

FORT WORTH TRANSPORTATION AUTHORITY

Board of Directors Meeting

Monday
October 17, 2016
5:00 p.m.

**Intermodal Transportation Center (ITC)
1001 Jones Street, 2nd Floor Community Room
Fort Worth, TX 76102**



FORT WORTH TRANSPORTATION AUTHORITY

BOARD OF DIRECTORS MEETING AGENDA

5:00 p.m., Monday, October 17, 2016

**Intermodal Transportation Center (ITC)
1001 Jones Street, 2nd Floor Community Room
Fort Worth, Texas 76102**

- A. Call to Order**
- B. Pledge of Allegiance**
- C. Citizen Comments**
- D. Report of Nominating Committee – Ken Newell**
- E. Election of Officers - Albon Head**
- F. Board Committee Assignments- Scott Mahaffey**
- G. Items to be withdrawn from Consent Agenda**
- H. Consent Agenda**
 - 1. BA2017-01 Relocation of CenturyLink Communications, LLC facilities in Segments 2, 3, and 4
 - 2. BA2017-02 Transit Farebox System Replacement
 - 3. BA2017-03 Security of TEX Rail Financing and Resolution
 - 4. BA2017-04 Proposed TEX Rail Fare Structure
- I. Other Business**
- J. Executive Session**

The Board of Directors may convene in Executive Session under the Texas Open Meetings Act for the consultation with its Attorney pursuant to Section 551.071; deliberation regarding real property pursuant to Section 551.072; deliberation



This facility is wheelchair accessible. For accommodations, for hearing or sight interpretive services, please contact Melanie Kroeker at (817) 215-8621, 48 hours in advance.

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regarding prospective gift pursuant to Section 551.073; deliberation regarding personnel matters pursuant to Section 551.074; deliberation regarding security devices pursuant to Section 551.076 and/or deliberations regarding economic development negotiations pursuant to Section 551.087.

K. Reconvene

L. Vote on Action Taken on Matters Deliberated in Executive Session

M. Adjourn

Next Meeting will be held on November 21, 2016 at 3:30 p.m., at the Intermodal Transportation Center, 2nd Floor Community Room



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Consent Agenda Items

Board of Directors Action Item

Item Number: BA2017-01

Meeting Date: October 17, 2016

Item Title: Relocation of CenturyLink Communications, LLC facilities in Segments 2, 3, and 4

BACKGROUND

In November 2014, Notice to Proceed (NTP) was issued to Parsons/TranSystems Joint Venture (P-TS) for final design of TEX Rail.

Discussions have been held with CenturyLink Communications, LLC during the design related to utility relocations along the alignment.

As a result of the discussions, on September 23, 2016, a cost estimate prepared by CenturyLink Communications, LLC was submitted to the Fort Worth Transportation Authority (FWTA) for adjustments/relocations of facilities in Segments 2, 3, and 4 with an estimated cost of \$1,512,495.28.

PROCUREMENT

This contract is a sole source procurement with CenturyLink Communications, LLC. The Assistant Vice President of Contract Administration and Procurement has made a determination that there is only one source for the required adjustment/relocation in accordance with the Fort Worth Transit Authority's Procurement Policy. The Contract type is a Cost Reimbursable Contract through which the FWTA will pay CenturyLink Communications, LLC actual costs for the adjustments/relocations. The Contract does not include any profit or fee.

FINANCING

The cost of the utility relocation is included in the FWTA's capital budget and the 2035 Financial Plan.

RECOMMENDATION

The Commuter Rail Committee recommends that the FWTA's Board of Directors authorize the President/Chief Executive Officer to execute an Agreement for Adjustment of Utility with CenturyLink Communications, LLC for the adjustments/relocations of their facilities in Segments 2, 3, and 4 in an amount of \$1,512,495.28 and a 20% contingency (\$302,499.06) to cover any unforeseen circumstances, for a total amount not to exceed \$1,814,994.34.

