required under Policy III.07 in a manner consistent with the desires of Collin County Commissioners.
LEGAL CONSIDERATIONS

Article IV of the LGC Articles of Incorporation state that the LGC is created for the purpose of aiding and acting on behalf of DART in its governmental purpose of providing a public transportation system by contracting to provide a variety of public transportation services. Additionally, Article IV states that in the exercise of its powers, the LGC may enter into agreements that are necessary and appropriate to the fulfillment of the governmental purpose of the LGC.

The Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, authorizes the LGC to contract or agree with another local government to perform governmental functions and services.
Section 1.

Except for Charter and Special Events services as authorized by separate policy and other services as described in this policy, DART transit service will not extend beyond the boundaries of the DART Service Area. For the purposes of this policy, D/FW Airport is considered to be part of the DART Service Area.

Section 2.

Existing bus routes may be extended to service any publicly-funded, post-secondary educational institution whose campus is contiguous to the DART service area when the extension does not involve operation over the streets of a non-member jurisdiction and the institution enters into an interlocal agreement to pay DART the fully allocated cost of such service.

Section 3.

3.01 DART shall consider providing rail, bus or paratransit service outside the DART Service Area under one or more service agreements.

3.02 A service agreement under this section must be approved by the DART Board of Directors, shall not adversely impact or delay any transit service that is included in the then-current Transit System Plan and Twenty Year Financial Plan and shall not be inconsistent with any DART policy or program for paid parking at DART facilities. A service agreement under this section shall include the following elements:

a. Funding for the service shall be sufficient to pay for the fully burdened operating and capital cost of the service being provided for the duration of the contract.

b. The agreement shall require payment of a fee reflecting the value of any connection to the DART service area consumed by the non resident patrons and intangibles provided by DART to the contracting entity as approved by the DART Board of Directors.

c. The agreement shall require payment of an impact fee if the contracted service causes DART to incur additional direct operating or capital costs to accommodate patrons who live outside of the DART Service Area

3.03 Within the first 36 months of service between DART and a municipality or county, DART shall prepare a transit system plan and a supporting financial plan for the municipality or county that includes projected costs and revenues and also includes a plan for becoming a DART member; the municipality or the county shall provide ½ of the funding for such transit system plan and supporting financial plan with payment of ¼ of the estimated cost to be paid upon commencement of the work and the remaining balance of ½ of actual expense upon completion of the work. In the event that a municipality or county fails or refuses to agree to the plan to become a DART member and provide all or portion of the funding for the development of a transit system plan and
DART Services Outside the Service Area Boundary

twenty year financial plan, the service agreement shall terminate within thirty (30) days and DART shall cease service in the municipality or county being provided under the agreement.

3.04 Such service may be provided directly by DART or through a DART local government corporation in compliance with the transit system plan and twenty year financial plan prepared for the municipality or county.
RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC and the City of Allen for the Continuation of Collin County Demand Responsive Service

WHEREAS, on November 17, 2015 (Resolution No. 150116), the DART Board authorized the Dallas Area Rapid Transit Mobility Service, LGC (LGC) to execute an agreement with North Central Texas Council of Governments (NCTCOG) to restore demand responsive transit service for elderly and disabled persons in Collin County who lost service when Texoma Area Paratransit (TAPS) service was discontinued; and

WHEREAS, on December 10, 2015, the Regional Transportation Council (RTC) approved federal and regional toll funding to reimburse the LGC for the replacement service; and

WHEREAS, on February 29, 2016, the LGC began demand responsive transportation service within Collin County that was available to residents of Allen, Wylie and Fairview through May 27, 2016; and

WHEREAS, on April 12, 2016 (Resolution No. 160032), the DART Board authorized the LGC to accept a $1 million grant from Toyota Motor North America, Inc. to assist with continuation of the demand responsive service in unserved areas of Collin County and funding from this grant was available in FY 2018 and FY 2019; and

WHEREAS, on May 24, 2016 (Resolution No. 160048), the DART Board authorized the LGC to continue the transportation services through September 30, 2017; and

WHEREAS, the LGC received additional federal grant funding from NCTCOG to support the continuation of transit service in Collin County in FY 2018 and FY 2019; and

WHEREAS, the Board desires to grant an exception to DART Board Policy III.07 and extend the agreement with the City of Allen for a period of three years; and

WHEREAS, the City of Allen has agreed to provide payments identified in the agreement for FY 2020, FY 2021, and FY 2022 to fund LGC transportation services including the taxi voucher program and a transportation system plan; and

WHEREAS, this agreement will generate revenue which will offset the direct and indirect costs of the service through the Dallas Area Rapid Transit Mobility Service, LGC.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President of the Dallas Area Rapid Transit Mobility Service, LGC (LGC), or his designee is authorized to execute an Interlocal Public Transit Service Agreement with the City of Allen, substantially in the form shown in Exhibit 1 to the Resolution, subject to legal review.
Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC and the City of Allen for the Continuation of Collin County Demand Responsive Service

Prepared by: Todd Plesko
Vice President
Planning and Development

Approved by: Timothy H. McKay, P.E.
Executive Vice President
Growth/Regional Development

Approved as to form: Gene Gamez
Interim General Counsel

Approved by: Gary C. Thomas
President/Executive Director
EXHIBIT 1

THE STATE OF TEXAS

COUNTY OF DALLAS

INTERLOCAL PUBLIC TRANSIT SERVICE AGREEMENT

THIS AGREEMENT, (“Agreement”) by and between Dallas Area Rapid Transit Mobility Service, LGC (“LGC”), a Texas local government corporation organized and existing pursuant to Subchapter D of Chapter 431 of the Texas Transportation Code and the City of Allen, Texas (hereafter referred to as “CITY”) a Texas municipal corporation whose address is 305 Century Parkway Allen, Texas 75013 (collectively, referred to as the “the Parties” or individually, as a “Party”).

W I T N E S S E T H:

WHEREAS, the LGC began a demand responsive transportation program within Collin County that is available to residents of CITY who are 65 years of age or older or who have a disability (hereafter referred to as the “Service”); and

WHEREAS, CITY has provided funding to support the operation of this Service since 2016 and has determined that the Service is beneficial to the residents of the CITY; and

WHEREAS, CITY may modify the amount that CITY residents pay for the Service through this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Term and Termination**

   1.01. The term of this Agreement shall begin on the 1st day of October, 2019, and terminate at midnight on the 30th day of September, 2022, unless earlier terminated as herein provided (“the Term”).

   1.02. In addition to any other termination provision contained herein, either Party shall have the right to terminate this Agreement by giving the other Party one hundred twenty (120) calendar days advance written notice of termination.

   1.03. In the event that either Party shall fail to perform any of their respective material obligations under this Agreement, the non-defaulting Party shall have the right to terminate this Agreement if the defaulting Party has not cured any such failure to perform within thirty (30) calendar days following written notice by non-defaulting Party of such failure.
1.04. In the event that CITY fails to make any payment required by Section 4.04 of this Agreement, LGC shall have the option, at its sole discretion, to suspend such Service within CITY or require that residents of the CITY pay a higher fare or percentage share of taxi vouchers for the Service. The suspension or revised user fees may continue until payments from the CITY resume.

2. **Service Description**

2.01. Service includes weekday contract demand-responsive service as operated by the LGC contractor. During the Term of this Agreement, the Service may be replaced with a transportation assistance program to provide accessible public transportation services for the eligible residents of Collin County, including CITY.

2.02. Except as may be limited in accordance with Section 1.04, Service shall be available to residents of Collin County who are 65 years of age or older or who have a disability and who have no access to alternative private or public transportation.

2.03. Eligible users of Service provided under this Agreement will be required to pay a fare per trip and/or percentage share of the subsidy value provided for the Service.

2.04. Eligible users of Service shall be required to schedule ride requests and rides will be available on-demand between the hours of 5:00 am and 11:00 pm on Monday through Sunday.

2.05. Users of Service who fail to cancel a previously scheduled or regularly scheduled trip at least one hour in advance of the pickup time shall pay a fee in an amount as required by the LGC.

