

FY 2021 BUSINESS PLAN

DALLAS AREA RAPID TRANSIT



Including FY 2021 Annual Budget and Twenty-Year Financial Plan

DART BOARD MEMBERS

Robert C. Dye
Plano, Farmers Branch

Mark Enoch
Garland, Rowlett,
Glenn Heights

Doug Hrbacek
Carrollton, Irving

Ray Jackson
Dallas

Jonathan R. Kelly
Garland

Patrick J. Kennedy
Dallas

Jon-Bertrell Killen
Dallas

Michele Wong Krause
Dallas

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Dallas

Eliseo Ruiz III
Dallas, Cockrell Hill

Rodney Schlosser
Dallas

Gary Slagel
Richardson, University Park,
Addison, Highland Park

Rick Stopfer
Irving

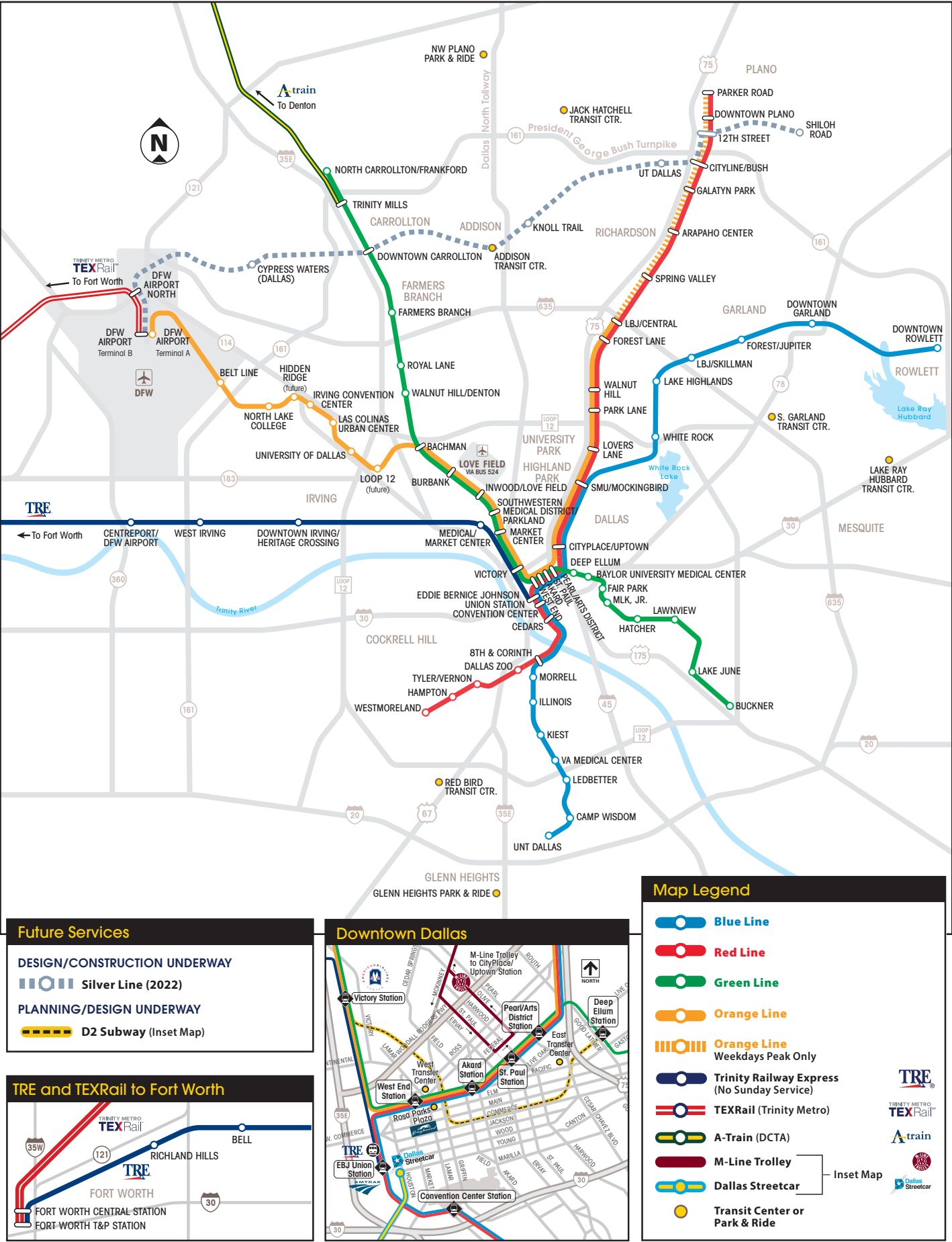
Dominique P. Torres
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Paul N. Wageman
Plano

DART's Financial Information
is located online at:
DART.org/FinancialInformation



CURRENT AND FUTURE SERVICES



How to Use This Book

What's in this Book

This book contains the Business Plan for Fiscal Year 2021 (FY 2021 – which ends September 30, 2021) for Dallas Area Rapid Transit (DART or the Agency).

The Business Plan provides the DART Board of Directors, customers, taxpayers, elected officials, and other stakeholder groups of our region with a comprehensive summary of the Agency's plans and commitments to improve regional mobility, enhance the quality of life, and stimulate economic development. This document consolidates the key elements of the FY 2021 Annual Budget, the FY 2021 Twenty-Year Financial Plan, the Transit System Plan, and the Agency's Strategic Plan.

A summary of the information contained in the various sections follows.

The formal **Letter of Transmittal** summarizes priorities and issues for the upcoming year.

The section titled **Who We Are** should help those not familiar with DART to understand the basis from which the Agency operates. This section also contains an organization chart along functional lines.

The **Twenty-Year Financial Plan** represents a robust long-term projection of DART operating revenues, funding, operating expenses, capital expenditures, and other financial information. The Plan validates the affordability of system expansion and maintenance commitments, operating requirements, and debt repayment. Approval of the Plan requires an affirmative vote of two-thirds of the appointed and qualified members of the DART Board. The Annual Budget requires a majority vote and corresponds to the first year of the Plan.

The **Annual Budget** enumerates the FY 2021 amounts for operating expenses, capital and non-operating costs, and debt service – including the underlying bases, issues, and factors – with an introductory section that describes the agency's strategic priorities as the framework for the annual budget.

The **Organizational Units** section contains modal key performance indicators, as well as the goals and budget detail by organizational unit.

Finally, the **Reference** section contains supporting information including the process employed to develop the Twenty-Year Financial Plan, description of DART financial policies, supplemental financial schedules such as sales tax and debt detail, data on fares, and definitions of terms and acronyms.

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Dallas Area Rapid Transit

FY 2021 Business Plan

(Including the FY 2021 Annual Budget and
The FY 2021 Twenty-Year Financial Plan)

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Dallas Area Rapid Transit
P.O. Box 660163
Dallas, TX 75266-0163
214-749-3278

August 13, 2020

Board of Directors
Dallas Area Rapid Transit

I am pleased to present the proposed Fiscal Year (FY) 2021 Annual Budget and Twenty-Year Financial Plan for Dallas Area Rapid Transit.

The document sent to you today describes the proposed FY 2021 Budget and Twenty-Year Financial Plan, but does not represent the full Business Plan typically transmitted at this point, which provides a fulsome description of our service and programs. Upon approval of the FY 2021 Annual Budget and Twenty-year Financial Plan by the DART Board, and associated bus and rail service levels, we will convey the full Business Plan.

The proposed FY 2021 Annual Budget is a balanced budget and meets all Board-adopted Financial Standards. The total proposed FY 2021 Annual Budget is broken down as follows (dollars in millions):

Operating	\$542.3
Capital & Non-Operating	647.0
Debt Service	204.0
Total Proposed FY 2020 Budget	\$1,393.3

The Twenty-Year Financial Plan represents a long-term projection of DART's operating revenues, funding, operating expenses, capital expenditures, and debt obligations. The plan demonstrates the agency has the financial capacity to achieve its strategic priorities over the next 20 years.

Financial Overview

The COVID-19 pandemic has had a significant and, we expect, a long-term impact on our revenues and operating costs, requiring significant and long-term offsets to achieve financial sustainability.

The key twenty-year impacts are the reduction in sales tax revenues of \$895 million and operating revenues of \$255 million. This has necessitated that we reduce operating costs by \$459 million, through the reduction of bus and rail service, as well as customer-facing programs. Further offsets include additional federal funding of \$230 million through the CARES Act and \$350 million

additional federal funding for the D2 Subway project. The additional federal funding enables \$516 million less in borrowing.

Immediate Action

The onset of the pandemic required immediate action by the agency. In March, hiring and operating expenditures were suspended, proceeding with only those mission critical. Bus and rail service were reduced in April to levels reflecting dramatically lower customer demand.

The proposed FY 2021 operating budget reflects an amount financially sustainable, in the face of reduced revenues, and represents a \$32.4 million reduction from the FY 2021 amount in the FY 2020 Financial Plan.

Major Capital Projects

While the current economic environment necessitated the deferral, scope reduction and elimination of many smaller capital projects, importantly, progress continues on our significant rail projects during FY 2020 and work will continue into FY 2021.

The DART Rail Red and Blue Line platform extensions project began in FY 2019. This modification to some of our oldest stations outside of Downtown Dallas adds operational flexibility and, by allowing the deployment of three-car train sets on all rail lines, allows us to increase capacity by 50%.

The 26-mile Cotton Belt Regional Rail (Silver Line) project, which extends between DFW Airport and Shiloh Road in Plano, will provide passenger rail connections and service that will improve mobility, accessibility and system linkages to major employment, population and activity centers in the northern part of the DART Service Area. Service is scheduled to begin in December 2022.

The D2 Subway project, DART's second light rail line through downtown Dallas, that extends from Victory Park to Deep Ellum, has made significant progress in the past year.

Looking to the Future

Looking beyond the pandemic, DART has embarked on a significant re-envisioning of our entire bus service. We are working on more direct routes, quicker trip times and better access for everyone. DART is developing a Bus Service Plan focused on a ridership versus coverage trade-off, with extensive stakeholder input.

As the nation's leader in transit innovation, the agency is assessing the long-term impact of the pandemic. DART's Mobility as a Service will play a key role in success in the evolution of transit.

DART Board of Directors

August 14, 2020

Page 3

Ultimately, we aim to shift the way people think about and use transit. Our goal is to build a system where people can choose all modes of transit via one source.

Sincerely,

Gary C. Thomas
President/Executive Director

Enclosure

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Dallas Area Rapid Transit

Texas

For the Fiscal Year Beginning

October 1, 2019

A handwritten signature in black ink that reads 'Christopher P. Morrill'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Award to Dallas Area Rapid Transit for its annual budget for the fiscal year beginning October 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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Who We Are

We are Dallas Area Rapid Transit – DART.

Your preferred choice of transportation for now and in the future.

Dallas Area Rapid Transit – What’s Next?

Our region is constantly growing and evolving, and DART is evolving too. As we look towards what’s next, we are focusing on a new approach to mobility. We understand that people expect more from public transit than just trains and buses. DART is becoming a true mobility integrator for North Texas – bringing together traditional DART services with newer forms of transportation like ridesharing, bike-sharing, carsharing and taxis. As much as DART evolves, our mission stays the same: To improve mobility, quality of life and enhance economic development in our service area and in the region.

Organization

Dallas Area Rapid Transit (DART) is a sub-regional transportation authority, created by a voting majority of the citizens on August 13, 1983, to organize and provide public transportation and complementary services to jurisdictions pursuant to Chapter 452 of the Texas Transportation Code (the “Act”). Our service area is comprised of 13 North Texas municipalities (Addison, Carrollton, Cockrell Hill, Dallas, Farmers Branch, Garland, Glenn Heights, Highland Park, Irving, Plano, Richardson, Rowlett, and University Park) as shown in Exhibit 2 (on page 6). Our headquarters is located in downtown Dallas. Under the Act, we are authorized to collect 1% sales and use tax on certain transactions.

DART provides bus, light rail, commuter rail, paratransit, vanpool, and other services to our 13 municipalities across a 700-square mile service area with a population of 2.4 million in the Dallas, Texas area. DART has operated bus service since its inception in 1983. The first segment of light rail opened in 1996, and the 20-mile Light Rail Starter System was completed in May 1997.

Since then, DART has worked to expand light rail considerably. DART currently operates a total of 93 miles of light rail. The most recent opening was a 2.6-mile extension of the Blue Line south to UNT-Dallas that opened October 24, 2016. DART operates commuter rail service, which also opened in 1996, jointly with Trinity Metro along a 34-mile rail corridor between the cities of Dallas and Fort Worth. Exhibit 6 on page 14 s the DART System Map.

Mission Statement – DART’s mission statement defines the purpose for which the Agency was created:

The mission of Dallas Area Rapid Transit is to benefit the region by providing a sustainable system of innovative, affordable, reliable and safe mobility options for our riders that enhances the quality of life and stimulates economic development.

Vision Statement – To help achieve the Board's mission and strategic priorities, the Board has approved a vision statement to address DART’s customers and stakeholders.

DART: Transforming our region with mobility options that connect people, communities and destinations



Vision Statement:

Transforming our region with mobility options that connect people, communities and destinations

Mission Statement:

The mission of Dallas Area Rapid Transit is to benefit the region by providing a sustainable system of innovative, affordable, reliable and safe mobility options for our riders that enhances the quality of life and stimulates economic development.

DART Board Strategic Priorities - The DART Board has adopted strategic priorities to guide Agency initiatives which, in turn, drive the FY 2021 budget.

Strategic Priorities

1. Enhance the service and safety experience through customer focused initiatives
2. Demonstrate stewardship of the transit system, agency assets and financial obligations
3. Innovate to enhance mobility options, business processes and funding
4. Pursue excellence through employee engagement, diversity, development and well-being
5. Continue DART's role as a recognized local, regional and national transportation leader

DART Organizational Values – DART's Strategic Plan is grounded in DART's Values Statement, as follows:

- Focused on Our Customers
 - ✓ We are dedicated to meeting our customers' needs.
 - ✓ We strive for continuous improvement.
 - ✓ We deliver quality.
- Committed to Safety and Security
 - ✓ We require safety and security to be the responsibility of every employee.
 - ✓ We are committed to ensuring the safety and security of our passengers and employees.
- Dedicated to Excellence
 - ✓ We demonstrate a high regard for each other.
 - ✓ We are committed to innovation and learning from our experiences.
 - ✓ We hold ourselves accountable.
 - ✓ We coach, reinforce, and recognize employees.
 - ✓ We foster an environment promoting diversity of people and ideas.
- Good Stewards of the Public Trust
 - ✓ We responsibly use public funds and property.
 - ✓ We maintain open communication with customers and stakeholders.
 - ✓ We respect the environment.
 - ✓ We strive to mitigate risk.
 - ✓ We demand integrity and honesty.

Governance and Management Structure

The Board of Directors

DART is governed by a 15-member Board of Directors. The governing bodies of the participating municipalities appoint members to our Board according to the ratio of the population of each participating municipality to the total population within our service area. A participating municipality having a population which entitles it to make a fraction of an appointment may combine that fraction with one or more other participating municipalities to make one appointment; but no participating municipality may appoint more than 65% of the members of the Board. The Board can be restructured whenever there is a change in the participating municipalities or every fifth year after the date census data or population estimates become available.

Each Board member serves at the pleasure of the governing municipal unit(s) that appoints the member. Board members serve staggered two-year terms. Eight of the member terms begin July 1 of odd-numbered years, and seven of the member terms begin on July 1 of even-numbered years. Each member is entitled to receive \$50 for each Board meeting attended and is reimbursed for necessary and reasonable expenses incurred in the discharge of the member's duties. On the following page, Exhibit 1, sets forth information regarding our current Board of Directors.