Disposition by Board of Directors

Secretary Approval: _____ Date: _____

Board of Directors Action Item

Item Number: BA2017-02

Meeting Date: October 17, 2016

Item Title: Transit Farebox System Replacement

BACKGROUND

The Fort Worth Transportation Authority (FWTA) has an estimated 175 fareboxes on board transit buses and approximately 38 fareboxes onboard Mobility Impaired Transit Service (MITS) vehicles as a revenue collection system with related equipment and software. To stay current with technology needs and requirements, FWTA is seeking to replace the current Fare Collection System with a new state-of-the-art, open access, user-friendly system. The objective is to improve fare collection efficiency and accuracy and maximize ease of use for riders, ease of operation for drivers, ease of maintenance for support staff, reliability of system performance, accuracy and security of information, cost effectiveness of operations, and improve the extended service life of the system.

REQUEST FOR PROPOSAL (RFP)

In accordance with FWTA's Procurement Policy, Request for Proposal (RFP 16-T026) for a Transit Farebox System Replacement was issued and advertised on the FWTA's web site. The RFP was a joint procurement initiative with Dallas Area Rapid Transit (DART) and Denton County Transportation Authority (DCTA) for requirements. It includes the purchase of equipment, installation, software, maintenance and a two-year warranty for new equipment. Twelve (12) firms downloaded the proposal information from the web site. Four (4) firms responded to the solicitation and complied with the proposal requirements. Proposal responses were received from SPX Corporation dba: Genfare (GFI), Lecip, Scheidt-Bachmann-US, and Trapeze.

An evaluation committee reviewed and rated the proposals to determine the proposal from GFI as the highest rated proposal for technical qualifications. Procurement negotiated the cost for the proposed equipment and service with GFI. The negotiated cost includes a credit for the return of equipment to be replaced.

FINANCING

The cost for the proposed equipment is \$4,280,565. Funds up to \$3,500,000 are included in the approved FY2017 Capital Budget for this project. Additional funds will be needed to increase the capital budget for this project. Approval to enter the contract will also approve the increase of the capital budget. Additional funding is available from local reserve funds.

PROCUREMENT

The FWTA's Procurement Department has followed procurement policy with the Request for Proposal and is in compliance with all applicable Federal, State, and the FWTA procurement requirements. The established DBE goal for this solicitation was 15%. SPX Corporation dba Genfare has committed to meet the DBE goal for this solicitation.

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Subject: **Transit Farebox System Replacement**

RECOMMENDATION

The Finance & Audit Committee recommends that the FWTA's Board of Directors authorize the President/Chief Executive Officer to enter into a contract with SPX Corporation dba Genfare for the purchase of the Transit Farebox System Replacement for a cost of \$4,280,565 plus a contingency of 20% (\$856,113) for any additional required services, for a total cost not-to-exceed \$5,136,678. Approval to enter the contract will also approve the increase of the capital budget.

Disposition by Board of Directors

Secretary Approval: _____ Date: _____

Board of Directors Action Item

Item Number: BA2017-03

Meeting Date: October 17, 2016

Item Title: Security of TEX Rail Financing and Resolution

BACKGROUND

The Fort Worth Transportation Authority (FWTA) submitted a new starts update to FTA in early April 2016. FWTA Board of Directors approved a Contingent Approval of Short-Term Borrowing on April 25, 2016. The current financial plan for TEX Rail includes a short-term borrowing (the "Financing") in order to meet the cash flow projected needs during construction. The current baseline financial structure includes an assumption of 5% (APR) for interest on short-term borrowing.

The FWTA has statutory authority to issue these notes under Texas Transportation Code § 452, Subchapter H. Any authority, as defined in the statute and which includes the FWTA, may issue "bonds" (which expressly includes notes) at any time and for any amounts it considers necessary or appropriate for the acquisition, construction, repair, equipping, improvement, or extension of its public transportation system. § 452.352(a). Voter approval will not be required because the maturity of the notes will not exceed five years. § 452.352(b). The FWTA's decision to sell the notes via private sale is also explicitly authorized by § 452.354. Finally, any assets pledged as security for the notes will be limited to those authorized under § 452.357.

On October 3, 2016, the Board adopted a resolution providing preliminary approval for the issuance of notes in connection with the Financing and authorized the President/CEO to negotiate the final terms and form of the documents, including a final Resolution. An additional purpose of the October 3rd resolution was to maintain the schedule for obtaining the Full Funding Grant Agreement in early/mid-December.