3. **LGC Duties and Responsibilities**

3.01. LGC may cause a contractor to provide the Service, including vehicles, drivers, supervisors, call center and scheduling staff, and any other staff or services required to provide the Service;

3.02. LGC may cause its contractor to clean, fuel and otherwise maintain any vehicles needed to provide a demand-responsive service.

3.03. LGC may cause a taxi or other transportation service to provide voucher management services, technology, software or other services, supplies, or equipment necessary to operate a user transportation assistance program.

3.04. LGC shall be responsible for the call center, customer information, complaint resolution, data collection, accounting, passenger ridership, invoicing, reconciliation of all invoices, and payment of contractors and suppliers.
3.05. **Performance Measures and Reporting.** LGC shall provide CITY with information regarding ridership, on-time performance of the Service, costs, and number of users, within thirty (30) days of receipt of such information from the contract provider.

3.06. LGC shall convene periodic meetings with CITY staff to discuss the Service.

3.07. LGC shall cause to be prepared planning, engineering, and financial planning services and data required by the North Central Texas Council of Governments (“NCTCOG”). NCTCOG is responsible for funding and managing the development of the Collin County Transit Service and Financial Plan, which will include CITY. This NCTCOG plan will meet the CITY obligations as required by Policy III.07 to develop a 20-year transit service and financial plan during the Term of this Agreement. Following the completion of the transit service and financial plan by NCTCOG, the CITY shall develop a plan for CITY membership in DART.

3.08. LGC will distribute to CITY and analyze any available surveys of the Service. CITY may provide input regarding the design of the survey instruments, if any are used.

4. **CITY Duties and Responsibilities**

4.01. CITY shall allow the LGC to operate the Service on CITY streets including contract demand-responsive service or taxi services.

4.02. CITY shall assist in marketing and communications of Service to residents, using the CITY website, resident newsletters, or other methods of communication controlled by the CITY to inform residents about the Service.

4.03. CITY shall cooperate with the NCTCOG, NCTCOG consultants, and LGC to prepare a Collin County Service and Financial Plan, as required by DART Policy III.07. Cooperation shall include, by example and not limitation, participating on policy, stakeholder and technical advisory committees, providing information about CITY economic development, demographic projections, financial projections, and reviewing and commenting on the Collin County Service Plan as required under DART Policy III.07. The cost of the planning prepared by NCTCOG will be the responsibility of NCTCOG.

4.04. Commencing September 1, 2019, and on the first day of every month thereafter during the Term hereof, CITY shall pay LGC CITY’s share of the Service as shown in Exhibit A to the following address:

Dallas Area Rapid Transit  
Accounts Receivable  
P.O. Box 840009  
Dallas, TX 75284-0009

The final monthly payment of each year will be adjusted to reflect the annual total not-to-exceed amount shown in Exhibit A. Any payments made under this Agreement shall be made from revenues currently available to the Parties. The provisions of Chapter 2251 of the Texas
Government Code shall apply to payments under this Agreement. The amount due hereunder is subject to change in the event that CITY requests a change in the program or LGC grant funds are depleted.

5. Joint Marketing and Communications. The Parties acknowledge that marketing and communications regarding the Service may require the use of marks and logos that are owned by each of the Parties. The Parties agree to such limited use of their individually owned or registered marks, logos, and trade names in connection with providing and promoting the Service under this Agreement. Any right to use such marks and logos shall terminate upon the termination or expiration of this Agreement.

6. Force Majeure. LGC shall at all times use reasonable commercial efforts to provide or cause the Service to be provided continuously, however, LGC does not warrant or guarantee uninterrupted Service and shall not be liable for any special, direct or consequential damages relating to or arising from an interruption in the Service. The obligations of the Parties to perform under this Agreement shall be suspended to the extent that either or both are unable to perform as a result of causes beyond the respective Party’s reasonable control and without such Party’s fault or negligence, including but not limited to, equipment breakdown, accidents, acts of nature and governmental action. In such event, the affected Party shall use reasonable efforts to eliminate the cause as quickly as possible.

7. Planning. On July 1, 2022, LGC shall provide a projected pricing schedule for continuation of the Service beyond the Term. CITY shall notify DART in the event that, prior to July 1, 2022, CITY has determined not to continue funding for the Service after September 30, 2022.

8. Audit and Retention of Records. Any Party shall have the right to request an audit of another Party’s records related to the operation of the Service. The Parties shall retain adequate records for auditing purposes for a period of three years after final payment hereunder.

9. Indemnifications

9.01. To the extent permitted by applicable law, LGC shall defend, indemnify and hold CITY, and its officers, employees, visitors and contractors, harmless from all loss, cost and expense by reason of injury (including death), to any person, or damage to property, arising out of or from any accident or other occurrence taking place during the performance of this Agreement, which injury or damage results from negligence on the part of LGC, its agents, employees, or contractors.

9.02. To the extent permitted by applicable law, CITY shall defend, indemnify and hold LGC, its directors, officers, employees and contractors, harmless from all loss, cost and expense by reason of injury, (including death), to any person, or damage to property, arising out of or from any accident or other occurrence taking place during the performance of this Agreement, which injury or damage results from negligence on the part of CITY, its agents, employees or contractors.
9.03. CITY hereby releases, indemnifies, defend and holds DART harmless from all loss, cost and expense by reason of injury, (including death), to any person, or damage to property, arising out of or from any accident or other occurrence taking place during the performance of this Agreement, which injury or damage results from any negligence or misconduct on the part of the indemnifying Party or its agents, employees or contractors, whether now known or otherwise. In the event of any third party claim against DART arising out of the terms of this Agreement, the Parties shall jointly provide any necessary defense with counsel reasonably acceptable to DART, so as to eliminate liability on the part of DART, it being acknowledged that DART is not a Party to this Agreement.

9.04. In the event of joint or concurring negligence or fault of both Parties, liability, if any, shall be apportioned comparatively in accordance with the law of the State of Texas. The provisions of this section are solely for the benefit of the Parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity, nor limit the right of LGC or CITY to assert any governmental immunity defense to any claim of another Party or entity. The provisions of this section shall survive termination or expiration of this Agreement.


10.01. Notices. Any notice by any Party shall be in writing and shall be deemed to have been duly given only if delivered personally or sent by United States mail, certified, return receipt requested, in a postage paid envelope addressed to the Parties as set out below:

**LGC:**
c/o DALLAS AREA RAPID TRANSIT
P.O. Box 660163
Dallas, Texas 75266-7213
Attention: Todd Plesko
Vice President, Planning and Development

**CITY:**
City of Allen
305 Century Parkway
Allen, Texas 75013
Attention:
Assistant City Manager

With a copy to:

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

A Party may designate another address by giving notice thereof to the other Parties.
10.02. **Binding Effect.** The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. There shall be no third party beneficiaries of this Agreement.

10.03. **Fiscal Funding.** CITY is a political subdivision of the State of Texas (or creation thereof). CITY shall have the right, upon the failure of the governing body of CITY to appropriate sufficient finances to fund of this Agreement, to terminate this Agreement as of the effective date of such lack of fiscal funding. When exercising this right, CITY shall give notice to LGC of any such failure of funding at the earliest possible time.

10.04. **Construction and Drafting.** The paragraph headings in this Agreement are intended for convenience only and shall not be taken into consideration in the construction or interpretation of this Agreement. Whenever used herein, unless the context otherwise provides, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders. Both Parties have participated in the drafting hereof and accordingly no party shall be given credit therefor in the interpretation of this Agreement.

10.05. **Partial Invalidity.** Any portion of this Agreement being declared by law to be invalid shall not invalidate the remaining provisions which shall remain in full force and effect.

10.06. **Merger and Amendment.** This instrument constitutes the entire agreement of the Parties with respect to matters contemplated herein, and it may be modified or amended only in writing, signed by all Parties hereto and in accordance with the terms hereof.

10.07. **No Partnerships or Joint Enterprise.** It is mutually understood and agreed that this Agreement is intended by the Parties to establish only an independent contractual relationship and is not intended to create a partnership or joint venture between the Parties.

10.08. **Use of Contractors.** Nothing in this Agreement shall prevent a Party from using a contractor or agent to perform the duties and responsibilities contemplated by this Agreement.