Exhibit 1 DART Board of Directors

DART BOARD OF DIRECTORS FY 2021



Robert C. Dye
Plano and
Farmers Branch



Mark Enoch
Garland,
Rowlett and
Glenn Heights



Doug Hrbacek
Carrollton
and Irving



Ray Jackson
*Assistant
Secretary*
Dallas



**Jonathan R.
Kelly**
Secretary
Garland



**Patrick J.
Kennedy**
Dallas



**Jon-Bertrell
Killen**
Dallas



**Michele Wong
Krause**
Vice Chair
Dallas



**Amanda
Moreno-Lake**
Dallas



Eliseo Ruiz III
Dallas and
Cockrell Hill



**Rodney
Schlosser**
Dallas



Gary Slagel
Richardson,
University Park,
Addison and
Highland Park



Rick Stopfer
Irving



**Dominique P.
Torres**
Dallas



**Paul N.
Wageman**
Chair
Plano

The Board elects from its members a chair, vice chair, secretary, and assistant secretary as shown above. These elections are held in October of each year.

Exhibit 2 is a map of the DART Service Area.

Exhibit 2

DART Service Area





DART's Management

The Board appoints our President/Executive Director, who also serves as our Chief Executive Officer. The Chief Executive Officer's duties include:

- Overseeing our daily operations, including the hiring, compensation, and employee training.
- Awarding contracts for services, supplies, capital acquisitions, real estate, and construction if the amount of any such contract does not exceed \$100,000, and contracts of up to \$250,000 for standard off-the-shelf commercial products.
- Presiding over the growth of our transit system.
- Providing regional leadership and national visibility regarding the transportation needs in North Central Texas.

Exhibit 3, on the following page, is a summary of our executive management team.



Exhibit 3
DART'S Executive Management

NAME	POSITION	JOINED DART
Gary C. Thomas	President/Executive Director	1998
David Schulze	Chief of Staff to President/Executive Director	2004
Joseph G. Costello	Chief Financial Officer	2014
Nicole Fontayne-Bárdowell	Executive Vice President, Chief Administrative Officer	2014
Todd Plesko	Interim Executive Vice President, Growth/ Regional Development	2009
Carol Wise	Executive Vice President, Chief Operations Officer	2012
Chris Koloc	Director of Internal Audit	2008
Adam Nicholas	Interim Vice President, Procurement	2013
Rosa Medina	Vice President, Human Resources	2020
Doug Douglas	Vice President, Mobility Management Services	1990
Edie Diaz	Vice President, Government and Community Relations	2019
Gregory Elsborg	Vice President, Chief Innovation Officer	2019
Gene Gamez	General Counsel	2002
Nevin Grinnell	Vice President, Chief Marketing Officer	2011
James Joyce	Interim Vice President, Rail Operations	1996
Herold Humphrey	Vice President, Bus Operations	2017
Donna Johnson	Vice President, Chief Safety Officer	2004
Nancy Johnson	Director of the Office of Board Support	1999
Marcus Moore	Vice President, Diversity, Interim	1991
Bonnie Murphy	Vice President, Commuter Rail	2017
Todd Plesko	Vice President, Planning & Development	2009
John Rhone	Vice President, Capital Design & Construction	2002
Stephen Salin	Vice President, Capital Planning	2000
Julius Smith	Vice President, Chief Information Officer	2016
Matt Walling	Interim Vice President, DART Chief of Police and Emergency Management	2012
Robert W. Strauss	Vice President, Real Property and Transit Oriented Development	2016

Employees and Employee Relations

There are 3,748 full-time salaried and hourly positions included in the FY 2021 Annual Budget.

The Amalgamated Transit Union, Local 1338, represents the majority of our operators, mechanics, and call center personnel. As a Texas governmental entity, we are not legally permitted to collectively bargain or sign labor contracts with these employee representatives. We do, however, meet and confer with these representatives on hourly employee issues, compensation, and benefits.

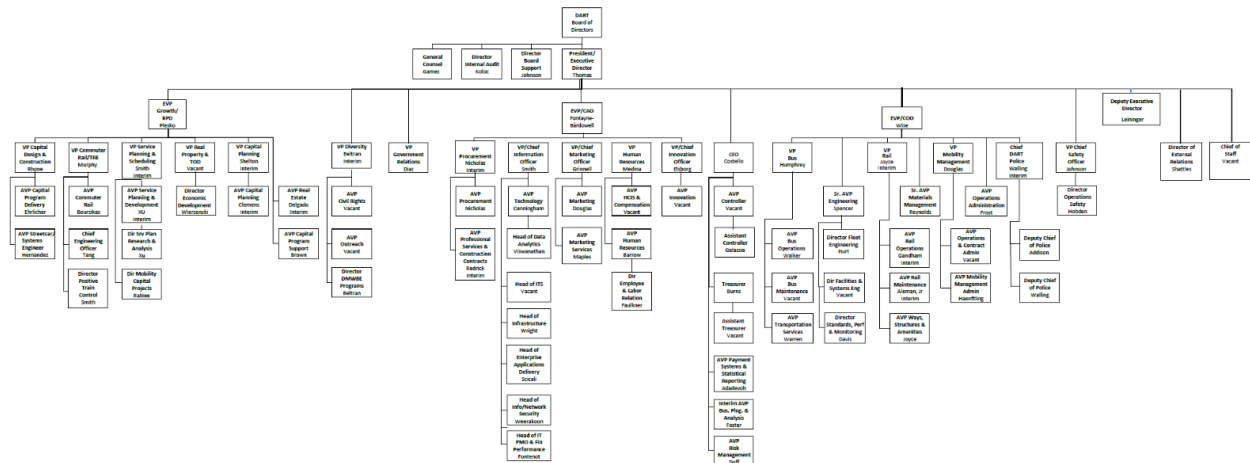
DART is organized broadly along the following functional lines (“organizational units”; see Exhibit 4 on the following page).

- ***Customer Care and Service Delivery*** is charged with providing efficient, effective, safe, secure transportation service.
- ***Growth and Development*** oversees the planning and development of the overall system.
- ***Business & Innovative Solutions*** looks to maximize Agency resources through innovative technology, dynamic marketing, effective procurement, and engaging talent management.
- ***DART Safety Office*** ensures a safe environment for customers, employees, and people on DART property and construction sites.
- ***External Relations*** serves as the voice of the agency. This includes media relations, social and digital media, and community relations, including transit education.
- ***Finance*** provides astute fiscal management.
- ***Government and Community Relations*** is the agency’s key liaison with federal, state, regional and local elected officials and stakeholder and community groups.
- ***Diversity*** is responsible for DART’s Equal Employment Opportunity (EEO), Minority & Women Business Enterprises (MWBE) and diversity programs.
- ***Chief of Staff*** is responsible for administrative functions of the Executive Office, records management, external relations, and special programs.



Exhibit 4 illustrates the positions that report directly to the Board of Directors.

Exhibit 4 DART Organization Chart





The DART Transportation System

Our current public transportation services include:

- Bus Transit service, including DART On-Call and Flex services;
- Light Rail Transit service;
- Commuter Rail service;
- Mobility Management services, including ADA Complementary Paratransit services;
- Rideshare matching services for carpools and vanpools; and
- Special Event service, provided through the modes listed above.

Exhibit 5 highlights total system ridership by mode for the last ten years along with budgeted ridership for Fiscal Year FY 2020 and FY 2021.

Exhibit 5
Ridership by Mode
(in Millions)

Fiscal Year	Bus	LRT*	Commuter Rail	Paratransit	Vanpool	Total **
2010	38.0	17.8	2.5	0.8	0.9	60.0
2011	37.2	22.3	2.4	0.8	1.0	63.7
2012	38.7	27.7	2.3	0.8	1.0	70.5
2013	38.0	29.5	2.1	0.8	0.9	71.3
2014	37.4	29.5	2.3	0.8	0.9	70.8
2015	36.5	29.9	2.2	0.8	0.9	70.3
2016	33.7	29.8	2.1	0.8	0.8	67.1
2017	32.1	30.1	2.1	0.8	0.7	65.8
2018	30.3	29.0	2.0	0.8	0.6	62.7
2019	38.7	28.6	2.0	0.9	0.6	70.8
2020B	38.1	29.4	2.0	0.9	0.6	70.8
2021B	25.8	19.2	1.3	0.9	0.6	47.9

* Streetcar ridership is included in the LRT totals.

**Reporting of HOV ridership was discontinued effective 10/01/2015. Without HOV, Total Agency Ridership will not match previously reported totals.

Note: Automatic Passenger Counter (APC) data used for LRT beginning in 2012, Bus and Commuter Rail beginning in 2019. The counters have proven to be considerably more accurate than our previous manual ridership counting methodology. The APCs show that we have been underreporting ridership by approximately 23%.

Bus Transit (55.0% of total system ridership in Fiscal Year 2020)

Our bus system provides local, express, crosstown, on-call, flex, feeder bus routes, site -specific shuttles, and GoLink Mobility on Demand service. Local routes are focused on the Dallas Central Business District and serve the largest and densest concentration of employment in the service area. Express service connects the Dallas Central Business District to regionally located park-and-ride facilities that serve as focal points for commuters to make high speed trips. Crosstown routes traverse the service area facilitating intra- and inter-community travel while linking a variety of activity centers. Feeder routes connect residential and employment centers to the light rail system and other bus routes at stations and Transit Centers accommodating transfer connections that expand travel opportunities. Site-specific shuttles are operated and funded with partner organizations that offer direct connections for their employees, students, or customers to the DART Rail network. GoLink Mobility on Demand provides service in 14 zones.

Light Rail Transit (40.0% of total system ridership in Fiscal Year 2020)

Light Rail Transit is an electrically-powered rail system that generally operates at street level. A 20-mile “Starter System” opened in phases from September 1996 through May 1997, with lines from South and West Oak Cliff through downtown Dallas, and along the North Central Expressway corridor to Park Lane in Dallas. In 2001-2002, DART’s light rail was extended to North Dallas, Garland, Richardson, and Plano. In 2009, the first phase of the Green Line opened southeast of downtown Dallas with the remainder opening in 2010. DART also opened its first infill station, Lake Highlands Station, in December 2010 on the Blue Line. The first 5-mile segment of the Orange Line to Irving opened for service in July 2012. The second phase of the Orange Line and the Blue Line extension to Rowlett opened for service in December 2012. Rail service opened to DFW International Airport in August 2014. The extension of the Blue Line to UNT-Dallas opened in October 2016. We currently operate a 93--mile light rail system.



Commuter Rail (3.0% of total system ridership in Fiscal Year 2020)

Our commuter rail system, referred to as Trinity Railway Express (the “TRE”), provides diesel powered passenger railroad services on the TRE Corridor between Dallas and Fort Worth, in mixed traffic with freight railroad operations. The 34-mile corridor is jointly owned by DART and the Fort Worth Transportation Authority, which recently rebranded itself as Trinity Metro. TRE service is provided pursuant to an interlocal agreement between DART and Trinity Metro. This agreement was originally entered into in 1994 and was restated and adopted by both Boards in 2003. Pursuant to Trackage Rights Agreements, the Burlington Northern Santa Fe, the Dallas Garland and Northeastern, and the Union Pacific railroads pay a fee for the right to operate freight services on the TRE corridor. TRE, through its contractor, Herzog Transit Services, Inc., provides



dispatching, maintains the corridor, operates the service, and maintains the rolling stock used in the service.

Paratransit (1.3% of total system ridership in Fiscal Year 2020)

DART is responsible for providing complementary paratransit service in accordance with the Americans with Disabilities Act of 1990 (the “ADA”). In FY 2019, we renewed our contract with MV Transportation, Inc. (MV), for providing paratransit service. MV provides, operates, and maintains a fleet of 80 Starcraft vehicles in dedicated service. MV also oversees and manages a fleet of 116 Dodge Enter vans outfitted by Braun, which are taxi vehicles provided and operated by Irving Holdings.

Mobility Management Services continues to work at improving the service received by our customers while striving to provide the most cost-efficient service for the agency and to be good stewards of public funds. The department is focused on providing the highest freedom of mobility to each one of our customers. The department offers several options for customers to learn what options are available to them and to assist them in learning to use each of these options. The Travel Ambassador Program offers free training to any DART customer, regardless of mobility status, in order to promote additional fixed-route ridership in the system.

Vanpool (0.7% of total system ridership in Fiscal Year 2020)

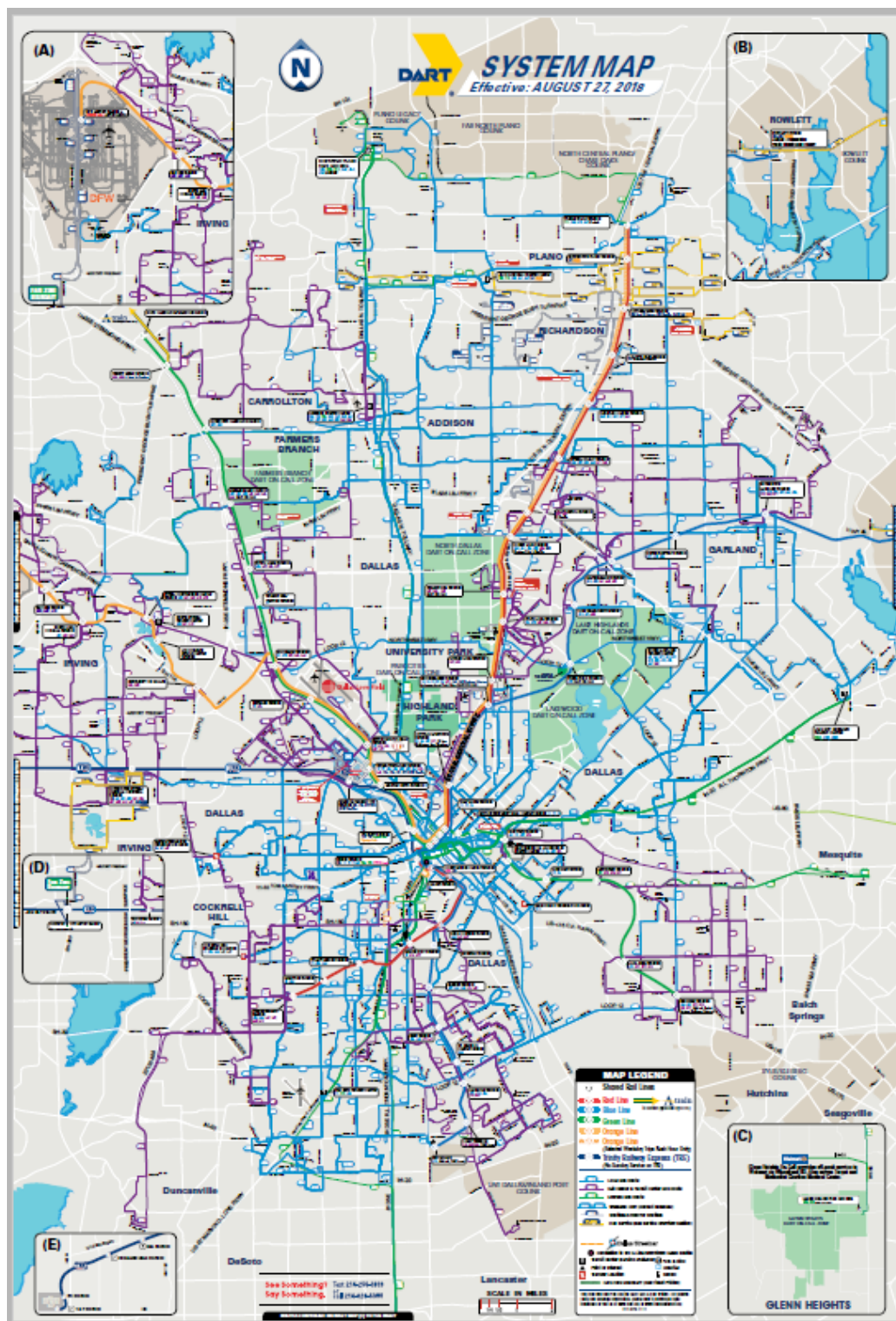
DART collaborates with area employers to develop strategies for reducing employee vehicle trips through such programs as carpools, vanpools, and flexible work schedules. We provide funding for our vanpool program, which is operated through a third-party contractor. We also assist customers in forming vanpools. Prospective vanpoolers can call in and provide us with information for our Rideshare database while we work to link-up customers with common trip origins and destinations.