The negotiations authorized by the October 3rd resolution have been substantially completed, and the resolution to be submitted for your approval in connection herewith (the "*Final Resolution*") will serve as the final resolution contemplated by the October 3rd resolution, and will constitute the final remaining Board action related to the Financing. The language of the Final Resolution will be submitted to the FTA in advance of the October 17 meeting date to ensure satisfaction of the aforementioned FTA demand.

FINANCING

The Financing and related costs of issuance are included in the TEX Rail Capital budget and the 2035 Financial Plan. JPMorgan Chase Bank, N.A. has been selected as the lender for the Financing, offering the most effective balance of term flexibility and low interest rates. Rather than creating a note program involving the issuance of multiple notes, as originally contemplated, JPMorgan will instead purchase a single note from the FWTA in the amount of \$270,000,000, with a maturity of five (5) years (the "*Note*"). The proceeds of the Note will be sufficient to satisfy all of the needs related to the Financing. This structure will avoid the transaction costs associated with the issuance of multiple notes, will satisfy the requirements of the FTA discussed above, and will provide for the optional prepayment of the Note after approximately three years from issuance.

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Subject: **Security of TEX Rail Financing and Resolution**

The interest on the Note will be calculated two business days prior to the actual issuance of the Note, and will be equal to the sum of (i) the swap rate that corresponds to the maturity date of the Note as of the date of its issuance (as posted daily to the Federal Reserve Selected Interest Rate System H.15), and (ii) .95% (e.g., 2.26%, as of early October). The Final Resolution will adopt the essential terms of the Financing (e.g., maturity, interest rate calculation, prepayment, etc.) and the form of the Note.

RECOMMENDATION

The Finance and Audit Committee recommends that the FWTA's Board of Directors approve the issuance of notes in connection with the financing plan and final terms and adopt the attached resolutions evidencing the authorization to issue the notes as described.

Disposition by Board of Directors

Secretary Approval: _____ Date: _____

Board of Directors Action Item

Item Number: BA2017-04

Meeting Date: October 17, 2016

Item Title: Proposed TEX Rail Fare Structure

BACKGROUND

The TEX Rail commuter rail project continues to progress through its program planning, project management, environment services, final design, and rail car procurement necessary to comply with Federal Transit Administration (FTA) requirements. The FTA Section 5309 New Starts program is a key discretionary program for supporting locally-planned, implemented, and operated transit "guideway" capital investments, such as the TEX Rail project.

The current financial plan includes assumptions derived from modeling performed by the Metropolitan Planning Organization. To instill a reasonable degree of financial conservatism, the TEX Rail ridership numbers were reduced by 10% in all years. The adjusted ridership projections were then multiplied by an average fare rate assumed to be equal to TRE's average fare rate.

Fort Worth Transportation Authority (FWTA) will obtain the Texas Attorney General (AG) approval on the short-term financing. During communication with the AG's office, they identified items they would like to review. Adoption of a fare structure is one of the items identified. Exhibit A is the proposed TEX Rail fare structure, which mirror the current TRE fares.

FINANCING

The fare revenue for TEX Rail is included in FWTA's 2035 financial plan.

RECOMMENDATION

The Finance and Audit Committee recommends that the FWTA's Board of Directors adopt the Proposed TEX Rail Fare Structure as found on Exhibit A.

Disposition by Board of Directors

Secretary Approval: _____ Date: _____

TEX Rail - Proposed Fare Structure

Base Single Ride Fare (valid for 2 hours):

	Proposed
One Zone	2.50
Regional Two Hour Fare	5.00
Reduced Regional {2} {also valid on 1 Zone}	1.25

Day Pass Fares:

One Zone	5.00
Regional	10.00
Reduced Regional	2.50

Weekly Pass / Seven Day

One Zone	25.00
Regional	50.00

Monthly Pass

One Zone	80.00
Regional	160.00
Reduced Regional	40.00

{1} Base fare will be a two hour fare, eliminating transfers and allowing passengers to round trip within the two hour window.

{2} Reduced fare is valid for persons over 65 years of age with a valid T photo ID card or a Medicare card, children 5-14 traveling with a parent or guardian, disabled persons with a valid T photo ID card and high school students with valid T photo ID card.