10.09. **Exhibits and Attachments.** The exhibits attached to this Agreement are incorporated by reference as if written word for word herein. In the event of conflict between the exhibits and this Agreement, the terms of this Agreement shall prevail.

10.10 **Assignment.** No Party may assign its rights and obligations or either under this Agreement, in whole or in part, without first obtaining the prior written consent of the other Party, which consent may be withheld for any reason. No assignee or successor may further assign, in whole or in part, its rights and obligations without prior written consent of the other Party to this Agreement at the time of further assignment.

10.11 **Incorporation of Recitations.** The recitations and “whereas” provisions of this Agreement are incorporated herein as part of this Agreement for all purposes.
10.12 **DART Board Policy III.07.** The Provisions of the DART Board Policy are incorporated herein and binding on the Parties hereto. Any renewal of this Agreement must be approved by each Party and the DART Board of Directors.

(SIGNATURES ON THE FOLLOWING PAGE)
IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple originals as of the _____ day of ____________, 2019.

DALLAS AREA RAPID TRANSIT MOBILITY SERVICE, LGC

By: _____________________
    _____________________
    _____________________

CITY OF ALLEN

By: _____________________
    _____________________
    _____________________

    City Manager
## Exhibit A

<table>
<thead>
<tr>
<th>Exhibit A</th>
<th>FY20 Monthly Amount</th>
<th>FY21 Monthly Amount</th>
<th>FY22 Monthly Amount</th>
<th>FY20 Annual Not to Exceed Amount</th>
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DATE: July 9, 2019

SUBJECT: Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Wylie for the Continuation of Collin County Demand Responsive Service

RECOMMENDATION

Approval of a resolution authorizing the President of the Dallas Area Rapid Transit Mobility Service, LGC (LGC), or his designee to execute an Interlocal Agreement between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Wylie, substantially in the form shown in Exhibit 1 to the Resolution and subject to legal review.

FINANCIAL CONSIDERATIONS

. This agreement will generate revenue which will offset direct and indirect costs of the service through the Dallas Area Rapid Transit Mobility Service, LGC.

BUSINESS PURPOSE

. Approval of this agreement will assist DART in achieving Board Strategic Priority 3: Optimize DART’s influence in regional transportation planning; and Priority 4: Expand DART’s transportation system to serve cities inside and outside the current service area.

. On November 17, 2015 (Resolution No. 150116), the DART Board authorized the Dallas Area Rapid Transit Mobility Service, LGC (LGC), to execute an agreement with North Central Texas Council of Governments (NCTCOG) to restore demand responsive transit service for elderly and disabled persons in Collin County who lost service when Texoma Area Paratransit (TAPS) service was discontinued.

. On December 10, 2015, the Regional Transportation Council (RTC) approved federal and regional toll funding to reimburse the LGC for the replacement service. The City of Wylie also contributed funding to NCTCOG to support the restored service.

. On February 29, 2016, the LGC began demand responsive transportation service within Collin County that was available to residents of Allen, Fairview and Wylie through May 27, 2016.

. On April 12, 2016 (Resolution No. 160032), the DART Board authorized the LGC to accept a $1 million grant from Toyota Motor North America, Inc., to assist with continuation of the demand responsive service in unserved areas of Collin County, and funding from this grant was available in FY 2018 and FY 2019.
On May 24, 2016 (Resolution No. 160048), the DART Board authorized the LGC to continue elderly and disabled transportation services for the City of Wylie through September 30, 2017.

This service is operated pursuant to Policy III.07, that was approved by the Board on December 8, 2015 (Resolution No. 150123), and which defines the conditions by which the LGC may provide service to non-service area cities. This policy requires that the City and DART develop a Transit System Plan, Financial Plan and a Plan for Membership within three years of initiation of the services. The policy does not require an election and there is no definition of membership (See Attachment 1).

On September 12, 2017 (Resolution No. 170083), the DART Board authorized the LGC to execute an agreement with the City of Wylie to provide public transportation services for elderly and disabled residents through September 30, 2019. From the original agreement with Wylie initiating service on May 29, 2016, until September 19, 2019, the duration of the agreements with Wylie will be 40 months.

In 2018, Collin County Commissioners Court requested the Collin County transit planning effort be funded and managed by the NCTCOG rather than DART. This request was approved and funded by the RTC in 2018, but the federal funding to hire planning and financial consultants will not be available until late 2019 or 2020, when the planning work will begin.

The Board was informed about this change in funding responsibility for the planning effort and the impact upon Wylie’s ability to complete the Transit System Plan, Financial Plan, and Plan for Membership within the 36-month limits of Policy III.07. The City of Wylie, however, paid DART its required obligation to fund the plans under the terms of Policy III.07 in the 36-month contract ending September 30, 2019.

In February 2019 the City of Wylie staff informed DART staff that the City would like to extend the agreement for elderly and disabled transportation for an additional three years. Further, Wylie senior staff expressed the sincere desire to participate with DART and NCTCOG to develop all of the plans required under Policy III.07 if the agreement is approved by DART.

For a three-year agreement, the proposed funding from Wylie for FY 2020, FY 2021 and FY 2022, is summarized below:

<table>
<thead>
<tr>
<th>Municipality</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
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</table>

The interlocal agreement for Wylie is attached as Exhibit 1 to the Resolution.

DART Board authorization of an exception to Policy III.07 relating to the three-year time line for a service plan will allow NCTCOG time to complete the required service plan. Approval of the agreement will allow service to continue while NCTCOG, Wylie, and DART collaborate with other Collin County cities to complete the plans required under Policy III.07 in a manner consistent with the desires of Collin County Commissioners.
LEGAL CONSIDERATIONS

Article IV of the LGC Articles of Incorporation state that the LGC is created for the purpose of aiding and acting on behalf of DART in its governmental purpose of providing a public transportation system by contracting to provide a variety of public transportation services. Additionally, Article IV states that in the exercise of its powers, the LGC may enter into agreements that are necessary and appropriate to the fulfillment of the governmental purpose of the LGC.

The Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, authorizes the LGC to contract or agree with another local government to perform governmental functions and services.
Section 1.

Except for Charter and Special Events services as authorized by separate policy and other services as described in this policy, DART transit service will not extend beyond the boundaries of the DART Service Area. For the purposes of this policy, D/FW Airport is considered to be part of the DART Service Area.

Section 2.

Existing bus routes may be extended to service any publicly-funded, post-secondary educational institution whose campus is contiguous to the DART service area when the extension does not involve operation over the streets of a non-member jurisdiction and the institution enters into an interlocal agreement to pay DART the fully allocated cost of such service.

Section 3.

3.01 DART shall consider providing rail, bus or paratransit service outside the DART Service Area under one or more service agreements.

3.02 A service agreement under this section must be approved by the DART Board of Directors, shall not adversely impact or delay any transit service that is included in the then-current Transit System Plan and Twenty Year Financial Plan and shall not be inconsistent with any DART policy or program for paid parking at DART facilities. A service agreement under this section shall include the following elements:

   a. Funding for the service shall be sufficient to pay for the fully burdened operating and capital cost of the service being provided for the duration of the contract.

   b. The agreement shall require payment of a fee reflecting the value of any connection to the DART service area consumed by the non resident patrons and intangibles provided by DART to the contracting entity as approved by the DART Board of Directors.

   c. The agreement shall require payment of an impact fee if the contracted service causes DART to incur additional direct operating or capital costs to accommodate patrons who live outside of the DART Service Area.

3.03 Within the first 36 months of service between DART and a municipality or county, DART shall prepare a transit system plan and a supporting financial plan for the municipality or county that includes projected costs and revenues and also includes a plan for becoming a DART member; the municipality or the county shall provide ½ of the funding for such transit system plan and supporting financial plan with payment of ¼ of the estimated cost to be paid upon commencement of the work and the remaining balance of ½ of actual expense upon completion of the work. In the event that a municipality or county fails or refuses to agree to the plan to become a DART member and provide all or portion of the funding for the development of a transit system plan and
DART Services Outside the Service Area Boundary

20 year financial plan, the service agreement shall terminate within thirty (30) days and DART shall cease service in the municipality or county being provided under the agreement.