Special Events Service

We operate special event services (bus, light rail, and TRE) to the State Fair of Texas, the New Year’s Eve celebration in downtown Dallas, concerts, basketball, hockey games, and a wide variety of other events. Consequently, most special event services are provided on the light rail and commuter rail systems, with bus involvement generally restricted to supplementing the capacity of the rail system during periods of very high usage.

On the following page, listed as Exhibit 6, is the current DART System Map.

Exhibit 6 DART System Map



DART in the Industry

DART is an established leader within the transit industry. Board members and staff continue to be involved in many significant ways in key transit industry associations. President/Executive Director Gary Thomas has served as the Chair of the American Public Transportation Association (APTA) and, along with other DART staff, continues to serve on APTA's Board of Directors. APTA is a nonprofit international association of more than 1,500 public and private organizations involved in transit. Mr. Thomas is also a past chair of Rail Volution and the South West Transit Association.

DART earned many industry awards in 2020 including:

American Public Transit Association (APTA)

2020 APTA Adwheel Award

Education for the DART Student Art Contest

Dallas Business Journal

2020 Women in Business – Carol Wise, DART

Forbes Magazine

2020 America's Best-in-State Employers

Global Light Rail Awards

2020 "Vision of the Year" D2 Subway Project

Government Finance Officers Association

Distinguished Budget Presentation Award and Certificate of Achievement for Excellence in Financial Reporting

National Procurement institute, Inc.

2020 Achievement of Excellence in Procurement (AEP)

South West Transit Association (SWTA)

2020 SWTA Spotlight Award

Silver Line Groundbreaking

South West Transit Association (SWTA)

2020 SWTA Hit the Spot

Social Media Awards

Texan by Nature 20

2020 Texan by Nature 20 (TxN 20).

Texas Transit Association (TTA)

2020 Outstanding Metropolitan Transit System in Texas



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FY 2021 Twenty-Year Financial Plan

DART's Twenty-Year Financial Plan (the "Plan") represents a robust long-term projection of DART revenues, operating expenses, capital expenditures, and other financial information. The Plan validates the affordability of system expansion and maintenance commitments, operating requirements, and debt repayment. An updated Plan is approved each year (and amended during the year, if necessary). Approval of the Plan requires an affirmative vote of two-thirds of the appointed and qualified members of the DART Board. Approval of the Annual Budget (which corresponds to the first year of the Plan) requires a simple majority vote.

Despite the challenges of the COVID-19 pandemic FY 2021 Twenty-Year Financial Plan demonstrates that DART has the financial capacity to meet the Agency Transit System Plan commitments and to provide the programmed levels of bus, rail, and other transportation services, based on current information and assumptions.

Our View

The novel coronavirus (COVID-19) has changed the landscape of just about every facet of the world, and DART is no exception. The first case of COVID-19 reached Texas in March 2020. According to the Texas Department of State Health Services, as of late September, the State of Texas had confirmed over 740,000 cases, 16,600 deaths and extensive economic damage from the virus. All modes to transportation, both public and private have been hit harder than most industries and DART ridership has dropped by 29% across all fixed route modes of service. To combat the spread of disease onboard DART vehicles, several programs have been implemented including:

- COVID-19 plexiglass barriers installed on all 681 Buses
- Acquisition of HaloFogger (24) disinfecting fogging equipment
- Acquisition of electrostatic sprayers (73)
- Use of existing on-board technologies – germicidal ultraviolet (UV) on 77% (521 of 681) of Buses and Ionization Electric Air Cleaner System on 7% of Buses (48 of 681)
- Transit Center plexiglass barriers installed at station concierge workstations
- Hand sanitizer dispensers and mask dispenser units installed on all Buses, LRV's and Streetcars
- Terminal end line cleaning (LRV Trains) – wiping high touch points every 60/90 minutes (Red/Blue Line every 60 minutes // Green/Orange Lines every 90 minutes)
- Professional COVID-19 facility cleaning

The length and depth of the economic damage is dependent on many factors including:

- Compliance with, and the effectiveness of COVID-19 containment measures
- COVID-19 exposure to enough of the population that the 'herd immunity' effect occurs
- Timing of the development and distribution of a vaccine
- How much and how quickly business returns, including employment and wage recovery

All these factors lead us to the most uncertainty we have had in a financial plan since the Great Recession. DART is projecting a loss of \$324 million in sales tax revenues and \$77 million in operating (fare) revenues over the next five years. Partially offsetting that is the receipt of \$229.6 million in new federal revenues under the CARES Act (The Coronavirus Aid, Relief, and Economic Security).

Traditionally in our Financial Plan section, we discuss values during the upcoming five years and 20-year values. This year, because of the foundational impact of COVID-19 in 2020 and moving forward, values discussed will often be for the six-year period of 2020 – 2025 (instead of the five-year period 2021 – 2025) and the 21-year period that includes 2020 plus the next 20 years. The impacts on all aspects of DART's Financial Plan throughout the section.

DART has developed a transportation system that provides mobility options to the residents of North Texas. From August of 2009 through October 2016, DART added more than 48 miles of Light Rail, bringing the system total to 93 miles.

As the region continues to grow, system expansion continues to meet demand. The Program of Interrelated Projects is underway to increase the core capacity of DART's Light Rail system and DART is in different phases of pursuing federal grants for the program. It includes three separate initiatives:

- Platform extensions to the 28 older stations on the Red and Blue lines to enable them to accommodate three-car trains are under construction and a Full-Funding Grant Agreement (FFGA) was awarded in late 2018,
- A second rail corridor through downtown Dallas (known as D2 Subway) is in preliminary design. The project will both increase capacity and provide operating flexibility in the event of a service disruption. It is scheduled to open in 2025, and
- The Dallas Streetcar Central Link project from near Union Station to Uptown is in the planning phase. This project is being done in cooperation with the City of Dallas and is scheduled to open concurrent with D2.

In addition to those light rail projects, construction to provide commuter rail-type service along the Cotton Belt corridor (now called the Silver Line) in the northern part of the DART Service Area is underway. This line runs from Plano, through Richardson, North Dallas, Addison, and Carrollton and into DFW International Airport. It has been designed to link up with TEX Rail, operated by Trinity Metro (formerly known as the Fort Worth Transportation Authority) at DFW Airport. TEX Rail has been in operation from downtown Fort Worth to DFW Airport since January 2019. In the long-term, this will allow for a single-seat ride from Plano all the way to Fort Worth. Service along the Silver Line is scheduled to begin late in March, 2023. Initially, headways will be 30 minutes in the peak periods and 60 minutes in the off-peak periods. The line will receive funding over the next 20 years from a variety of sources, some of which will help fund construction and some of which will be used to pay for annual operating and/or debt service costs.

In addition to expansion, the Plan reflects a continued focus to provide valuable transportation options and high-quality services. The Annual Budget Section of this Business Plan document describes several DART customer-facing initiatives, grouped under each DART strategic priority.

The capital program, discussed later in this section of this document, includes both expansion programs previously described as well as sufficient funds dedicated to maintaining and replacing our assets, i.e., keeping our entire transportation system in a state of good repair.

With that as the backdrop, DART's FY 2021 Financial Plan illustrates the affordability of its capital and operating plans, contains \$4.4 billion over the next 20 years devoted to state of good repair for capital asset maintenance and replacement, and strong debt service coverage ratios.

Our Priorities

The DART Board has adopted a set of strategic priorities to guide the agency, and to address external factors that we expect will have an impact on DART over the next twenty years.

1. Enhance the safety and service experience through customer-focused initiatives
2. Provide stewardship of the transit system, agency assets and financial obligations
3. Innovate to enhance mobility options, business processes and funding
4. Pursue excellence through employee engagement, diversity, development and well-being.
5. Enhance DART's role as a recognized local, regional and national transportation leader

These priorities guide the development of the FY 2021 Annual Budget and Twenty-Year Financial Plan.

Board Approvals

The approval of the Annual Budget requires a simple majority vote of the Board of Directors. Approval of the Twenty-Year Financial Plan requires an affirmative vote of two-thirds of the appointed and qualified members of the Board.

The DART Board of Directors approved the FY 2021 Annual Budget and Twenty-Year Financial Plan on September 22, 2020.

Financial Plan Format

The discussion of the Plan categories follows Sources and Uses of Funds format.

Each category in the FY 2021 Twenty-Year Financial Plan is described in detail in this section of the document:

1. Sources of Funds
 - a. Sales Taxes
 - b. Operating Revenues
 - c. Interest Income
 - d. Federal Funding
 - e. Debt Issuance
 - f. Other Sources
2. Uses of Funds
 - a. Operating Expenses
 - b. Capital and Non-Operating Expenditures
 - c. Debt Program
3. Supplemental Financial Information

The following pages also outline the major assumptions that were used to develop the FY 2021 Financial Plan, discuss changes from prior plans, and illustrate some potential financial risks and opportunities over the life of the Plan.

Please Note: Budget schedules are presented and rounded to millions or thousands (as indicated) but are based on actual raw numbers. Consequently, certain schedules may not tie exactly or add properly, due to rounding. In some cases, prior years' numbers have been restated to conform to the current year's format. All schedules are in fiscal years unless otherwise stated.



FY 2021 Highlights

DART continues work toward the implementation of the Program of Interrelated Projects (the Core Capacity program). The platform extensions had a Full-Funding Grant Agreement (FFGA) awarded and are under construction with an expected completion date of 2022. The Streetcar and D2 projects are expected to be completed by 2025.

Design work has begun on the development of regional rail service on the Silver Line corridor. It will be followed by utility relocation and bridge foundation work. Completion of this project is expected in March 2023.

DART is in the planning stage for two additional infill stations along the Orange Line in Irving. These stations, at Loop 12 and Hidden Ridge, are to be completely funded by external contributions and are expected to generate additional ridership. Service at Hidden Ridge is scheduled to begin in February 2021. Service at Loop 12 will be scheduled after an ILA with the City of Irving is executed.

In FY 2020, DART implemented an emergency service reduction on April 6, 2020 caused by the COVID-19 pandemic. Due to ridership declines exceeding 50%, the emergency service reduced weekday frequency to Saturday service levels on TRE, bus and a 20 minute all day frequency on light rail.

DART published a Transit System Plan Progress report in June 2019, and continues to develop a new Transit System Plan with a 2045 horizon year. Key work elements of the new plan include:

- Frequent and Flexible Service
- Fare Payment System Enhancements
- State of Good Repair Initiatives
- Core Capacity Upgrades
- Rail Service Expansion

Exhibit 7 is a summary of the changes in sources and uses of funds between the FY 2020 Financial Plan and the FY 2021 Plan, for the 21-year period FY 2021 through FY 2040.



Exhibit 7

21-Year Sources and Uses of Funds Comparison (FY 2020 – FY 2040, in Millions)

Line	Description	FY20 Plan	FY21 Plan	\$ Variance	% Variance
SOURCES OF FUNDS					
1	Sales Tax Revenues	\$20,282.6	\$19,387.5	(\$895.2)	(4.4%)
2	Operating Revenues	2,734.7	2,479.9	(254.9)	(9.3%)
3	Interest Income	408.9	370.8	(38.1)	(9.3%)
4	Formula Federal Funding	1,811.5	1,971.5	160.1	8.8%
5	Discretionary Federal Funding	729.2	1,071.6	342.4	47.0%
6	Long-term Debt Issuances	3,660.3	3,144.8	(515.5)	(14.1%)
7	Commercial Paper Issuances	627.0	627.0	0.0	0.0%
8	Other Operating Contributions	495.9	489.7	(6.2)	(1.3%)
9	Other Capital Contributions	286.5	268.9	(17.6)	(6.1%)
10	Total Sources of Funds	\$31,036.7	\$29,811.7	(\$1,225.0)	(3.9%)
USES OF FUNDS					
Operating Expenses:					
11	Bus	\$7,542.9	7,340.4	(\$202.5)	(2.7%)
12	Light Rail Transit	\$4,791.5	4,636.2	(155.3)	(3.2%)
13	Streetcar	\$127.5	123.5	(4.0)	(3.1%)
14	Commuter Rail/RR Management	\$1,445.5	1,395.3	(50.3)	(3.5%)
15	Paratransit	\$1,353.4	1,313.4	(40.0)	(3.0%)
16	General Mobility - TDM	\$55.7	55.6	(0.1)	(0.2%)
17	Total Operating Expenses	\$15,316.6	\$14,864.3	(\$452.3)	(3.0%)
Capital and Non-Operating:					
18	Agency-Wide	\$518.5	546.9	\$28.4	5.5%
19	Bus	\$1,285.0	1,263.0	(22.1)	(1.7%)
20	Light Rail Transit	\$3,407.2	3,405.5	(1.7)	(0.0%)
21	Streetcar	\$104.5	104.9	0.4	0.4%
22	Commuter Rail/RR Management	\$1,812.9	1,768.4	(44.5)	(2.5%)
23	Paratransit	\$6.1	6.4	0.3	4.3%
24	General Mobility - Road Impr./ITS	\$44.8	46.0	1.1	2.5%
25	Non-Operating	\$35.6	36.7	1.1	3.0%
26	Capital P & D, Start-Up	\$331.0	369.8	38.9	11.7%
27	Total Capital and Non-Operating	\$7,545.7	\$7,547.5	\$1.8	0.0%
Debt Service					
28	Principal Payments - Long-term Debt	\$2,906.5	2,679.4	(\$227.1)	(7.8%)
29	Long-term Debt Interest Expense	\$4,176.2	3,734.8	(441.4)	(10.6%)
30	Commercial Paper Interest Expense	\$152.2	138.6	(13.6)	(8.9%)
31	Debt-Related Fees	\$12.9	12.9	0.0	0.0%
32	Total Debt Service	\$7,247.7	\$6,565.7	(\$682.1)	(9.4%)
33	Commercial Paper Debt Repayment	\$786.2	\$786.2	\$0.0	0.0%
34	Total Uses of Funds	\$30,896.2	\$29,763.7	(\$1,132.5)	(3.7%)

Structural Balance of the Budget and Financial Plan

DART maintains a structural balance to its budget. This means that current period revenue inflows available for operating and debt service costs equal or exceed the ongoing cash requirements for the same costs. While DART does not have a policy that requires a balanced budget on an annual basis, the structural balance of the budget and the internal coverage ratio perform a related control function. Annual sources of funds are sufficient to pay for all ongoing obligations (operating and debt service) in every year of the FY 2021 Financial Plan. This can be seen on line 18 (highlighted in green) in Exhibit 8, noting that no cash needs to be pulled from reserves or debt need to be issued in order to pay for operating expenses during any year of the Plan. For example, FY 2021 operating expenses are \$542.3 million. These ongoing obligations are funded by annual sources of funds including operating revenues (\$65.5 million), interest income (\$10.9 million), federal formula funds for preventive maintenance (\$74.8 million), local funding contributions for TRE (from Trinity Metro) and Streetcar (from the City of Dallas) operations, other sources (\$15.2 million), and sales taxes (\$375.4 million). Exhibit 8, on the following page illustrates how DART's sources of funds will be applied to uses of funds over the next 21 years. Following Exhibit 8, the FY 2021 Financial Plan is shown as Exhibit 9.





Exhibit 8
FY 2020 – FY 2040 Structural Budget Balance
(in Millions)

	Category	2020	2021	2022	2023	2024	2025	Near-Term	Long-Term (2026- 2040)	21 Years 2020-2040
1	Total Sources of Funds	\$1,310.6	\$1,269.7	\$1,209.3	\$1,523.8	\$1,475.2	\$1,690.0	\$8,478.6	\$21,333.0	\$29,811.7
2	Sales Tax Revenues	\$556.9	\$583.8	\$618.9	\$663.6	\$710.6	\$753.2	\$3,887.0	\$15,500.4	\$19,387.5
3	Operating Revenues	61.4	65.5	79.8	95.9	97.9	98.8	499.1	1,980.7	2,479.9
4	Interest Income	7.0	10.9	12.9	13.5	17.0	18.2	79.5	291.3	370.8
5	Formula Federal Funding	288.5	78.9	78.9	96.4	96.4	98.1	737.0	1,234.5	1,971.5
6	Discretionary Federal Funding	96.3	69.5	11.8	259.0	220.0	123.0	779.6	292.0	1,071.6
7	Long-term Debt Issuances	195.4	360.8	360.9	294.7	300.0	450.0	1,961.8	1,183.0	3,144.8
8	Commercial Paper Issuances	75.0	68.0	17.0	67.0	0.0	120.0	347.0	280.0	627.0
9	Other Operating Contributions	15.3	15.8	16.1	16.3	17.4	19.8	100.6	389.1	489.7
10	Other Capital Contributions	14.9	16.5	13.1	17.4	16.1	8.9	86.9	182.0	268.9
11	Operating Expenses	\$551.8	\$542.3	\$561.2	\$588.6	\$610.2	\$625.6	\$3,479.8	\$11,384.6	\$14,864.3
	Funding Sources:									
12	Operating Revenues	\$61.4	\$65.5	\$79.8	\$95.9	\$97.9	\$98.8	\$499.1	\$1,980.7	\$2,479.9
13	Interest Income	7.0	10.9	12.9	13.5	17.0	18.2	79.5	291.3	\$370.8
14	Formula Funds (incl. CARES Act)	283.2	74.8	74.8	74.8	74.8	76.5	658.9	1,155.8	\$1,814.7
15	FWTA TRE Ops / Dallas Streetcar Contributions	14.8	15.2	15.5	15.3	16.1	16.9	93.9	347.4	441.3
16	Other Non-Operating Sources	0.5	0.5	0.6	1.0	1.3	2.8	6.7	41.7	48.4
17	Sales Taxes allocated to Operations	184.9	375.4	377.7	388.1	403.2	412.3	2,141.6	7,567.6	9,709.3
18	General Operating Fund (existing cash)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	Total Funding Sources	\$551.8	\$542.3	\$561.2	\$588.6	\$610.2	\$625.6	\$3,479.8	\$11,384.6	\$14,864.3
20	Capital/Non Operating Expenditures	\$369.6	\$647.0	\$657.3	\$649.0	\$639.6	\$732.5	\$3,695.1	\$3,852.4	\$7,547.5
	Funding Sources:									
21	Formula Funds	\$5.2	\$4.1	\$4.1	\$21.6	\$21.6	\$21.6	\$78.1	78.7	\$156.9
22	Discretionary Grant Funds	96.3	69.5	11.8	259.0	220.0	123.0	779.6	292.0	1,071.6
23	Current Debt Issuances	253.2	407.2	377.9	351.0	300.0	570.0	2,259.3	1,463.0	3,722.3
24	Other Capital Sources	14.9	16.5	13.1	17.4	16.1	8.9	86.9	182.0	268.9
25	Sales Taxes Allocated to Capital	0.0	4.4	26.2	0.0	74.8	9.0	114.5	1,721.9	1,836.4
26	General Operating Fund/Prior Debt Issues	0.0	145.2	224.3	0.0	7.1	0.0	376.7	114.9	491.5
27	Total Funding Sources	\$369.6	\$647.0	\$657.3	\$649.0	\$639.6	\$732.5	\$3,695.1	\$3,852.4	\$7,547.5
28	Debt Service Costs (incl CP repayment)	\$224.1	\$234.0	\$235.0	\$302.8	\$232.5	\$253.7	\$1,482.2	\$5,869.7	\$7,351.9
	Funding Sources:									
29	Sales Taxes Allocated to Debt Service	\$194.1	\$204.0	\$215.0	\$223.6	\$232.5	\$253.7	\$1,323.0	\$5,242.7	\$6,565.7
30	CP Retirement (existing cash/prior year sales tax)	\$30.0	\$30.0	\$20.0	\$79.2	\$0.0	\$0.0	\$159.2	\$400.0	\$559.2
31	Long-Term Debt (CP Take-out)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$227.0	\$227.0
32	Total Uses of Funds	\$1,145.5	\$1,423.3	\$1,453.6	\$1,540.4	\$1,482.4	\$1,611.8	\$8,657.0	\$21,106.7	\$29,763.7
33	Net Differential Between Sources and Uses	\$165.1	(\$153.6)	(\$244.3)	(\$16.6)	(\$7.1)	\$78.2	(\$178.4)	\$226.3	\$48.0



Exhibit 9
FY 2021 Twenty-Year Financial Plan
(in Millions - Inflated Dollars)

Line	Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOURCES OF FUNDS												
1	Sales Tax Revenues	\$556.9	\$583.8	\$618.9	\$663.6	\$710.6	\$753.2	\$790.9	\$791.4	\$823.4	\$864.6	\$916.5
2	Operating Revenues	61.4	65.5	79.8	95.9	97.9	98.8	106.5	107.7	109.5	117.6	118.8
3	Interest Income	7.0	10.9	12.9	13.5	17.0	18.2	24.0	23.0	21.5	20.1	18.0
4	Formula Federal Funding	288.5	78.9	78.9	96.4	96.4	98.1	98.6	81.1	81.1	81.1	81.1
5	Discretionary Federal Funding	96.3	69.5	11.8	259.0	220.0	123.0	125.9	30.8	29.7	35.6	12.9
6	Long-term Debt Issuances	195.4	360.8	360.9	294.7	300.0	450.0	433.0	250.0	200.0	0.0	0.0
7	Commercial Paper Issuances	75.0	68.0	17.0	67.0	0.0	120.0	120.0	60.0	50.0	50.0	0.0
8	Other Operating Contributions	15.3	15.8	16.1	16.3	17.4	19.8	21.2	22.0	22.6	23.2	23.8
9	Other Capital Contributions	14.9	16.5	13.1	17.4	16.1	8.9	26.3	20.2	25.8	3.9	12.8
10	Total Sources of Funds	\$1,310.6	\$1,269.7	\$1,209.3	\$1,523.8	\$1,475.2	\$1,690.0	\$1,746.6	\$1,386.3	\$1,363.7	\$1,196.1	\$1,183.9
USES OF FUNDS												
Operating Expenses:												
11	Bus	\$291.4	\$284.1	\$293.4	\$301.9	\$310.4	\$316.8	\$321.8	\$327.3	\$334.2	\$341.2	\$348.1
12	Light Rail Transit	181.1	179.1	185.0	188.4	191.9	195.9	202.0	208.5	211.6	216.3	221.0
13	Streetcar	1.7	1.7	1.7	1.8	1.9	2.0	4.9	6.0	6.2	6.5	6.7
14	Commuter Rail/RR Management	33.5	33.7	35.3	49.6	57.1	59.8	60.5	62.3	64.2	66.1	68.1
15	Paratransit	42.0	41.5	43.6	44.6	46.6	48.7	50.9	54.2	56.4	58.8	61.1
16	General Mobility - TDM	2.2	2.2	2.3	2.3	2.3	2.4	2.4	2.5	2.5	2.6	2.6
17	Total Operating Expenses	\$551.8	\$542.3	\$561.2	\$588.6	\$610.2	\$625.6	\$642.4	\$660.9	\$675.2	\$691.4	\$707.5
	<i>Operating+P&D+Start Up</i>	<i>\$565.7</i>	<i>\$556.6</i>	<i>\$579.8</i>	<i>\$603.4</i>	<i>\$625.4</i>	<i>\$644.6</i>	<i>\$659.4</i>	<i>\$677.1</i>	<i>\$691.6</i>	<i>\$708.2</i>	<i>\$724.6</i>
Capital Projects and Non-Operating:												
18	Agency-Wide	\$19.7	\$33.6	\$41.6	\$41.8	\$21.6	\$14.5	\$15.5	\$62.8	\$23.4	\$13.4	\$18.2
19	Bus	12.5	17.7	20.6	24.8	15.6	100.9	129.5	101.3	78.2	28.4	26.6
20	Light Rail Transit	87.0	122.6	172.7	379.1	489.6	516.8	192.0	269.2	196.5	54.4	18.8
21	Streetcar	0.2	0.2	0.8	12.0	35.3	36.9	18.5	0.0	0.0	0.0	0.1
22	Commuter Rail/RR Management	218.6	435.2	392.1	169.4	56.3	39.6	51.3	54.1	73.2	43.8	36.0
23	Paratransit	0.4	0.3	0.8	0.0	0.2	0.1	0.0	0.0	0.9	0.0	0.4
24	General Mobility - Road Impr./ITS	13.3	10.5	7.6	5.5	4.5	4.6	0.0	0.0	0.0	0.0	0.0
25	Non-Operating	3.9	12.6	2.6	1.6	1.3	0.2	0.2	1.4	0.4	0.2	1.5
26	Capital P & D, Start-Up	14.0	14.3	18.6	14.9	15.2	19.0	17.0	16.1	16.5	16.8	17.1
27	Total Capital and Non-Operating	\$369.6	\$647.0	\$657.3	\$649.0	\$639.6	\$732.5	\$424.1	\$505.0	\$389.1	\$157.1	\$118.8
Debt Service												
28	Principal Payments - Long-term Debt	\$60.0	\$64.2	\$65.4	\$68.3	\$67.8	\$70.7	\$75.7	\$85.8	\$98.6	\$106.6	\$120.3
29	Long-term Debt Interest Expense	131.9	137.1	145.5	149.8	156.8	173.1	192.4	211.6	218.3	221.8	216.8
30	Commercial Paper Interest Expense	1.7	2.2	3.6	5.0	7.4	9.3	9.5	8.8	10.6	12.2	13.0
31	Debt-Related Fees	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6
32	Total Debt Service Costs	\$194.1	\$204.0	\$215.0	\$223.6	\$232.5	\$253.7	\$278.3	\$306.7	\$328.0	\$341.2	\$350.7
33	Commercial Paper Debt Repayment	30.0	30.0	20.0	79.2	0.0	0.0	227.0	0.0	0.0	0.0	0.0
34	Total Uses of Funds	\$1,145.5	\$1,423.3	\$1,453.6	\$1,540.4	\$1,482.4	\$1,611.8	\$1,571.8	\$1,472.7	\$1,392.3	\$1,189.7	\$1,177.0
35	Net Inc (Dec) in cash	\$165.1	(\$153.6)	(\$244.3)	(\$16.6)	(\$7.1)	\$78.2	\$174.8	(\$86.3)	(\$28.5)	\$6.4	\$6.9
36	Change in Balance Sheet Accts	28.6	69.3	14.8	(32.2)	(3.6)	23.8	(69.2)	18.2	(26.2)	(61.7)	(22.6)
37	Cash, End of Period	811.3	727.0	497.4	448.6	437.8	539.8	645.4	577.3	522.6	467.3	451.6
38	Less: Cash Reserves & Restricted Funds	(73.9)	(73.9)	(73.8)	(73.7)	(73.6)	(73.6)	(73.6)	(73.6)	(73.5)	(73.4)	(73.3)
39	Less: Advance Funding (Core Capacity Grant)	(40.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
40	Less: Working Cash Requirement	(137.9)	(135.6)	(140.3)	(147.1)	(152.6)	(156.4)	(160.6)	(165.2)	(168.8)	(172.9)	(176.9)
41	Less: Capital Reserve	(9.8)	(10.0)	(9.8)	(10.4)	(11.7)	(12.9)	(14.1)	(15.4)	(16.7)	(18.0)	(19.3)
42	Unrestricted Cash (Net Available Cash)	\$549.6	\$507.5	\$273.6	\$217.3	\$200.0	\$296.9	\$397.0	\$323.0	\$263.6	\$203.0	\$182.0



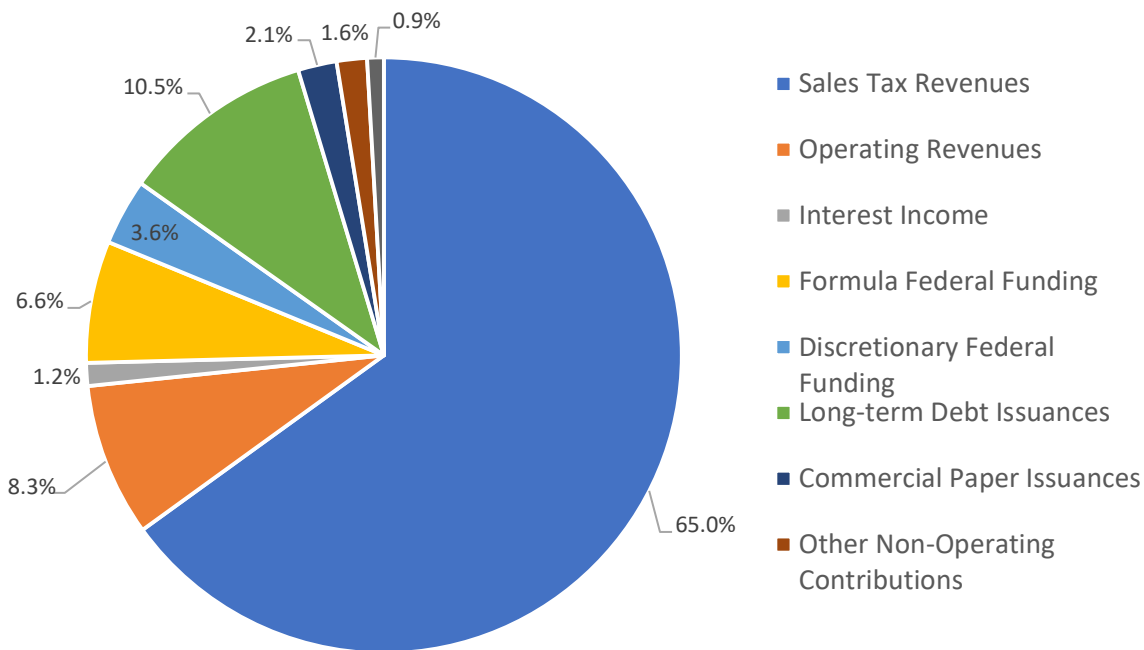
Exhibit 9 (cont.)
FY 2021 Twenty-Year Financial Plan
(in Millions - Inflated Dollars)