3.04 Such service may be provided directly by DART or through a DART local government corporation in compliance with the transit system plan and twenty year financial plan prepared for the municipality or county.
DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Wylie for the Continuation of Collin County Demand Responsive Service

WHEREAS, on November 17, 2015 (Resolution No. 150116), the DART Board authorized the Dallas Area Rapid Transit Mobility Service, LGC (LGC) to execute an agreement with North Central Texas Council of Governments (NCTCOG) to restore demand responsive transit service for elderly and disabled persons in Collin County who lost service when Texoma Area Paratransit (TAPS) service was discontinued; and

WHEREAS, on December 10, 2015, the Regional Transportation Council (RTC) approved federal and regional toll funding to reimburse the LGC for the replacement service; and

WHEREAS, on February 29, 2016, LGC began demand responsive transportation service within Collin County that was available to residents of Allen, Wylie and Fairview through May 27, 2016; and

WHEREAS, on April 12, 2016 (LGC Resolution No. 160032), the DART Board authorized the LGC to accept a $1 million grant from Toyota Motor North America, Inc., to assist with continuation of the demand responsive service in unserved areas of Collin County and funding from this grant was available in FY 2018 and FY 2019; and

WHEREAS, on May 24, 2016 (Resolution No 160048), the DART Board authorized the LGC to continue the transportation services through September 30, 2017; and

WHEREAS, the LGC received additional federal grant funding from NCTCOG to support the continuation of transit service in Collin County in FY 2018 and FY 2019; and

WHEREAS, the Board desires to grant an exception to DART Board Policy III.07 and extend the agreement with the City of Wylie for a period of three years; and

WHEREAS, the City of Wylie has agreed to provide payments identified in the agreement for FY 2020, FY 2021, and FY 2022 to fund LGC transportation services including the taxi voucher program and a transportation system plan; and

WHEREAS, this agreement will generate revenue which will offset direct and indirect costs of the service through the Dallas Area Rapid Transit Mobility Service, LGC.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President of the Dallas Area Rapid Transit Mobility Service, LGC (LGC), or his designee is authorized to execute an Interlocal Public Transit Service Agreement with the City of Wylie, substantially in the form shown in Exhibit 1 to the Resolution, subject to legal review.
Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the City of Wylie for the Continuation of Collin County Demand Responsive Service

Prepared by: Todd Plesko
Vice President
Planning and Development

Approved by: Timothy H. McKay, P.E.
Executive Vice President
Growth/Regional Development

Approved as to form: Gene Gamez
Interim General Counsel

Approved by: Gary C. Thomas
President/Executive Director
INTERLOCAL PUBLIC TRANSIT SERVICE AGREEMENT

THIS AGREEMENT, ("Agreement") by and between Dallas Area Rapid Transit Mobility Service, LGC ("LGC"), a Texas local government corporation organized and existing pursuant to Subchapter D of Chapter 431 of the Texas Transportation Code and the City of Wylie, Texas (hereafter referred to as “CITY”) a Texas municipal corporation whose address is 300 Country Club, Building 100, Wylie, Texas 75098 (collectively, referred to as the “the Parties” or individually, as a “Party”).

WITNESSETH:

WHEREAS, the LGC began a demand responsive transportation program within Collin County that is available to residents of CITY who are 65 years of age or older or who have a disability (hereafter referred to as the “Service”); and

WHEREAS, CITY has provided funding to support the operation of this Service since 2016 and has determined that the Service is beneficial to the residents of the CITY; and

WHEREAS, CITY may modify the amount that CITY residents pay for the Service through this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Term and Termination

1.01. The term of this Agreement shall begin on the 1st day of October, 2019, and terminate at midnight on the 30th day of September, 2022, unless earlier terminated as herein provided ("the Term”).

1.02. In addition to any other termination provision contained herein, either Party shall have the right to terminate this Agreement by giving the other Party one hundred twenty (120) calendar days advance written notice of termination.

1.03. In the event that either Party shall fail to perform any of their respective material obligations under this Agreement, the non-defaulting Party shall have the right to terminate this Agreement if the defaulting Party has not cured any such failure to perform within thirty (30) calendar days following written notice by non-defaulting Party of such failure.
1.04. In the event that CITY fails to make any payment required by Section 4.04 of this Agreement, LGC shall have the option, at its sole discretion, to suspend such Service within CITY or require that residents of the CITY pay a higher fare or percentage share of taxi vouchers for the Service. The suspension or revised user fees may continue until payments from the CITY resume.

2. **Service Description**

2.01. Service includes weekday contract demand-responsive service as operated by the LGC contractor. During the Term of this Agreement, the Service may be replaced with a transportation assistance program to provide accessible public transportation services for the eligible residents of Collin County, including CITY.

2.02. Except as may be limited in accordance with Section 1.04, Service shall be available to residents of Collin County who are 65 years of age or older or who have a disability and who have no access to alternative private or public transportation.

2.03. Eligible users of Service provided under this Agreement will be required to pay a fare per trip and/or percentage share of the subsidy value provided for the Service.

2.04. Eligible users of Service shall be required to schedule ride requests and rides will be available on-demand between the hours of 5:00 am and 11:00 pm on Monday through Sunday.

2.05. Users of Service who fail to cancel a previously scheduled or regularly scheduled trip at least one hour in advance of the pickup time shall pay a fee in an amount as required by the LGC.

3. **LGC Duties and Responsibilities**

3.01. LGC may cause a contractor to provide the Service, including vehicles, drivers, supervisors, call center and scheduling staff, and any other staff or services required to provide the Service;

3.02. LGC may cause its contractor to clean, fuel and otherwise maintain any vehicles needed to provide a demand-responsive service.

3.03. LGC may cause a taxi or other transportation service to provide voucher management services, technology, software or other services, supplies, or equipment necessary to operate a user transportation assistance program.

3.04. LGC shall be responsible for the call center, customer information, complaint resolution, data collection, accounting, passenger ridership, invoicing, reconciliation of all invoices, and payment of contractors and suppliers.
3.05. **Performance Measures and Reporting.** LGC shall provide CITY with information regarding ridership, on-time performance of the Service, costs, and number of users, within thirty (30) days of receipt of such information from the contract provider.

3.06. LGC shall convene periodic meetings with CITY staff to discuss the Service.

3.07. LGC shall cause to be prepared planning, engineering, and financial planning services and data required by the North Central Texas Council of Governments ("NCTCOG"). NCTCOG is responsible for funding and managing the development of the, County Transit Service and Financial Plan, which will include CITY. This NCTCOG plan will meet the CITY obligations as required by Policy III.07 to develop a 20-year transit service and financial plan during the Term of this Agreement. Following the completion of the transit service and financial plan by NCTCOG, the CITY shall develop a plan for CITY membership in DART.

3.08. LGC will distribute to CITY and analyze any available surveys of the Service. CITY may provide input regarding the design of the survey instruments, if any are used.

4. **CITY Duties and Responsibilities**

4.01. CITY shall allow the LGC to operate the Service on CITY streets including contract demand-responsive service or taxi services.

4.02. CITY shall assist in marketing and communications of Service to residents, using the CITY website, resident newsletters, or other methods of communication controlled by the CITY to inform residents about the Service.

4.03. CITY shall cooperate with the NCTCOG, NCTCOG consultants, and LGC to prepare a Collin County Service and Financial Plan, as required by DART Policy III.07. Cooperation shall include, by example and not limitation, participating on policy, stakeholder and technical advisory committees, providing information about CITY economic development, demographic projections, financial projections, and reviewing and commenting on the Collin County Service Plan as required under DART Policy III.07. The cost of the planning prepared by NCTCOG will be the responsibility of NCTCOG.

4.04. Commencing September 1, 2019, and on the first day of every month thereafter during the Term hereof, CITY shall pay LGC CITY’s share of the Service as shown in Exhibit A to the following address:

Dallas Area Rapid Transit
Accounts Receivable
P.O. Box 840009
Dallas, TX 75284-0009

The final monthly payment of each year will be adjusted to reflect the annual total not-to-exceed amount shown in Exhibit A. Any payments made under this Agreement shall be made from revenues currently available to the Parties. The provisions of Chapter 2251 of the Texas
Government Code shall apply to payments under this Agreement. The amount due hereunder is subject to change in the event that CITY requests a change in the program or LGC grant funds are depleted.