Line	Description	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	20-Year Total	21-Year Total
SOURCES OF FUNDS													
1	Sales Tax Revenues	\$962.3	\$1,000.8	\$1,030.8	\$1,030.8	\$1,072.1	\$1,125.7	\$1,193.2	\$1,252.9	\$1,303.0	\$1,342.1	\$18,830.6	\$19,387.5
2	Operating Revenues	120.1	129.4	130.9	132.3	142.1	143.6	145.1	157.4	159.0	160.7	2,418.5	2,479.9
3	Interest Income	18.0	18.0	17.8	17.7	17.4	17.0	16.6	18.3	20.5	23.2	363.9	370.8
4	Formula Federal Funding	81.1	81.1	81.1	81.1	81.1	81.1	81.1	81.1	81.1	81.1	1,683.1	1,971.5
5	Discretionary Federal Funding	8.6	0.0	3.4	0.0	0.0	0.0	0.0	17.7	18.3	9.0	975.2	1,071.6
6	Long-term Debt Issuances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	200.0	2,949.4	3,144.8
7	Commercial Paper Issuances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	552.0	627.0
8	Other Operating Contributions	24.4	25.1	25.7	26.4	27.2	27.9	28.7	29.5	30.3	31.1	474.4	489.7
9	Other Capital Contributions	6.5	11.4	8.6	8.0	8.3	8.3	7.3	10.5	7.9	16.1	254.0	268.9
10	Total Sources of Funds	\$1,221.1	\$1,265.8	\$1,298.5	\$1,296.4	\$1,348.2	\$1,403.6	\$1,472.0	\$1,567.4	\$1,720.1	\$1,863.4	\$28,501.0	\$29,811.7
USES OF FUNDS													
Operating Expenses:													
11	Bus	\$355.1	\$361.9	\$368.9	\$375.9	\$383.5	\$390.6	\$398.1	\$403.9	\$411.8	\$420.0	\$7,049.0	\$7,340.4
12	Light Rail Transit	225.4	229.7	234.2	238.5	243.2	247.7	252.5	256.9	261.9	265.4	4,455.1	4,636.2
13	Streetcar	7.0	7.2	7.5	7.8	8.1	8.4	8.7	8.9	9.3	9.6	121.8	123.5
14	Commuter Rail/RR Management	70.2	72.2	74.5	76.6	79.1	81.4	83.9	86.4	89.1	91.8	1,361.8	1,395.3
15	Paratransit	63.6	66.2	68.9	71.6	74.6	77.5	80.7	83.9	87.3	90.8	1,271.5	1,313.4
16	General Mobility - TDM	2.7	2.7	2.8	2.8	2.9	2.9	3.0	3.1	3.1	3.2	53.4	55.6
17	Total Operating Expenses	\$724.0	\$739.9	\$756.8	\$773.2	\$791.3	\$808.7	\$826.9	\$843.1	\$862.6	\$880.7	\$14,312.6	\$14,864.3
Operating+P&D+Start Up		\$741.4	\$757.7	\$774.9	\$791.7	\$810.1	\$827.9	\$846.5	\$863.0	\$882.9	\$901.4	\$14,668.4	\$15,234.2
Capital Projects and Non-Operating:													
18	Agency-Wide	\$15.5	\$16.1	\$12.4	\$16.1	\$31.9	\$43.0	\$42.2	\$26.8	\$21.0	\$15.9	\$527.2	\$546.9
19	Bus	14.4	43.3	38.8	18.3	7.4	5.2	145.2	198.8	143.9	91.7	1,250.4	1,263.0
20	Light Rail Transit	29.7	25.3	23.6	35.4	33.0	25.6	41.2	30.8	254.9	407.3	3,318.5	3,405.5
21	Streetcar	0.3	0.0	0.1	0.0	0.0	0.3	0.0	0.0	0.0	0.2	104.7	104.9
22	Commuter Rail/RR Management	20.5	20.6	24.1	21.9	13.6	13.3	12.5	15.1	17.6	39.5	1,549.7	1,768.4
23	Paratransit	0.3	0.2	0.2	0.1	0.1	1.1	0.1	0.6	0.1	0.5	5.9	6.4
24	General Mobility - Road Impr./ITS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32.7	46.0
25	Non-Operating	0.8	1.5	3.1	0.3	0.3	1.8	0.3	0.6	2.0	0.3	32.8	36.7
26	Capital P & D, Start-Up	17.5	17.8	18.1	18.5	18.9	19.2	19.6	20.0	20.3	20.7	355.9	369.8
27	Total Capital and Non-Operating	\$98.8	\$124.7	\$120.4	\$110.5	\$105.1	\$109.4	\$261.0	\$292.6	\$459.7	\$576.0	\$7,177.9	\$7,547.5
Debt Service													
28	Principal Payments - Long-term Debt	\$134.6	\$148.7	\$159.9	\$167.2	\$175.1	\$188.1	\$196.5	\$200.1	\$207.6	\$218.1	\$2,619.4	\$2,679.4
29	Long-term Debt Interest Expense	211.0	204.5	197.4	189.7	181.7	173.6	165.3	157.2	150.5	148.9	3,602.9	3,734.8
30	Commercial Paper Interest Expense	13.0	12.2	10.6	8.9	6.5	3.3	0.8	0.0	0.0	0.0	136.9	138.6
31	Debt-Related Fees	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	12.4	12.9
32	Total Debt Service Costs	\$359.2	\$366.0	\$368.4	\$366.5	\$364.0	\$365.7	\$363.3	\$358.0	\$358.9	\$367.8	\$6,371.5	\$6,565.7
33	Commercial Paper Debt Repayment	0.0	50.0	50.0	50.0	100.0	100.0	50.0	0.0	0.0	0.0	756.2	786.2
34	Total Uses of Funds	\$1,182.0	\$1,280.7	\$1,295.6	\$1,300.2	\$1,360.4	\$1,383.8	\$1,501.3	\$1,493.7	\$1,681.2	\$1,824.6	\$28,618.2	\$29,763.7
35	Net Inc (Dec) in cash	\$39.1	(\$14.8)	\$2.8	(\$3.8)	(\$12.2)	\$19.9	(\$29.3)	\$73.7	\$39.0	\$38.8	(\$117.2)	\$48.0
36	Change in Balance Sheet Accts	(11.6)	0.5	(3.6)	(0.2)	(7.0)	(6.7)	23.8	2.2	31.4	28.4	(32.3)	(\$3.7)
37	Cash, End of Period	479.0	464.7	463.9	459.9	440.7	454.0	448.5	524.3	594.7	661.9	661.9	661.9
38	Less: Cash Reserves & Restricted Funds	(73.2)	(73.0)	(72.8)	(72.6)	(72.3)	(72.0)	(71.6)	(71.2)	(70.7)	(70.2)	(70.2)	(70.2)
39	Less: Advance Funding (Core Capacity Grant)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
40	Less: Working Cash Requirement	(181.0)	(185.0)	(189.2)	(193.3)	(197.8)	(202.2)	(206.7)	(210.8)	(215.6)	(220.2)	(220.2)	(220.2)
41	Less: Capital Reserve	(20.6)	(21.9)	(23.3)	(24.6)	(26.0)	(27.3)	(28.6)	(29.9)	(31.3)	(32.6)	(32.6)	(32.6)
42	Unrestricted Cash (Net Available Cash)	\$204.2	\$184.8	\$178.6	\$169.4	\$144.6	\$152.5	\$141.5	\$212.4	\$277.0	\$338.9	\$338.9	\$338.9

Sources of Funds

Total sources of funds for the period FY 2020 through FY 2040 are projected to decrease \$1.23 billion (3.9%) from that period in the FY 2020 Plan. The details of the changes by category are shown in Exhibit 7 above. Exhibit 10 illustrates the distribution of DART's sources of funds for the period 2020 – 2040. Each source of funding is detailed below.

Exhibit 10
FY 2020 – FY 2040 Distribution of Sources of Funds



Sales Tax Revenues (line 1 of the Financial Plan)

Sales tax revenues comprise 65.0% of DART's total projected sources of funds through FY 2040 (74.5% of total sources excluding debt issuances). This is virtually the same percentage as contained in the FY 2020 Financial Plan for the same 21-year period.

The method for estimating sales tax revenue for financial planning purposes is discussed in Financial Standard B-1, which states:

Sales tax revenue forecasts shall be based on a sales tax model developed specifically for the DART Service Area by an independent economist. In order to ensure a conservative sales tax estimate, the model's projections may be reduced from the forecasted levels, but not increased for years 2-20 of the Twenty-Year Financial Plan. The most current year may be based on management's best estimate. All such modifications shall be approved by the Board during the financial planning process.

DART traditionally bases its long-range sales tax growth and inflation factors on a forecast developed by an independent economic analysis firm (The Perryman Group), headed by M. Ray Perryman, Ph.D. DART has used Dr. Perryman's models for many years. For the last several years, DART has also engaged the services of municipal sales tax specialist Lewis McLain, Jr., for additional sales tax research. Sales taxes had trended above forecast for the last five years, with year-over-year growth averaging 5.05% from FY 2015 – FY 2019. Through February (pre-COVID-19), FY 20 sales taxes receipts were 6.44% higher than FY 2019.

As the impact of COVID-19 began to be felt, initial estimates assumed a loss of 50% of sales taxes for the remainder of FY 2020 and a 25% reduction in total for FY 2021. This would have represented a loss of over \$340 million between FY 2020 – FY 2021, and \$1.3 billion between 2020 and 2039. To date, the actual experience has turned out to be not as bad as feared. April sales taxes declined by 19.6% from April 2019 but May rebounded and was only 8.8% below the same month in the prior year. June and July were even better (down 0.75% and up 2.93%, respectively) before a drop of 13.09% in August. Even before the pandemic, about half of this decline in August was expected because of an unusually large positive audit adjustment that was received in August 2019 and was not expected to be duplicated in 2020.

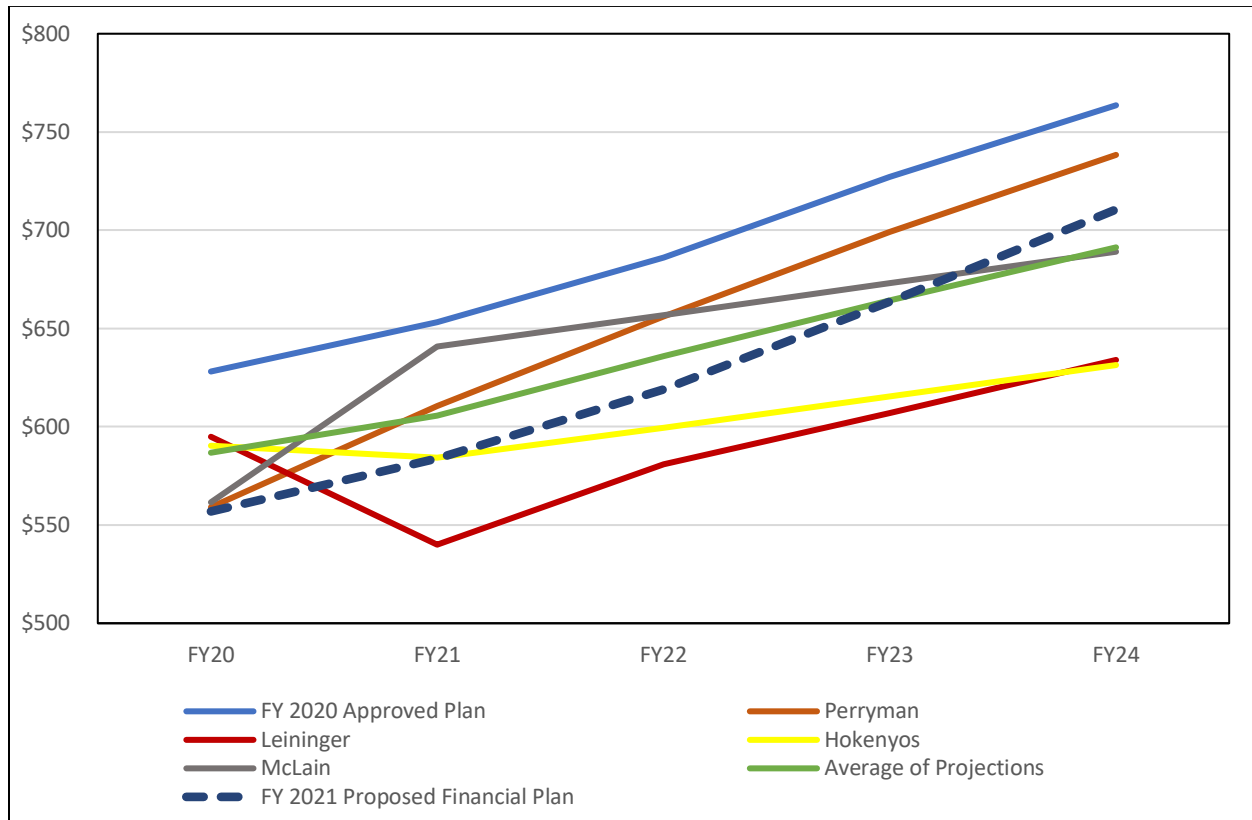
In an effort to get a better projection going forward, DART reached out to its traditional sales tax forecast sources (Dr. Ray Perryman and Lewis McLain) as well as John Hokenyos, president of the Austin-based economic analysis firm TXP, Inc. and David Leininger, DART's former Chief Financial Officer for short-term (2020-2024) sales tax receipts.

A comparison of the projections from these experts is contained in Exhibits 11.1 and 11.2 in tabular and graphic form, respectively. As is practice, DART takes the financially conservative view, assuming a deeper negative impact (particularly in 2020 and 2021) than the average of the experts.

Exhibit 11.1 5-Year Sales Tax Receipts (2020 – 2024) (in Millions)

Year	FY 2020 Approved Plan	Perryman	Leininger	Hokenyos	McLain	Average of Projections	FY 2021 Proposed Financial Plan
FY20	\$628	\$559	\$595	\$590	\$562	\$587	\$557
FY21	\$653	\$611	\$540	\$584	\$641	\$606	\$584
FY22	\$686	\$656	\$581	\$600	\$657	\$636	\$619
FY23	\$727	\$699	\$607	\$615	\$673	\$664	\$664
FY24	\$764	\$738	\$634	\$631	\$689	\$691	\$711
5-Year Total	\$3,458	\$3,263	\$2,957	\$3,021	\$3,221	\$3,184	\$3,134

Exhibit 11.2 5-Year Sales Tax Receipts (2020 – 2024) (in Millions)



Beyond 2024, DART still bases its sales tax projections on projections from The Perryman Group, with conservative principals applied to them.

Beginning in the FY 2016 Financial Plan and continuing into the current Plan, DART has taken a different approach from previous years with regard to incorporating sales taxes into the Financial Plan. Instead of using the straight-line approach to sales tax growth as is generated by the regression model provided by the Perryman Group, the 2016 Plan incorporated periodic mild recessions in seven-year cycles as an attempt to better match economic reality. As such, the Plan calls for a zero-growth year every seven years with the thought that this methodology should enable the Financial Plan to better weather the inevitable economic flat spots in the road. Each zero-growth year is followed by a cyclical rebound for several years after that. With this approach, however, there are certain years in which the Financial Plan assumes higher rates of increase than the Perryman projections, but the overall growth rate over the 20-year life of the Plan is significantly lower and results in total sales tax revenues \$2.64 billion (12.0%) less than if we had strictly used Perryman's growth rates for the next 20 years.

As it turned out, we were somewhat prescient as 2020 was the first such zero-growth year. While the impact of COVID-19 is substantially more than 'a flat spot in the road' and while this does not mean there is no impact on the Financial Plan, it certainly lessens the overall impact of the crisis



on the Financial Plan as compared to if FY 2020 included our normal 4-5% projected annual sales tax growth.

A comparison of projected sales tax growth rates and receipts from the FY 2020 Plan, the FY 2021 Draft Plan, and the Perryman projections is shown in Exhibit 11.3 and 11.4.

Exhibit 11.3
21-Year Sales Tax Receipts (2020 – 2040)
(in Millions)

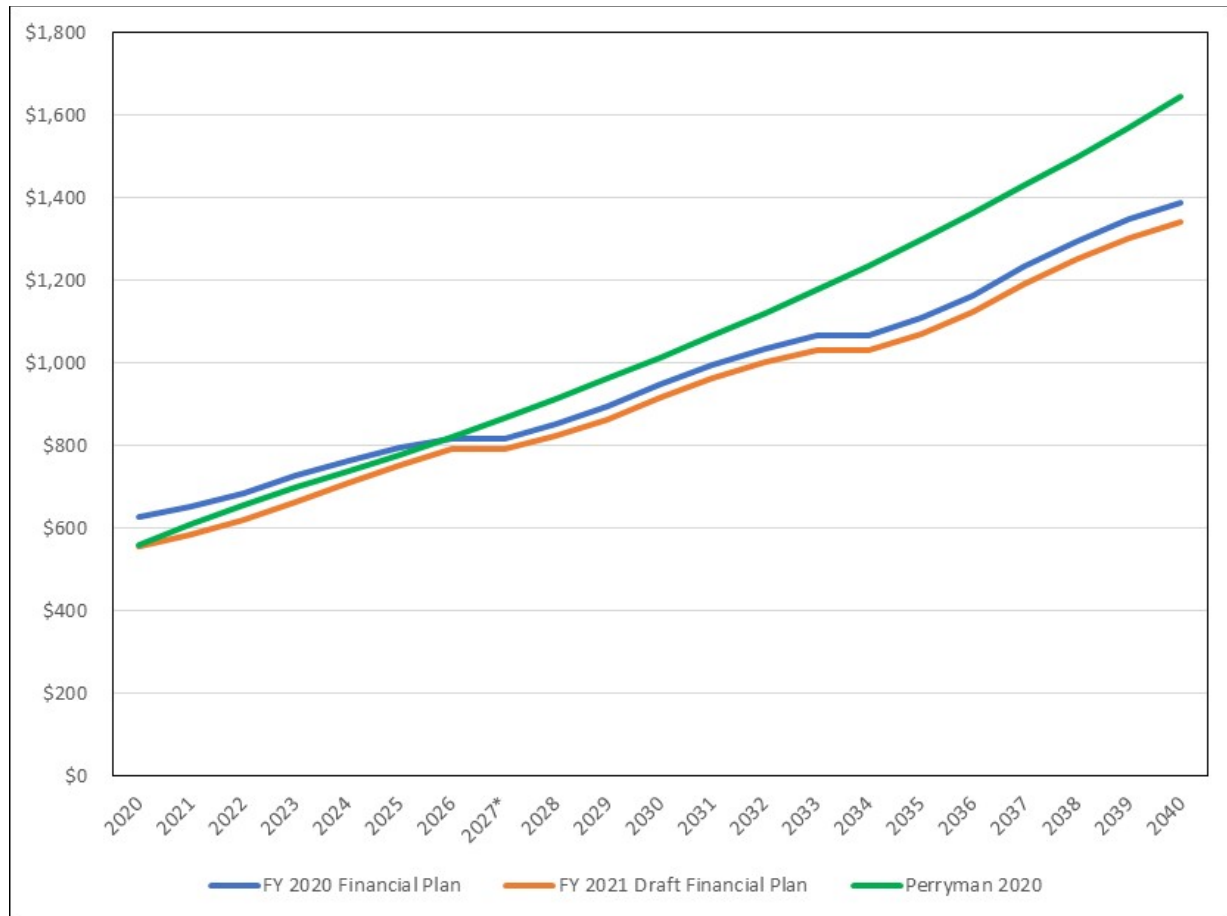
	FY 2020 Financial Plan		FY 2021 Draft Financial Plan		Perryman 2020	
Year	%	\$	%	\$	%	\$
2020	0.0%	\$628.1	-11.3%	\$556.9	-11.0%	\$559.1
2021	4.0%	653.3	4.8%	583.8	9.2%	610.6
2022	5.0%	686.0	6.0%	618.9	7.5%	656.3
2023	6.0%	727.2	7.2%	663.6	6.5%	699.2
2024	5.0%	763.6	7.1%	710.6	5.6%	738.3
2025	4.0%	794.2	6.0%	753.2	5.5%	779.3
2026	3.0%	818.0	5.0%	790.9	5.5%	822.0
2027*	0.1%	818.5	0.1%	791.4	5.4%	866.6
2028	4.0%	851.6	4.0%	823.4	5.4%	913.1
2029	5.0%	894.2	5.0%	864.6	5.3%	961.7
2030	6.0%	947.8	6.0%	916.5	5.3%	1,012.4
2031	5.0%	995.2	5.0%	962.3	5.2%	1,065.0
2032	4.0%	1,035.0	4.0%	1,000.8	5.1%	1,119.8
2033	3.0%	1,066.1	3.0%	1,030.8	5.1%	1,176.8
2034	0.0%	1,066.1	0.0%	1,030.8	5.1%	1,236.3
2035	4.0%	1,108.7	4.0%	1,072.1	5.0%	1,298.2
2036	5.0%	1,164.1	5.0%	1,125.7	5.0%	1,362.6
2037	6.0%	1,234.0	6.0%	1,193.2	4.9%	1,429.6
2038	5.0%	1,295.7	5.0%	1,252.9	4.9%	1,499.0
2039	4.0%	1,347.5	4.0%	1,303.0	4.8%	1,571.2
2040	3.0%	1,387.9	3.0%	1,342.1	4.8%	1,646.2
21-Year Total		\$20,282.6		\$19,387.5		\$22,023.2

* Note: There is a small increase in sales taxes in 2027 (a zero growth year) in the FY 2021 Financial Plan. This is due to the end of the sales tax repayment plan to the State Comptroller, not any projected economic growth.

Exhibit 11.4

21-Year Sales Tax Receipts (2020 – 2040)

(in Millions)



Sales Tax Repayment – The Texas State Comptroller’s Office periodically conducts audits of entities responsible for the payment of state and local sales taxes. As a result of an audit that was concluded in 2006, the Comptroller determined that DART received an overpayment of sales taxes of approximately \$13.2 million. In an effort to mitigate the effects of this repayment on DART, the Comptroller agreed to a 16-year interest-free repayment schedule (\$824,000 per year through 2022). An additional audit, completed in 2008, resulted in another repayment obligation of \$3.6 million. The State Comptroller’s Office agreed to extend the \$824,000 repayment plan through 2026, with the balance of this repayment (\$334,588) to be remitted in 2027. These repayment obligations have been incorporated into the Plan, and all reported sales tax revenues in the Plan (and discussed in this document) are net of these repayments.

An additional negative adjustment in the amount of \$4.1 million is being paid back between 2020 and 2023.

Operating Revenues (line 2 of the Financial Plan)

Operating revenues are projected to contribute \$2.48 billion (8.8%) of DART's sources of funds through FY 2040. Exhibit 12 details projected operating revenues for the next 21 years.

Exhibit 12 Operating Revenues (in Millions)

Operating Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Fixed Route Passenger Revenues	\$44.6	\$48.5	\$62.3	\$76.8	\$78.3	\$78.7	\$85.5	\$86.1	\$87.2	\$94.6	\$95.2
Other Passenger Fares	3.5	3.7	3.9	4.7	4.8	5.0	5.5	5.7	5.8	5.9	6.1
Total Passenger Revenues	\$48.1	\$52.1	\$66.3	\$81.5	\$83.1	\$83.7	\$91.0	\$91.7	\$93.0	\$100.6	\$101.3
Leases & Rentals	\$7.6	\$7.8	\$8.0	\$8.1	\$8.3	\$8.5	\$8.7	\$8.9	\$9.1	\$9.3	\$9.5
Advertising	4.1	4.1	4.3	4.6	4.7	4.8	5.1	5.3	5.6	5.8	6.1
Vanpool (NCTCOG/FHWA)	0.4	0.4	0.4	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9
DCTA Access & Impact Fees	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.9
Other	0.5	0.4	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
Total Operating Revenues	\$61.4	\$65.5	\$79.8	\$95.9	\$97.9	\$98.8	\$106.5	\$107.7	\$109.5	\$117.6	\$118.8

Exhibit 12 (cont.) Operating Revenues (in Millions, continued)

Operating Revenues	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	21-Year Total
Fixed Route Passenger Revenues	\$95.8	\$104.0	\$105.3	\$106.0	\$115.0	\$115.7	\$116.4	\$127.3	\$128.0	\$128.8	\$1,979.8
Other Passenger Fares	6.2	6.8	7.0	7.2	7.4	7.5	7.7	8.5	8.7	8.9	130.6
Total Passenger Revenues	\$102.0	\$110.8	\$112.3	\$113.1	\$122.4	\$123.2	\$124.1	\$135.7	\$136.7	\$137.7	\$2,110.4
Leases & Rentals	\$9.7	\$9.9	\$10.1	\$10.3	\$10.5	\$10.7	\$10.9	\$11.2	\$11.4	\$11.6	\$199.9
Advertising	6.4	6.8	6.5	6.8	7.1	7.5	7.8	8.2	8.6	9.0	129.3
Vanpool (NCTCOG/FHWA)	0.9	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	18.4
DCTA Access & Impact Fees	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.1	1.1	1.1	18.3
Other	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	3.6
Total Operating Revenues	\$120.1	\$129.4	\$130.9	\$132.3	\$142.1	\$143.6	\$145.1	\$157.4	\$159.0	\$160.7	\$2,480.0

Passenger revenues are the primary component of operating revenues, representing approximately \$2.11 billion, or 85.1% of operating revenues. Because of the impact of COVID-19 on Ridership, this represents approximately \$190 million reduction from the same 21-year period in the FY 2020 Financial Plan.

Business Planning Parameter FS-B2 states, "the Board will consider fare modifications from time to time to achieve Service Plan, ridership, and subsidy per passenger targets and to maintain

DART's financial viability." The Financial Plan assumes fare increases will occur every three years, resulting each time in an increase to the average fare of approximately 9%.

In the FY 2020 Plan, the next fare increase was scheduled to occur in 2022 but with the pandemic occurring, the financial plan defers this increase by one year, to FY 2023. All subsequent increases were also deferred by one year to maintain the three-year schedule.

The DART Board has approved a new Low-Income Fare program, that offers fares matching the current reduced-fare programs for seniors and students, effective January 1, 2020.

The reduction in ridership due to COVID-19 has also impacted average fare. As ridership recovers, average fare is also expected to rise as well, even without a fare increase. This is presented in Exhibit 13, which details the projected fixed-route average fares by mode over the life of the Plan.

Exhibit 13
Projected Fixed-Route Average Fare

Year	Bus	LRT	CR	Fixed Route
FY20	\$0.61	\$0.96	\$2.93	\$0.88
FY21	\$0.86	\$1.02	\$3.33	\$1.05
FY22	\$0.90	\$1.11	\$3.43	\$1.12
FY23 - FY25	\$0.98	\$1.21	\$3.75	\$1.22
FY26 - FY28	\$1.08	\$1.33	\$4.10	\$1.34
FY29 - FY31	\$1.18	\$1.45	\$4.48	\$1.46
FY32 - FY34	\$1.29	\$1.59	\$4.90	\$1.60
FY35 - FY37	\$1.41	\$1.73	\$5.36	\$1.75
FY38 - FY40	\$1.54	\$1.90	\$5.86	\$1.91

Operating revenues other than fare revenues include items such as the following: advertising revenue, lease & rental income, contract service revenues from cities outside the service area, shuttle service agreement revenue from UT-Dallas and the Surface Transportation Program/Metropolitan Mobility (STP/MM) vanpool contribution.

Interest Income (line 3 of the Financial Plan)

Interest income is projected to contribute \$370.8 million (1.2%) of total sources of funds for the next 20 years. This is a \$38.1 million (9.3%) decrease from the amount contained in the FY 2020 Plan primarily due to the impacts to sales taxes and fare revenues described above and lower interest income rates over the next few years as the Federal Reserve attempts to stimulate the economy with continued low interest rates.

Interest income rates are estimated to average roughly 1% throughout 2020, increasing up to nearly 4% by 2024. Interest rates have been low from a historical perspective and are expected to increase slowly over the next few years. As rates rise, a positive spread is expected to develop (supported by historical data) between interest income and interest expense rates. This spread is projected to be 65 basis points (0.65%) by 2023.

Federal Funding (lines 4 and 5 of the Financial Plan)

Federal funds are included in two line items: Formula Federal Funding and Discretionary Federal Funding.

Formula funds include: Urbanized Area Formula program (UAFP), State of Good Repair (§ 5337), Bus and Bus Facilities Formula Grants (§ 5339), and High Density States and Growing States (§ 5340). For 2020, they also include CARES Act funding.

Discretionary funds are authorized under 49 U.S.C. § 5309 (New Starts/Core Capacity/Small Starts) and other programs such as Congestion Mitigation and Air Quality Improvement program (CMAQ) and the State of Texas Mobility Fund (TMF).

In the Surface Transportation Bill enacted in December 2015, known as the Fixing America's Surface Transportation Act, or "FAST Act," Congress provided funding for highways and transit through federal fiscal year 2020. The bill provides slight increases in the near-term over prior funding levels and affords DART an opportunity to develop and finance multi-year projects. Because Congress has chosen not to raise the federal gas tax, this federal transportation program can no longer be called a user-financed program. Instead, Congress transferred approximately \$70 billion from non-transportation sources to the Highway Trust Fund to ensure its solvency. This imbalance will grow during each year of the FAST Act, making the fiscal cliff much steeper and harder to address. The Congressional Budget Office in 2018 estimated that the Highway Trust Fund will need a transfer of \$161 billion by 2028, just to maintain the existing level of transportation spending. Pressure will build on the President and Congress to develop options that are politically viable to ensure the federal government can remain an effective partner in building and maintaining the nation's transportation infrastructure.

Formula Federal Funding (line 4 of the Financial Plan)

In response to the coronavirus pandemic, the federal government passed multiple relief laws designed to mitigate the negative economic impact of the pandemic. DART expects to receive nearly \$230 million in CARES Act funding. These funds are considered to be formula funds by nature, as they are not awarded on the basis of any particular capital project and may be used to fund operating maintenance costs.

Formula funds are \$1.97 billion (6.6 % of total sources of funds) through FY 2040. This is an increase over the FY 2020 Plan based on the CARES Act Funding.

According to the Board-approved Financial Standard B10 "Formula funding for future years shall be forecast at the current year's funding level in order to ensure a conservative forecast." There

may be some variances from year to year early in the Plan as some funds not spent in current and prior years may be rolled forward into future years. These levels are adjusted each year based on the most current information available. An exception to that would be for new rail segments. When service begins on the Silver Line in 2022, it will generate additional formula funds beginning in 2024. An estimate of \$2.3 million has been made for these additional funds annually, based on current federal apportionment values.

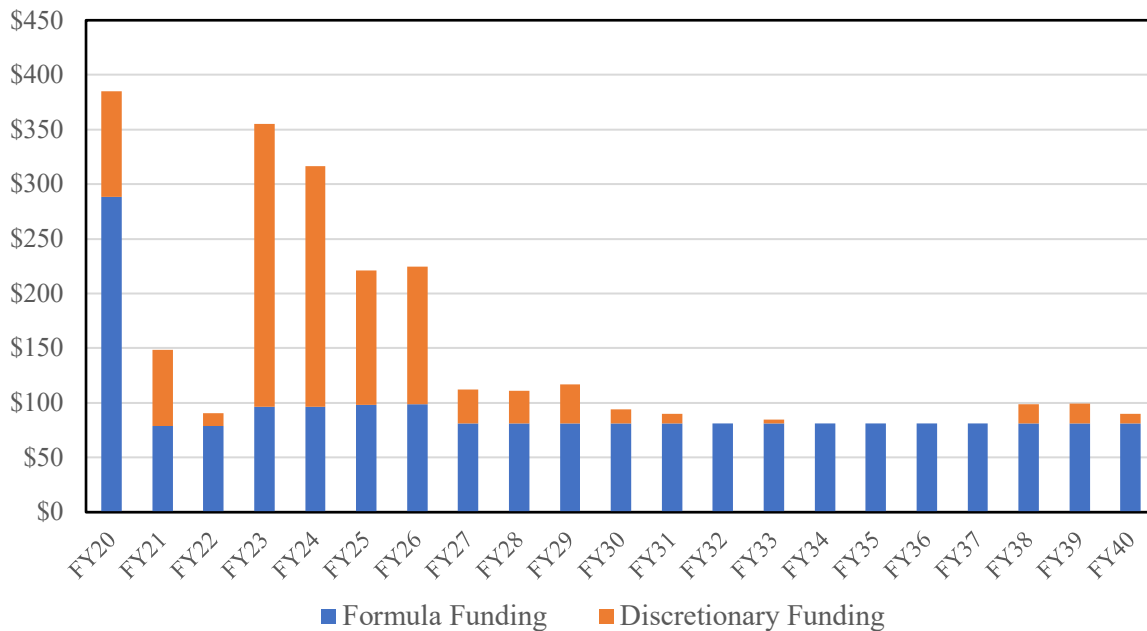
Discretionary Federal Funding (line 5 of the Financial Plan)

Discretionary federal funding comprises \$1.07 billion (3.6% of total sources) through FY 2040. This is a \$342.4 million (47.0%) increase over the FY 2020 Plan. The increase is primarily due to increased projection of the grant value for second rail corridor through downtown Dallas (D2). The FY 2020 Plan had assumed a \$300 million grant for the D2 subway. For the FY 2021 Plan, this has been increased to \$650 million. The application for these funds is expected to be completed in 2021, and the money received between 2023 and 2026.