5. **Joint Marketing and Communications.** The Parties acknowledge that marketing and communications regarding the Service may require the use of marks and logos that are owned by each of the Parties. The Parties agree to such limited use of their individually owned or registered marks, logos, and trade names in connection with providing and promoting the Service under this Agreement. Any right to use such marks and logos shall terminate upon the termination or expiration of this Agreement.

6. **Force Majeure.** LGC shall at all times use reasonable commercial efforts to provide or cause the Service to be provided continuously, however, LGC does not warrant or guarantee uninterrupted Service and shall not be liable for any special, direct or consequential damages relating to or arising from an interruption in the Service. The obligations of the Parties to perform under this Agreement shall be suspended to the extent that either or both are unable to perform as a result of causes beyond the respective Party’s reasonable control and without such Party’s fault or negligence, including but not limited to, equipment breakdown, accidents, acts of nature and governmental action. In such event, the affected Party shall use reasonable efforts to eliminate the cause as quickly as possible.

7. **Planning.** On July 1, 2022, LGC shall provide a projected pricing schedule for continuation of the Service beyond the Term. CITY shall notify DART in the event that, prior to July 1, 2022, CITY has determined not to continue funding for the Service after September 30, 2022.

8. **Audit and Retention of Records.** Any Party shall have the right to request an audit of another Party’s records related to the operation of the Service. The Parties shall retain adequate records for auditing purposes for a period of three years after final payment hereunder.

9. **Indemnifications**

9.01. To the extent permitted by applicable law, LGC shall defend, indemnify and hold CITY, and its officers, employees, visitors and contractors, harmless from all loss, cost and expense by reason of injury (including death), to any person, or damage to property, arising out of or from any accident or other occurrence taking place during the performance of this Agreement, which injury or damage results from negligence on the part of LGC, its agents, employees, or contractors.

9.02. To the extent permitted by applicable law, CITY shall defend, indemnify and hold LGC, its directors, officers, employees and contractors, harmless from all loss, cost and expense by reason of injury, (including death), to any person, or damage to property, arising out of or from any accident or other occurrence taking place during the performance of this Agreement, which injury or damage results from negligence on the part of CITY, its agents, employees or contractors.
9.03. CITY hereby releases, indemnifies, defend and holds DART harmless from all loss, cost and expense by reason of injury, (including death), to any person, or damage to property, arising out of or from any accident or other occurrence taking place during the performance of this Agreement, which injury or damage results from any negligence or misconduct on the part of the indemnifying Party or its agents, employees or contractors, whether now known or otherwise. In the event of any third party claim against DART arising out of the terms of this Agreement, the Parties shall jointly provide any necessary defense with counsel reasonably acceptable to DART, so as to eliminate liability on the part of DART, it being acknowledged that DART is not a Party to this Agreement.

9.04. In the event of joint or concurring negligence or fault of both Parties, liability, if any, shall be apportioned comparatively in accordance with the law of the State of Texas. The provisions of this section are solely for the benefit of the Parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity, nor limit the right of LGC or CITY to assert any governmental immunity defense to any claim of another Party or entity. The provisions of this section shall survive termination or expiration of this Agreement.


10.01. Notices. Any notice by any Party shall be in writing and shall be deemed to have been duly given only if delivered personally or sent by United States mail, certified, return receipt requested, in a postage paid envelope addressed to the Parties as set out below:

**LGC:**
c/o DALLAS AREA RAPID TRANSIT
P.O. Box 660163
Dallas, Texas 75266-7213
Attention: Todd Plesko
Vice President, Planning and Development

**CITY:**
City of Wylie
Country Club, Building 100
Wylie, Texas 75098
Attention:
City Manager

With a copy to:
City Attorney
City of Wylie
300 Country Club, Building 100
Wylie, Texas 75098

A Party may designate another address by giving notice thereof to the other Parties.
10.02. **Binding Effect.** The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. There shall be no third party beneficiaries of this Agreement.

10.03. **Fiscal Funding.** CITY is a political subdivision of the State of Texas (or creation thereof). CITY shall have the right, upon the failure of the governing body of CITY to appropriate sufficient finances to fund of this Agreement, to terminate this Agreement as of the effective date of such lack of fiscal funding. When exercising this right, CITY shall give notice to LGC of any such failure of funding at the earliest possible time.

10.04. **Construction and Drafting.** The paragraph headings in this Agreement are intended for convenience only and shall not be taken into consideration in the construction or interpretation of this Agreement. Whenever used herein, unless the context otherwise provides, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders. Both Parties have participated in the drafting hereof and accordingly no party shall be given credit therefor in the interpretation of this Agreement.

10.05. **Partial Invalidity.** Any portion of this Agreement being declared by law to be invalid shall not invalidate the remaining provisions which shall remain in full force and effect.

10.06. **Merger and Amendment.** This instrument constitutes the entire agreement of the Parties with respect to matters contemplated herein, and it may be modified or amended only in writing, signed by all Parties hereto and in accordance with the terms hereof.

10.07. **No Partnerships or Joint Enterprise.** It is mutually understood and agreed that this Agreement is intended by the Parties to establish only an independent contractual relationship and is not intended to create a partnership or joint venture between the Parties.

10.08. **Use of Contractors.** Nothing in this Agreement shall prevent a Party from using a contractor or agent to perform the duties and responsibilities contemplated by this Agreement.

10.09. **Exhibits and Attachments.** The exhibits attached to this Agreement are incorporated by reference as if written word for word herein. In the event of conflict between the exhibits and this Agreement, the terms of this Agreement shall prevail.

10.10 **Assignment.** No Party may assign its rights and obligations or either under this Agreement, in whole or in part, without first obtaining the prior written consent of the other Party, which consent may be withheld for any reason. No assignee or successor may further assign, in whole or in part, its rights and obligations without prior written consent of the other Party to this Agreement at the time of further assignment.

10.11 **Incorporation of Recitations.** The recitations and “whereas” provisions of this Agreement are incorporated herein as part of this Agreement for all purposes.
10.12 DART Board Policy III.07. The Provisions of the DART Board Policy are incorporated herein and binding on the Parties hereto. Any renewal of this Agreement must be approved by each Party and the DART Board of Directors.

(SIGNATURES ON THE FOLLOWING PAGE)
IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple originals as of the _____ day of ____________, 2019.

DALLAS AREA RAPID TRANSIT MOBILITY SERVICE, LGC

By: _____________________

_____________________

_____________________

CITY OF WYLIE

By: _____________________

_____________________

_____________________

City Manager
## Exhibit A

<table>
<thead>
<tr>
<th>Exhibit A</th>
<th>FY20 Monthly Amount</th>
<th>FY21 Monthly Amount</th>
<th>FY22 Monthly Amount</th>
<th>FY20 Annual Total NTE</th>
<th>FY21 Annual Total NTE</th>
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Approval to Extend Service for Wylie-BD
Agenda Report

DATE: July 9, 2019

SUBJECT: Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the Town of Fairview for the Continuation of Collin County Demand Responsive Service

RECOMMENDATION

Approval of a resolution authorizing the President of the Dallas Area Rapid Transit Mobility Service, LGC (LGC), or his designee to execute an Interlocal Agreement between the Dallas Area Rapid Transit Mobility Service, LGC, and the Town of Fairview, substantially in the form shown in Exhibit 1 to the Resolution and subject to legal review.

FINANCIAL CONSIDERATIONS

• This agreement will generate revenue which will offset the direct and indirect costs of the service through the Dallas Area Rapid Transit Mobility Service, LGC.

BUSINESS PURPOSE

• Approval of this agreement will assist DART in achieving Board Strategic Priority 3: Optimize DART’s influence in regional transportation planning; and Priority 4: Expand DART’s transportation system to serve cities inside and outside the current service area.

• On November 17, 2015 (Resolution No. 150116), the DART Board authorized the Dallas Area Rapid Transit Mobility Service, LGC (LGC), to execute an agreement with North Central Texas Council of Governments (NCTCOG) to restore demand responsive transit service for elderly and disabled persons in Collin County who lost service when Texoma Area Paratransit (TAPS) service was discontinued.