DART has been very conservative with regard to programming new discretionary federal funding into the Plan. Some of the other major projects with awarded or expected discretionary funding over the life of the plan include \$86 million for core capacity and streetcar system expansion (2020 – 2026), \$109 million for the Silver Line and \$130 million between 2026 and 2033 for replacement of the bus and commuter rail vehicle fleets.

Exhibit 14 details the anticipated receipt of both discretionary and formula Federal Funds over the life of the Plan. Formula funding is shown in blue and discretionary funding is shown in orange. It is easy to see the spikes in discretionary funding in the early years of the Plan for the programs described above.

Exhibit 14 Anticipated Capital Grant Funding (FY 2021 – FY 2040) (in Millions)



Long-Term Debt Issuance (line 6 of the Financial Plan)

DART plans to issue \$2.95 billion in new long-term debt over the next 20 years. The issuances include \$810 million during FY 2023 - FY 2026 for the Core Capacity Program mentioned above and other infrastructure projects, \$1 billion for light rail vehicle rehab and replacement, and \$1.03 billion for the Silver Line project. DART has been approved for a \$908 million loan from the Federal Railroad Administration’s Railroad Rehabilitation & Improvement Financing (RRIF) program, approximately \$11.7 million of which has been received to date, to finance the project.

Commercial Paper Issuances (line 7 of the Financial Plan)

DART plans to issue \$227 million through 2023 for the Silver line (in addition to the RRIF loan mentioned above). This commercial paper will be taken out with long-term debt in 2026. In addition to the Silver Line, DART will issue additional debt between 2025 and 2029 to pay for the replacement of the bus fleet. Under a bank-backed Commercial Paper (CP) Program, and an Extendible CP Program DART will use the initial funding mechanisms to support DART’s capital programs up to a maximum authorized amount of \$125 million per program. A third-party bank promises to provide the funds if the seller cannot repay them. The bank provides a revolving credit facility or letter of credit dedicated to commercial paper note repayments. Extendible CP enables high credit quality issuers to place commercial paper without a bank-backed credit facility. Unlike bank-backed CP, in the event of a failed remarketing and assuming DART does not desire to redeem the Extendible CP with cash, the security is extended up to 180 days after the original 90-day term. If market conditions and cash flow needs dictate, DART can issue long-term debt to replace the outstanding CP or retire it with cash.

DART has established a \$125 million maximum authorization Commercial Paper Self-Liquidity (CPSL) Program. When an investor purchases a commercial paper note, the investor has an expectation that when the note matures the seller will return the par value of the note plus interest. The seller demonstrates that the expectation can be satisfied by identifying its own funds that will be used to repay CP notes. This is called a CPSL program. The ability to meet this obligation is monitored by rating agencies and is reflected in the seller's short-term debt rating. DART is using self-liquidity for the \$50 million in CP that is currently outstanding. This balance will be retired by FY 2022.



Other Operating & Capital Contributions (lines 8 & 9 of the Financial Plan)

These line items are predominantly composed of non-grant contributions from other public entities, such as: Trinity Metro's contribution toward its share of the operating and capital costs for the Trinity Railway Express (TRE), City of Dallas contributions toward Streetcar Operating expenses, City of Irving contribution for the construction of the Rail stations capital cost & certain non-operating leases, service area city and other funding partner contributions for specific capital projects, and other miscellaneous contributions.

Other Operating sources of funds total \$489.7 million between FY 2020 and FY 2040 and represent 1.6% of total sources of funds for that same period. This category of funds decreased \$6.2 million (1.3%) compared to the same period in the FY 2020 Plan, primarily due to the delay in the opening of the Dallas Streetcar and the City of Dallas's related contribution to operating costs.



Uses of Funds

Operating Expenses (lines 11 – 17 of the Financial Plan)

Many of DART's services underwent significant changes over the last several years. The changes from FY 2017 through FY 2020 included the following major elements:

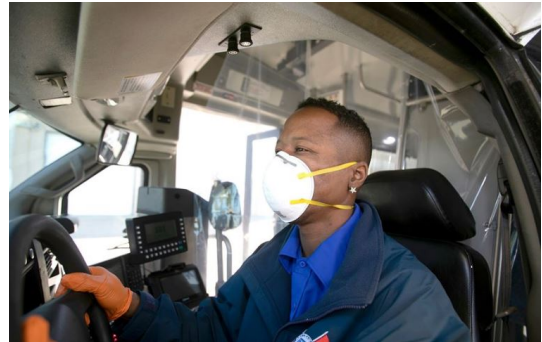
- Two bus service changes, in March and August of 2017, which added another roughly 1.3% to DART's bus service designed to address the rapidly growing employment areas of Legacy in Plano and Cypress Waters in Dallas;
- A restructuring of the TRE schedule which more efficiently utilized deadhead moves and provided more midday service. These changes added nearly 15% more service.
- A D-Link service change was cancelled in FY 2019 due to loss of funding from partners and the electric buses were assigned to Route 749 Parkland-Design District.
- Also, in 2018, there were off-peak bus frequency improvements in eleven routes, route restructuring in northeast Dallas to provide more direct service and improved coverage. The GoLink service started in five pilot zones in Plano and Dallas and now there are thirteen zones.
- Additional bus service as a result of the COA with the service changes was phased in beginning in 2019 with \$5 million in additional operating expenses. The changes include the addition of light rail frequency on seven (7) core high frequency routes.
- In FY 2020, DART implemented an emergency service reduction on April 6, 2020 caused by the COVID-19 pandemic. Due to ridership declines exceeding 50%, the emergency service reduced weekday frequency to Saturday service levels on TRE, bus and a 20 minute all day frequency on light rail.

Looking a little further down the road, the Plan includes even more service enhancements:

- In FY 2021, DART will implement a phased plan for restoring regular weekday service frequency as ridership increases,
- DART Board will plan a complete Bus Network Redesign for implementation in January 2022 consistent with the FY 2022 Budget and 20-year financial plan,
- Two new infill stations along the Orange Line in Irving (Loop 12 and Hidden Ridge, currently in the construction phase),
- Commuter Rail service along the Silver Line corridor from Plano to DFW Airport in 2023,
- An expanded Streetcar Rail network in 2025, and
- The second light rail alignment through downtown Dallas (D2), currently anticipated to begin service in 2025.

Total operating expenses for FY 2020 through FY 2040 are projected to be \$14.86 billion, a decrease of \$452.3 million (3.0%) from the amount in the FY 2020 Plan over the same period of time, primarily due to service changes and cost containment measures implemented in response to COVID-19 as described above.

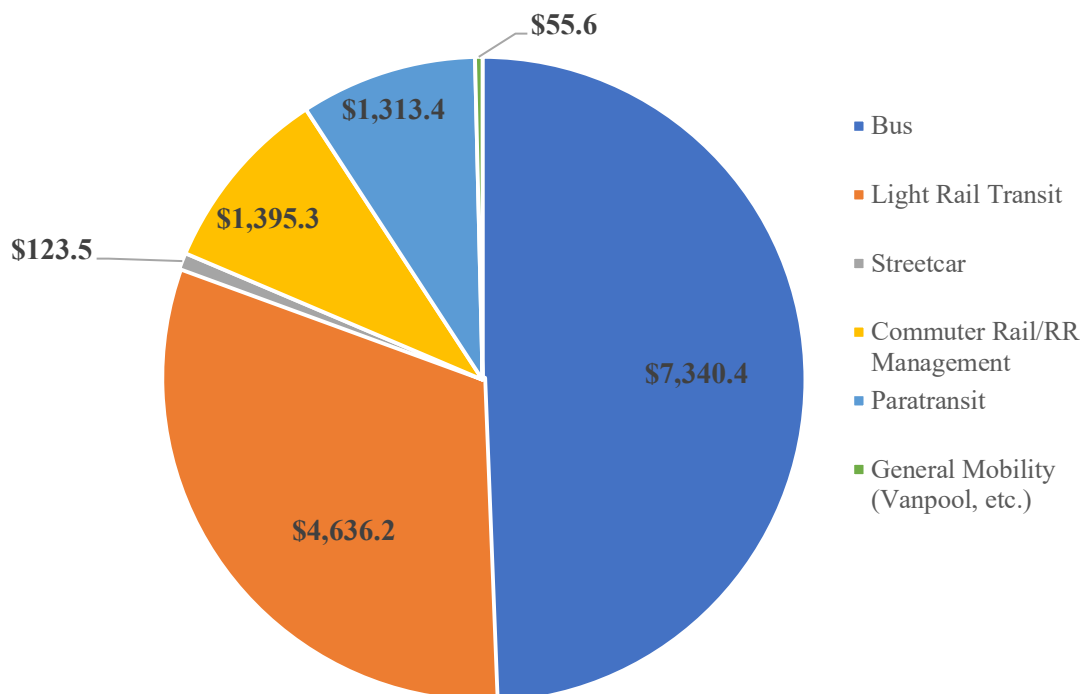
DART's FY 2021 Operating Budget is \$542.3 million, \$20 million less than the FY 2020 operating budget and \$32.4 million less than the FY 2021 operating budget target contained in the FY 2020 Plan.



Growth in operating expenses that are built into the Financial Plan for future years are controlled from a policy perspective by Financial Standards B-3, B-4, and B-5. Standards B-3 and B-4 relate to fixed-route service, which accounts for approximately 92% of projected operating costs over the next five years. The primary cost drivers for the variable expenses of fixed-route service are the number of miles, hours, and vehicles in service, contract rates for purchased transportation (TRE), fuel/electricity prices, security, technology, and health care.

Exhibit 15 shows the modal distribution of total operating expenses.

Exhibit 15
Operating Expenses by Mode FY 2020 – FY 2040 (in Millions)



Modal Expenses (lines 11 – 17 of the Financial Plan)

Exhibit 16 compares the projected 21-year modal operating expenses (2020 - 2040) based on the FY 2020 Financial Plan and the FY 2021 Plan.

Exhibit 16 21-Year Modal Expense Comparison (2020 – 2040) (in Millions)

	FY20 FP	FY21 FP	\$ Variance FY20 FP to FY21 FP	% Variance FY20 FP to FY21 FP
Bus	\$7,542.9	\$7,340.4	(\$202.5)	(2.7%)
Light Rail Transit	4,791.5	\$4,636.2	(155.3)	(3.2%)
Streetcar	127.5	\$123.5	(4.0)	(3.1%)
Commuter Rail/RR Management	1,445.5	\$1,395.3	(50.3)	(3.5%)
Paratransit	1,353.4	\$1,313.4	(40.0)	(3.0%)
General Mobility (Vanpool, etc.)	55.7	\$55.6	(0.1)	(0.2%)
Total Operating Expenses	\$15,316.6	\$14,864.3	(\$452.3)	(3.0%)

The following details relate to the modal expense line items:

Each year, DART management reviews costs allocated to the various modes of service. During this review, estimates are made regarding how much of each functional division's time and resources will be spent in support of each mode, how much will be spent on general and administrative responsibilities, and how much effort will be spent in support of DART's capital programs. This can lead to some minor fluctuations in cost distribution among the modes from year-to-year as estimates may vary. Please note that the service levels for each mode, and therefore the 20-year costs have been affected by the coronavirus pandemic.

Even with the light rail system more than doubling since 2009, bus expenses still represent the largest modal portion of DART's operating costs (49.4%) over the next twenty years. The bus mode includes DART's Innovative Services (GoLink, Flex-Route, and site-specific shuttle services). Twenty-year bus modal costs have decreased by \$202.5 million (2.7%) from the FY 2020 Financial Plan as a result of service reductions in response to the pandemic.

Over the last decade-plus, DART has completed an expansion program that has seen the light rail system grow from 48 miles in the summer of 2009 to 93 miles in FY 2017. As such, light rail

operating costs have continued to represent an increasing percentage of DART's budget. They have increased from 21.1% of the FY 2009 operating budget to 33.0% of the FY 2021 budget.

TRE Commuter Rail services are provided by Herzog Transit Services, Inc. The current contract began in FY 2016 and expires at the end of FY 2025. The contract includes service costs for TRE and Trinity Metro's TEX Rail, which began service in January 2019. DART will exercise an option in the contract for Silver Line operations, dispatching and maintenance-of-way through the end of the contract. Fleet maintenance will be provided by Stadler Rail, the vehicle manufacturer.

Mobility Management Services (Paratransit) is operating under a contract with MV Transportation to provide passenger services. Projected ridership over the next twenty years will be no change from the FY 2020 Plan.



- DART & Enterprise placed non-operating vanpools in suspension mode (April – May 2020)
- DART has shared health & safety measures from the Centers for Disease Control & Prevention (CDC), Federal Transit Administration (FTA), Federal Highway Administration (FHWA), & Office of Management & Budget (OMB) to our vanpools
- AVR is offering larger vehicles, up to 15 passengers, for social distancing
- DART & AVR developed seating configurations to maximize social distancing
- DART will send out a survey to ascertain vanpools return-to work policies and their perception of the program.

Capital and Non-Operating Expenditures (lines 18 – 27 of the Financial Plan)

Exhibit 17, on the following page, compares capital expenditures by mode for the 21-year period 2020 – 2040 from the FY 2020 Plan to the FY 2021 Plan. The agency-wide category refers to capital projects that benefit more than one mode (e.g. renovations to the DART headquarters building, ERP system purchase/implementation costs, etc.).

Exhibit 17
Comparison of 21-Year Capital Expenditures (2020 – 2040)
(in Millions)

	FY20 FP	FY21 FP	\$ Variance FY20 to FY21	% Variance FY20 to FY21
Agency-Wide	\$518.5	\$546.9	\$28.4	5.5%
Bus	1,285.0	1,263.0	(22.1)	(1.7%)
Light Rail Transit	3,407.2	3,405.5	(1.7)	(0.0%)
Streetcar	104.5	104.9	0.4	0.4%
Commuter Rail/RR Management	1,812.9	1,768.4	(44.5)	(2.5%)
Paratransit	6.1	6.4	0.3	4.3%
General Mobility - Road Impr./ITS	44.8	46.0	1.1	2.5%
Non-Operating	35.6	36.7	1.1	3.0%
Capital P & D, Start-Up	331.0	369.8	38.9	11.7%
Total Capital Expenditures	\$7,545.7	\$7,547.5	\$1.8	0.0%

Capital and Non-Operating expenditures are budgeted at \$647.0 million for FY 2021 and \$7.55 billion for the 21 years through FY 2040. This is consistent with the FY 2020 Plan over the same period.

The list of major Capital and Non-Operating projects (including all new projects) is shown as Exhibit 18, beginning on page 44.

General Mobility, Road Improvement, and Intelligent Transportation Systems (ITS) Programs (line 24 of the Financial Plan)

Financial Standard B-7 limits General Mobility Road Improvement Programs to funding allowed under the terms of the approved Interlocal Agreements (ILA). Road improvement programs include the Principal Arterial Street System (PASS), Transportation System Management (TSM), Transit Related Improvement Programs (TRIP), and ITS projects. These programs total \$46.0 million over the next 21 years.