• On December 10, 2015, the Regional Transportation Council (RTC) approved federal and regional toll funding to reimburse the LGC for the replacement service. The Town of Fairview also contributed funding to NCTCOG to support the restored service.

• On February 29, 2016, the LGC began demand responsive transportation service within Collin County that was available to residents of Allen, Fairview and Wylie through May 27, 2016.

• On April 12, 2016 (Resolution No. 160032), the DART Board authorized the LGC to accept a $1 million grant from Toyota Motor North America, Inc. to assist with continuation of the demand responsive service in unserved areas of Collin County, and funding from this grant was available in FY 2018 and FY 2019.
In May 24, 2016 (Resolution No. 160048), the DART Board authorized the LGC to continue service for the elderly and disabled residents for the Town of Fairview through September 30, 2017.

The service is operated pursuant to Policy III.07, that was approved by the Board on December 8, 2015 (Resolution No. 150123), and defines the conditions by which the LGC may provide service to non-service area cities. This policy requires that the City and DART develop a Transit System Plan, Financial Plan and a Plan for Membership within three years of initiation of the services. The policy does not require an election and there is no definition of membership (See Attachment 1).

On September 12, 2017 (Resolution No. 170083), the Board of Directors authorized the LGC to execute an agreement with the Town of Fairview to provide public transportation services for elderly and disabled residents through September 30, 2019. From the original agreement with Fairview initiating service on May 29, 2016, until September 19, 2019, the duration of the agreements with Fairview will be 40 months.

In 2018, Collin County Commissioners Court requested the Collin County transit planning effort be funded and managed by the NCTCOG rather than DART. This request was approved and funded by the RTC in 2018, but the federal funding to hire planning and financial consultants will not be available until late 2019 or 2020, when the planning work will begin.

The Board was informed about this change in funding responsibility for the planning effort and the impact upon Fairview’s ability to complete the Transit System Plan, Financial Plan, and Plan for Membership within the 36-month limits of Policy III.07. The Town of Fairview, however, paid DART its required obligation to fund the plans under the terms of Policy III.07 in the 36-month contract ending September 30, 2019.

In February 2019 the Town of Fairview staff informed DART staff that Fairview would like to extend the agreement for elderly and disabled transportation for an additional three years. Further, Fairview senior staff expressed the sincere desire to participate with DART and NCTCOG to develop all of the plans required under Policy III.07 if the agreement is approved by DART.

For the three-year agreement, the proposed funding from Fairview for FY 2020, FY 2021 and FY 2022, is summarized below:

<table>
<thead>
<tr>
<th>Municipality</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
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<tr>
<td>Town of Fairview</td>
<td>$8,400</td>
<td>$10,028</td>
<td>$11,656</td>
<td>$13,284</td>
</tr>
</tbody>
</table>

The interlocal agreement for Fairview is attached as Exhibit 1 to the Resolution.

DART Board authorization of an exception to Policy III.07 relating to the three-year time line for a service plan will allow NCTCOG time to complete the required service plan. Approval of the agreement will allow service to continue while NCTCOG, Fairview, and DART collaborate with other Collin County cities to complete the plans required under Policy III.07 in a manner consistent with the desires of Collin County Commissioners.
LEGAL CONSIDERATIONS

Article IV of the LGC Articles of Incorporation state that the LGC is created for the purpose of aiding and acting on behalf of DART in its governmental purpose of providing a public transportation system by contracting to provide a variety of public transportation services. Additionally, Article IV states that in the exercise of its powers, the LGC may enter into agreements that are necessary and appropriate to the fulfillment of the governmental purpose of the LGC.

The Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, authorizes the LGC to contract or agree with another local government to perform governmental functions and services.
DART Services Outside the Service Area Boundary

DATE ISSUED: April 25, 1995
Resolution No. 950097
Amended by Resolution: 970226, 040098, 110037, 130023, 150123
Policy No. III.07 (Operations)

Section 1.

Except for Charter and Special Events services as authorized by separate policy and other services as described in this policy, DART transit service will not extend beyond the boundaries of the DART Service Area. For the purposes of this policy, D/FW Airport is considered to be part of the DART Service Area.

Section 2.

Existing bus routes may be extended to service any publicly-funded, post-secondary educational institution whose campus is contiguous to the DART service area when the extension does not involve operation over the streets of a non-member jurisdiction and the institution enters into an interlocal agreement to pay DART the fully allocated cost of such service.

Section 3.

3.01 DART shall consider providing rail, bus or paratransit service outside the DART Service Area under one or more service agreements.

3.02 A service agreement under this section must be approved by the DART Board of Directors, shall not adversely impact or delay any transit service that is included in the then-current Transit System Plan and Twenty Year Financial Plan and shall not be inconsistent with any DART policy or program for paid parking at DART facilities. A service agreement under this section shall include the following elements:

a. Funding for the service shall be sufficient to pay for the fully burdened operating and capital cost of the service being provided for the duration of the contract.

b. The agreement shall require payment of a fee reflecting the value of any connection to the DART service area consumed by the non resident patrons and intangibles provided by DART to the contracting entity as approved by the DART Board of Directors.

c. The agreement shall require payment of an impact fee if the contracted service causes DART to incur additional direct operating or capital costs to accommodate patrons who live outside of the DART Service Area.

3.03 Within the first 36 months of service between DART and a municipality or county, DART shall prepare a transit system plan and a supporting financial plan for the municipality or county that includes projected costs and revenues and also includes a plan for becoming a DART member; the municipality or the county shall provide ½ of the funding for such transit system plan and supporting financial plan with payment of ¼ of the estimated cost to be paid upon commencement of the work and the remaining balance of ½ of actual expense upon completion of the work. In the event that a municipality or county fails or refuses to agree to the plan to become a DART member and provide all or portion of the funding for the development of a transit system plan and
DART Services Outside the Service Area Boundary

Such service may be provided directly by DART or through a DART local government corporation in compliance with the transit system plan and twenty year financial plan prepared for the municipality or county.
DRAFT
RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the Town of Fairview for the Continuation of Collin County Demand Responsive Service

WHEREAS, on November 17, 2015 (Resolution No. 150116), the DART Board authorized the Dallas Area Rapid Transit Mobility Service, LGC (LGC) to execute an agreement with North Central Texas Council of Governments (NCTCOG) to restore demand responsive transit service for elderly and disabled persons in Collin County who lost service when Texoma Area Paratransit (TAPS) service was discontinued; and

WHEREAS, on December 10, 2015, the Regional Transportation Council (RTC) approved federal and regional toll funding to reimburse the LGC for the replacement service; and

WHEREAS, on February 29, 2016, the LGC began demand responsive transportation service within Collin County that was available to residents of Allen, Wylie and Fairview through May 27, 2016; and

WHEREAS, on April 12, 2016 (LGC Resolution No. 160032), the DART Board authorized the LGC to accept a $1 million grant from Toyota Motor North America, Inc. to assist with continuation of the demand responsive service in unserved areas of Collin County and funding from this grant was available in FY 2018 and FY 2019; and

WHEREAS, on May 24, 2016 (Resolution No. 160048), the DART Board authorized the LGC to continue the transportation services through September 30, 2017; and

WHEREAS, the LGC received additional federal grant funding from NCTCOG to support the continuation of transit service in Collin County in FY 2018 and FY 2019; and

WHEREAS, the Board desires to grant an exception to DART Board Policy III.07 and extend the agreement with the Town of Fairview for a period of three year; and

WHEREAS, the Town of Fairview has agreed to provide payments identified in the agreement for FY 2020, FY 2021, and FY 2022 to fund LGC transportation services including the taxi voucher program and a transportation system plan; and

WHEREAS, this agreement will generate revenue which will offset the direct and indirect costs of the service through the Dallas Area Rapid Transit Mobility Service, LGC.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President of the Dallas Area Rapid Transit Mobility Service, LGC (LGC), or his designee is authorized to execute an Interlocal Public Transit Service Agreement with the Town of Fairview, substantially in the form shown in Exhibit 1 to the Resolution, subject to legal review.

Approval to Extend Service for Fairview-BD
Approval to Execute an Agreement Between the Dallas Area Rapid Transit Mobility Service, LGC, and the Town of Fairview for the Continuation of Collin County Demand Responsive Service

Prepared by: Todd Plesko
Vice President
Planning and Development

Approved by: Timothy H. McKay, P.E.
Executive Vice President
Growth/Regional Development

Approved as to form: Gene Gamez
Interim General Counsel

Approved by: Gary C. Thomas
President/Executive Director
THE STATE OF TEXAS
COUNTY OF DALLAS

INTERLOCAL PUBLIC TRANSIT SERVICE AGREEMENT

THIS AGREEMENT, (“Agreement”) by and between Dallas Area Rapid Transit Mobility Service, LGC (“LGC”), a Texas local government corporation organized and existing pursuant to Subchapter D of Chapter 431 of the Texas Transportation Code and the Town of Fairview, Texas (hereafter referred to as “TOWN”) a Texas municipal corporation whose address is 372 Town Place, Fairview, Texas 75069 (collectively, referred to as the “the Parties” or individually, as a “Party”).

W I T N E S S E T H:

WHEREAS, the LGC began a demand responsive transportation program within Collin County that is available to residents of TOWN who are 65 years of age or older or who have a disability (hereafter referred to as the “Service”); and

WHEREAS, TOWN has provided funding to support the operation of this Service since 2016 and has determined that the Service is beneficial to the residents of the TOWN; and

WHEREAS, TOWN may modify the amount that TOWN residents pay for the Service through this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Term and Termination

1.01. The term of this Agreement shall begin on the 1st day of October, 2019, and terminate at midnight on the 30th day of September, 2022, unless earlier terminated as herein provided (“the Term”).

1.02. In addition to any other termination provision contained herein, either Party shall have the right to terminate this Agreement by giving the other Party one hundred twenty (120) calendar days advance written notice of termination.

1.03. In the event that either Party shall fail to perform any of their respective material obligations under this Agreement, the non-defaulting Party shall have the right to terminate this Agreement if the defaulting Party has not cured any such failure to perform within thirty (30) calendar days following written notice by non-defaulting Party of such failure.
1.04. In the event that TOWN fails to make any payment required by Section 4.04 of this Agreement, LGC shall have the option, at its sole discretion, to suspend such Service within TOWN or require that residents of the TOWN pay a higher fare or percentage share of taxi vouchers for the Service. The suspension or revised user fees may continue until payments from the TOWN resume.

2.  Service Description

2.01 Service includes weekday contract demand responsive service as operated by the LGC contractor. During the Term of this Agreement, the Service may be replaced with a transportation assistance program to provide accessible public transportation services for the eligible residents of Collin County, including TOWN.

2.02. Except as may be limited in accordance with Section 1.04, Service shall be available to residents of Collin County who are 65 years of age or older or who have a disability and who have no access to alternative private or public transportation.

2.03. Eligible users of Service provided under this Agreement will be required to pay a fare per trip and/or percentage share of the subsidy value provided for the Service.

2.04. Eligible users of Service shall be required to schedule ride requests and rides will be available on-demand between the hours of 5:00 am and 11:00 pm on Monday through Sunday.

2.05. Users of Service who fail to cancel a previously scheduled or regularly scheduled trip at least one hour in advance of the pickup time shall pay a fee in an amount as required by the LGC.

3.  LGC Duties and Responsibilities

3.01. LGC may cause a contractor to provide the Service, including vehicles, drivers, supervisors, call center and scheduling staff, and any other staff or services required to provide the Service;

3.02. LGC may cause its contractor to clean, fuel and otherwise maintain any vehicles needed to provide a demand-responsive service.

3.03. LGC may cause a taxi or other transportation service to provide voucher management services, technology, software or other services, supplies, or equipment necessary to operate a user transportation assistance program.

3.04. LGC shall be responsible for the call center, customer information, complaint resolution, data collection, accounting, passenger ridership, invoicing, reconciliation of all invoices, and payment of contractors and suppliers.
3.05. **Performance Measures and Reporting.** LGC shall provide Town with information regarding ridership, on-time performance of the Service, costs, and number of users, within thirty (30) days of receipt of such information from the contract provider.

3.06. LGC shall convene periodic meetings with TOWN staff to discuss the Service.

3.07. LGC shall cause to be prepared planning, engineering, and financial planning services and data required by the North Central Texas Council of Governments (“NCTCOG”). NCTCOG is responsible for funding and managing the development of the County Transit Service and Financial Plan, which will include TOWN. This NCTCOG plan will meet the TOWN obligations as required by Policy III.07 to develop a 20-year transit service and financial plan during the Term of this Agreement. Following the completion of the transit service and financial plan by NCTCOG, the TOWN shall develop a plan for TOWN membership in DART.

3.08. LGC will distribute to TOWN and analyze any available surveys of the Service. TOWN may provide input regarding the design of the survey instruments, if any are used.

4. **TOWN Duties and Responsibilities**

4.01. TOWN shall allow the LGC to operate the Service on TOWN streets including contract demand responsive service or taxi services.

4.02. TOWN shall assist in marketing and communications of Service to residents, using the TOWN website, resident newsletters, or other methods of communication controlled by the TOWN to inform residents about the Service.

4.03. TOWN shall cooperate with the NCTCOG, NCTCOG consultants, and LGC to prepare a Collin County Service and Financial Plan, as required by DART Policy III.07. Cooperation shall include, by example and not limitation, participating on policy, stakeholder and technical advisory committees, providing information about TOWN economic development, demographic projections, financial projections, and reviewing and commenting on the Collin County Service Plan as required under DART Policy III.07. The cost of the planning prepared by NCTCOG will be the responsibility of NCTCOG.

4.04. Commencing September 1, 2019, and on the first day of every month thereafter during the Term hereof, TOWN shall pay LGC TOWN’s share of the Service as shown in Exhibit A to the following address:

Dallas Area Rapid Transit  
Accounts Receivable  
P.O. Box 840009  
Dallas, TX 75284-0009

The final monthly payment of each year will be adjusted to reflect the annual total not-to-exceed amount shown in Exhibit A. Any payments made under this Agreement shall be made from revenues currently available to the Parties. The provisions of Chapter 2251 of the Texas
Government Code shall apply to payments under this Agreement. The amount due hereunder is subject to change in the event that TOWN requests a change in the program or LGC grant funds are depleted.

5. **Joint Marketing and Communications.** The Parties acknowledge that marketing and communications regarding the Service may require the use of marks and logos that are owned by each of the Parties. The Parties agree to such limited use of their individually owned or registered marks, logos, and trade names in connection with providing and promoting the Service under this Agreement. Any right to use such marks and logos shall terminate upon the termination or expiration of this Agreement.

6. **Force Majeure.** LGC shall at all times use reasonable commercial efforts to provide or cause the Service to be provided continuously, however, LGC does not warrant or guarantee uninterrupted Service and shall not be liable for any special, direct or consequential damages relating to or arising from an interruption in the Service. The obligations of the Parties to perform under this Agreement shall be suspended to the extent that either or both are unable to perform as a result of causes beyond the respective Party’s reasonable control and without such Party’s fault or negligence, including but not limited to, equipment breakdown, accidents, acts of nature and governmental action. In such event, the affected Party shall use reasonable efforts to eliminate the cause as quickly as possible.

7. **Planning.** On July 1, 2022, LGC shall provide a projected pricing schedule for continuation of the Service beyond the Term. TOWN shall notify DART in the event that, prior to July 1, 2022, TOWN has determined not to continue funding for the Service after September 30, 2022.

8. **Audit and Retention of Records.** Any Party shall have the right to request an audit of another Party’s records related to the operation of the Service. The Parties shall retain adequate records for auditing purposes for a period of three years after final payment hereunder.

9. **Indemnifications**

9.01. To the extent permitted by applicable law, LGC shall defend, indemnify and hold TOWN, and its officers, employees, visitors and contractors, harmless from all loss, cost and expense by reason of injury (including death), to any person, or damage to property, arising out of or from any accident or other occurrence taking place during the performance of this Agreement, which injury or damage results from negligence on the part of LGC, its agents, employees, or contractors.

9.02. To the extent permitted by applicable law, TOWN shall defend, indemnify and hold LGC, its directors, officers, employees and contractors, harmless from all loss, cost and expense by reason of injury, (including death), to any person, or damage to property, arising out of or from any accident or other occurrence taking place during the performance of this Agreement, which injury or damage results from negligence on the part of TOWN, its agents, employees or contractors.
9.03. TOWN hereby releases, indemnifies, defend and holds DART harmless from all loss, cost and expense by reason of injury, (including death), to any person, or damage to property, arising out of or from any accident or other occurrence taking place during the performance of this Agreement, which injury or damage results from any negligence or misconduct on the part of the indemnifying Party or its agents, employees or contractors, whether now known or otherwise. In the event of any third party claim against DART arising out of the terms of this Agreement, the Parties shall jointly provide any necessary defense with counsel reasonably acceptable to DART, so as to eliminate liability on the part of DART, it being acknowledged that DART is not a Party to this Agreement.

9.04. In the event of joint or concurring negligence or fault of both Parties, liability, if any, shall be apportioned comparatively in accordance with the law of the State of Texas. The provisions of this section are solely for the benefit of the Parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity, nor limit the right of LGC or TOWN to assert any governmental immunity defense to any claim of another Party or entity. The provisions of this section shall survive termination or expiration of this Agreement.


10.01. Notices. Any notice by any Party shall be in writing and shall be deemed to have been duly given only if delivered personally or sent by United States mail, certified, return receipt requested, in a postage paid envelope addressed to the Parties as set out below:

LGC:
c/o DALLAS AREA RAPID TRANSIT
P.O. Box 660163
Dallas, Texas 75266-7213
Attention: Todd Plesko
Vice President, Planning and Development

TOWN:
Town of Fairview, TX
Attention: Julie Couch, Town Manager
372 Town Place
Fairview, TX 75069

With a copy to:
Clark McCoy, Town Attorney
Town of Fairview
2591 Dallas Parkway, Suite 300
Frisco, TX 75034

A Party may designate another address by giving notice thereof to the other Parties.
10.02. **Binding Effect.** The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. There shall be no third party beneficiaries of this Agreement.

10.03. **Fiscal Funding.** TOWN is a political subdivision of the State of Texas (or creation thereof). TOWN shall have the right, upon the failure of the governing body of TOWN to appropriate sufficient finances to fund of this Agreement, to terminate this Agreement as of the effective date of such lack of fiscal funding. When exercising this right, TOWN shall give notice to LGC of any such failure of funding at the earliest possible time.

10.04. **Construction and Drafting.** The paragraph headings in this Agreement are intended for convenience only and shall not be taken into consideration in the construction or interpretation of this Agreement. Whenever used herein, unless the context otherwise provides, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders. Both Parties have participated in the drafting hereof and accordingly no party shall be given credit therefor in the interpretation of this Agreement.

10.05. **Partial Invalidity.** Any portion of this Agreement being declared by law to be invalid shall not invalidate the remaining provisions which shall remain in full force and effect.

10.06. **Merger and Amendment.** This instrument constitutes the entire agreement of the Parties with respect to matters contemplated herein, and it may be modified or amended only in writing, signed by all Parties hereto and in accordance with the terms hereof.

10.07. **No Partnerships or Joint Enterprise.** It is mutually understood and agreed that this Agreement is intended by the Parties to establish only an independent contractual relationship and is not intended to create a partnership or joint venture between the Parties.

10.08. **Use of Contractors.** Nothing in this Agreement shall prevent a Party from using a contractor or agent to perform the duties and responsibilities contemplated by this Agreement.

10.09. **Exhibits and Attachments.** The exhibits attached to this Agreement are incorporated by reference as if written word for word herein. In the event of conflict between the exhibits and this Agreement, the terms of this Agreement shall prevail.

10.10 **Assignment.** No Party may assign its rights and obligations or either under this Agreement, in whole or in part, without first obtaining the prior written consent of the other Party, which consent may be withheld for any reason. No assignee or successor may further assign, in whole or in part, its rights and obligations without prior written consent of the other Party to this Agreement at the time of further assignment.

10.11 **Incorporation of Recitations.** The recitations and “whereas” provisions of this Agreement are incorporated herein as part of this Agreement for all purposes.
10.12 DART Board Policy III.07. The Provisions of the DART Board Policy are incorporated herein and binding on the Parties hereto. Any renewal of this Agreement must be approved by each Party and the DART Board of Directors.

(SIGNATURES ON THE FOLLOWING PAGE)
IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple originals as of the _____ day of ____________, 2019.

DALLAS AREA RAPID TRANSIT MOBILITY SERVICE, LGC

By: _____________________
    _____________________
    _____________________

TOWN OF FAIRVIEW

By: _____________________
    _____________________
    _____________________

    Town Manager
# Exhibit A

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<td>$835.67</td>
<td>$971.34</td>
<td>$1,107.00</td>
<td>$10,028</td>
<td>$11,656</td>
<td>$13,284</td>
</tr>
</tbody>
</table>
DATE: July 9, 2019

SUBJECT: Approval of Employment Agreement for DART General Counsel

BOARD ACTION

Approval of a resolution approving an employment agreement, as shown in Exhibit 1 to the Resolution, employing ________________ as DART General Counsel at the bi-weekly salary of $____________.

PURPOSE

- DART’s legislation authorizes the Board to appoint attorneys and prescribe their duties, compensation, and tenure.
- The position of DART General Counsel is currently vacant, and the General Counsel Search Ad Hoc Committee has conducted a search for a replacement.
- The General Counsel Search Ad Hoc Committee has interviewed seven qualified candidates for the position and has recommended a selected candidate to the DART Board.
- On June 18, 2019 (Resolution No. 190073), the Board approved a resolution authorizing the Chair of the General Counsel Search Ad Hoc Committee to negotiate an employment agreement, including salary, with the selected candidate for the position of DART General Counsel.
- The purpose of this item is to approve an employment agreement with the recommended candidate.

LEGAL CONSIDERATIONS

- Section 452.101(2) of the Texas Transportation Code authorizes the Board to appoint attorneys and prescribe their duties, compensation, and tenure.
WHEREAS, DART’s legislation authorizes the Board to appoint attorneys and prescribe their
duties, compensation, and tenure; and

WHEREAS, the position of DART General Counsel is currently vacant, and the General Counsel
Search Ad Hoc Committee has conducted a search for a replacement; and

WHEREAS, the General Counsel Search Ad Hoc Committee has interviewed seven qualified
candidates for the position and has recommended a selected candidate to the DART Board; and

WHEREAS, on June 18, 2019 (Resolution No. 190073), the Board approved a resolution
authorizing the Chair of the General Counsel Search Ad Hoc Committee to negotiate an
employment agreement, including salary, with the selected candidate for the position of DART
General Counsel; and

WHEREAS, an employment agreement, including salary, has been negotiated with the candidate
and is presented to the DART Board for approval; and

WHEREAS, funding for this position is within current budget and FY 2019 Twenty-Year
Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors
that the employment agreement shown in Exhibit 1 to this Resolution is approved, employing
____________________ as DART General Counsel at the bi-weekly salary of $___________.

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Employment Agreement for DART General Counsel
Approval of Employment Agreement for DART General Counsel

Michele Wong Krause  
Secretary

Sue S. Bauman  
Chair

____________________________  ______________________________
Gene Gamez  
Interim General Counsel

Gary C. Thomas  
President/Executive Director

____________________________
Date
DATE: July 9, 2019

SUBJECT: Briefing on Senate Bill 1640 Amendment to “Walking Quorum” Provision of the Texas Open Meetings Act

RECOMMENDATION

This is a briefing item. No action is required at this time.

BUSINESS PURPOSE

. The Committee will be briefed on passage of Senate Bill 1640 which amended the “Walking Quorum” provision of the Texas Open Meetings Act.

. This briefing will assist DART in achieving Board Strategic Priority 6: Innovate to improve levels of service, business processes, and funding.