Non-Operating Costs (line 25 of the Financial Plan)

Non-operating costs relate to projects/programs that do not meet capitalization criteria for accounting purposes, are not operating costs, and are not capitalized as a DART asset. Examples of non-operating costs include consulting costs for the Transit System Plan revision, the Transit-Oriented Development study, and the Regional On-Board Survey. These costs total \$36.7 million through 2040.

Capital Planning & Development and Start-up Costs (line 26 of the Financial Plan)

Capital Planning & Development (Capital P&D) and Start-up costs are predominantly internal staff and consulting costs associated with planning, designing, managing, constructing, and opening new capital projects such as the light rail system. Financial Standard B-8 limits capital planning costs to no more than 7% of the total operating budget and start-up costs to no more than 60% of the first year's operating costs.

Capital P&D & Start-up costs are budgeted at \$14.3 million for FY 2021 (2.6% of the operating budget), and \$369.8 million over the twenty-year period of the Plan.

There are no Start-up expenses programmed for 2021. Start-up costs over the life of the plan total \$8.6 million, including costs for the Silver Line, D2 and the Dallas Streetcar expansion.

Capital Reserves

A variety of reserves exist within the capital program. These reserves represent placeholders within the Financial Plan that are either for known capital asset maintenance and replacement cycles, or for funds that are set aside for projects of a specific type, for which the exact nature, timing, and amount is unknown at the present time. When a project that is to be funded from a specific reserve is requested and approved, the new project is given its own specific line in the capital program, and the balance of the reserve is reduced by the budgeted cost of the new project. Reserve balances are reviewed on an annual basis to ensure they are adequate to cover future needs for each respective mode and expenditure type.

The FY 2021 Financial Plan includes \$4.4 billion in capital reserves and amounts dedicated to “State-of-Good-Repair” (SGR) over the next 20 years. These reserves ensure that DART will be able to maintain assets in order to provide safe and efficient transportation services and provide for timely replacement of assets. These reserves constitute over 61% of the total 20-year capital project expenditures.



FY 2021 Major Capital Project List

Exhibit 18 contains a listing of major capital projects with their budgeted costs.

Exhibit 18
Major Capital Projects
(in millions)

#	Project Description	Total Project Budget
1	Dallas CBD Second Light Rail Alignment (D2 Subway)	\$1,460.0
2	Silver Line Regional Rail Project	\$1,266.2
3	Red & Blue Line Platform Extensions	\$128.7
4	Dallas Streetcar Central Link	\$96.2
5	Madill Bridges Replacement	\$35.5
6	Positive Train Control (PTC)	\$34.8
7	Bus Repower Program	\$21.0
8	Consolidated Dispatch Facility	\$18.5
9	LRV Repower Programs	\$18.3
10	Bi-level & Cab Car Overhauls	\$16.1
11	Enterprise Asset Management System	\$15.2
12	Comprehensive Fare Payment System	\$15.0
13	Hidden Ridge Rail Station	\$13.6
14	Loop 12 Rail Station	\$12.0
15	LRV HVAC Upgrade Project	\$10.3

Dallas CBD Second Light Rail Alignment (D2 Subway)

Total Budget: \$1,460,000,000

Funding Source(s): Grant: \$650,000,000; Debt: \$810,000,000

Project Description

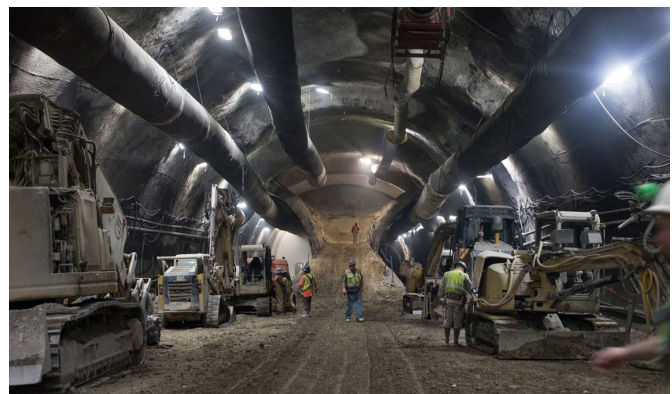
This project (known as D2 Subway) establishes a second light rail transit (LRT) line through Downtown Dallas by connecting two points: Victory Station and the Green Line near the Good Latimer/Swiss Avenue intersection. The project is intended to increase core capacity through Downtown Dallas, relieving congestion on the existing Bryan/Pacific Transit Mall and on the downtown junctions, improve operational flexibility and reliability, and serve new downtown markets while enhancing economic development.



The D2 Subway Locally Preferred Alternative (LPA) using Victory/Commerce/Swiss was approved in September 2017 by both the Dallas City Council and the DART Board. This approval followed an extensive subway refinement phase after stakeholders voiced concerns with the original mostly at-grade LPA in 2016. DART completed 10% preliminary engineering on the subway LPA in March 2019 and is advancing towards 20% design in conjunction with a Supplemental Draft Environmental Statement (SDEIS). The SDEIS will update the original May 2010 Alternatives Analysis/Draft Environmental Impact Statement (AA/DEIS). DART will then refine the project up to 30% design with a Final EIS and Record of Decision.

The D2 Subway includes approximately 1.3 miles of below-grade alignment and 0.7 mile at-grade, primarily through the Victory Park area and where the project reconnects with the Green Line. The project includes four new stations (one at-grade and three below-grade) and will include relocation of the existing Deep Ellum station north to Live Oak. The project continues to be refined to minimize impacts as more engineering and environmental information becomes known. In January 2019, DART incorporated a refinement in the CBD East area.

Assumptions in the FY 2021 Twenty-Year Financial Plan reflected a \$1.46 billion project cost and \$650 million external grant. However, DART plans to pursue an approximately 50/50 funding share between local/federal sources, and the project is expected to be completed in 2025.



Project Status

The last Capital Investment Grant (CIG) Core Capacity submittal to FTA in September 2017 was based on the Commerce. The D2 submittal and project received a Medium-High rating.

The Project Development (PD) effort is focused on the Commerce Alternative. The 10% design package was submitted to DART on March 8, 2019. The 20% design package was submitted to DART on March 6, 2020. The Supplemental Draft Environment Impact Statement (SDEIS) was made available to the public on May 15, 2020. A 45-day period for review and comment started that day and concluded on June 29, 2020.

An internal review meeting on the 30% design will be held on October 7, 2020, the review period will be through October 16, 2020. The design submittal is due on October 30, 2020. The 30% design incorporates a few design changes in response to SDEIS comments and continuing property owner coordination

Discussions and the work effort to prepare for Entry into engineering have begun both internally and with FTA staff.

The project team continues to engage the public and key stakeholders. The team regularly holds project coordination meetings with TxDOT/City of Dallas/NCTCOG; standing, bi-weekly project briefings with the City of Dallas and bi-weekly, monthly, and quarterly meetings with FTA; one-on-one stakeholder meetings on an “as needed” basis, public meetings, stakeholder meetings and several meetings for each of the five (5) focus areas. SDEIS public hearings were held on June 11, 2020 (virtually) and on June 25, 2020 (in person). Coordination will occur with Council Boards/Committee, including: Park and Recreation Board, Landmark Commission, Arts and Culture Advisory Commission and City Council during Summer 2020.

DART has authorized a task to General Planning Consultant (GPC) to prepare a Draft Project Management Plan (PMP) and necessary subplans (OP20 as reference).

Selection of project delivery method will occur late 2020/early 2021 to guide completion of the PMP.

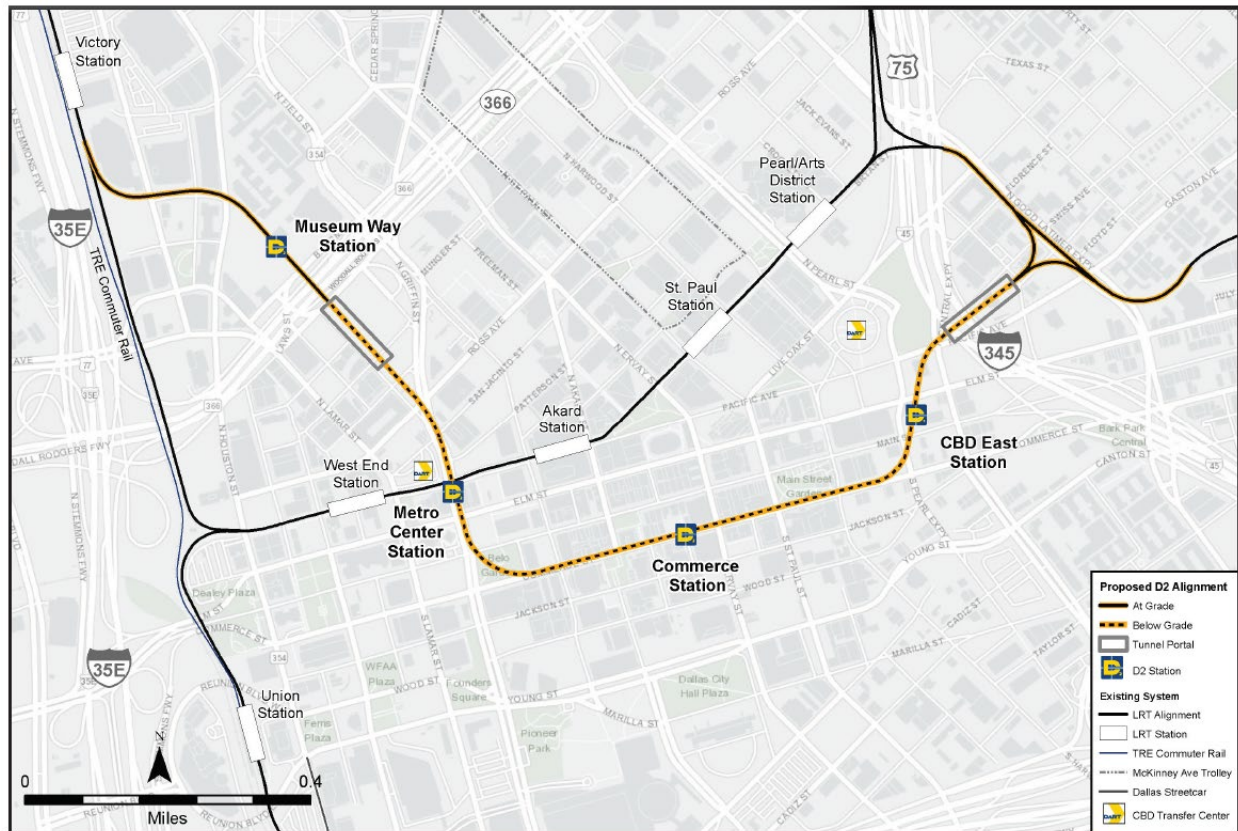
Project Issues

Quarterly meetings will continue with TxDOT to review IH-345 design concepts. Based on a meeting on June 18, 2020, below-grade IH-345 concepts still appear to work with the D2 Subway portal as designed. An agreement or deal points will be needed for the Final Environmental Impact Statement/Record of Decision (FEIS/ROD).

Timely review by the City of Dallas for required approvals (parks, landmark commission, service plan), and development of Programmatic Agreement with Texas Historical Commission (THC) will be key issues through summer to maintain schedule.

Potential early ROW acquisition may be needed.

D2 Subway Locally Preferred Alternative – Commerce via Victory/Swiss



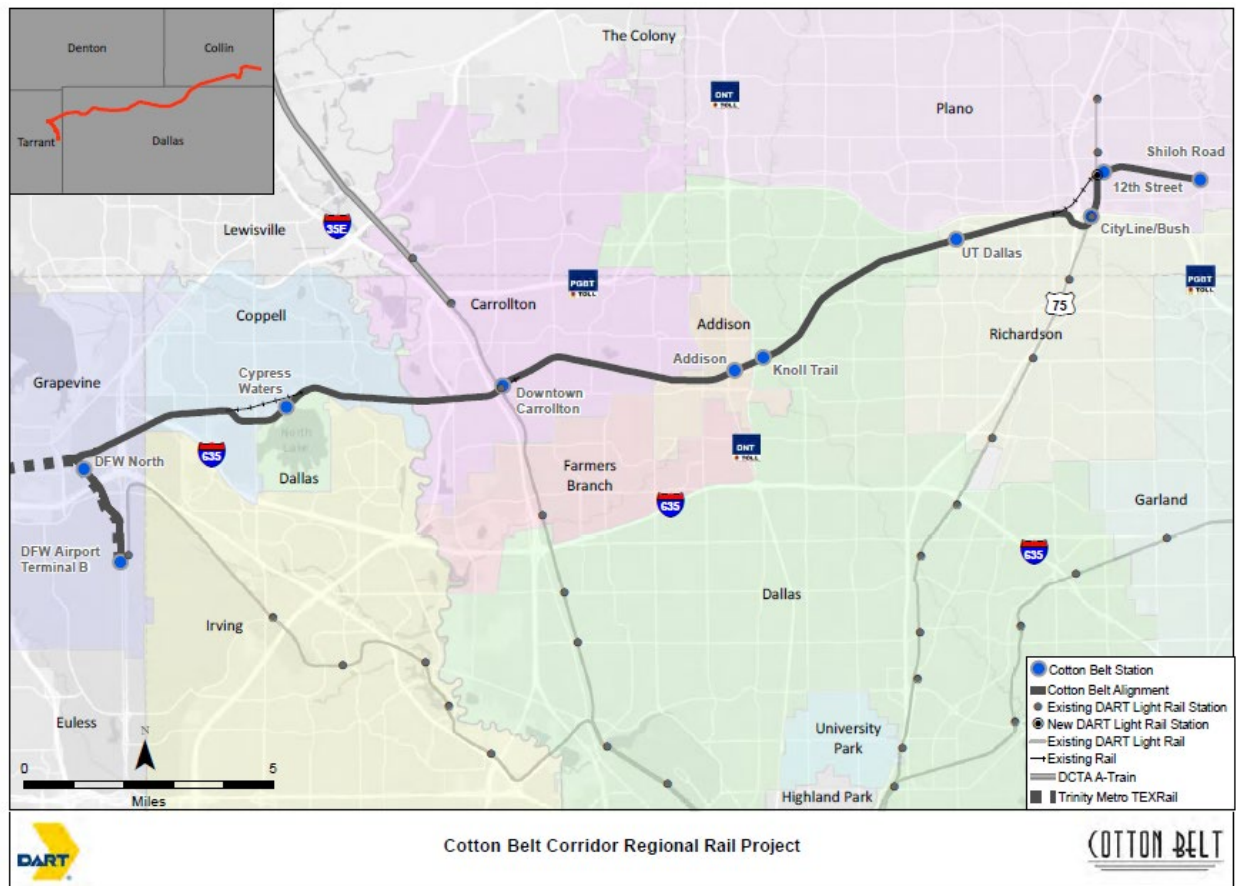
Silver Line Corridor Regional Rail Project

Total Budget: \$1,266,934,311

Funding Source(s): Grant: \$144,325,599; Funding Partners/Local: \$214,608,712; Debt: Railroad Rehabilitation & Improvement Financing (RRIF): \$908,000,000

Project Description

The 26-mile-long regional rail Silver Line Corridor extends from Dallas-Fort Worth International Airport (DFWIA) through the northern portion of the DART Service Area to Shiloh Road in Plano. The corridor (formerly the Cotton Belt Line) passes through the cities of Grapevine, Coppell, Carrollton, Addison, Dallas, Richardson, and Plano. A total of 10 stations were approved by the DART Board on August 28, 2018. The Silver Line Project would interface with three DART LRT lines: The Red/Orange Line in Richardson/Plano, the Green Line in Carrollton, and the Orange Line at DFW Airport. Also, at DFW Airport, the project would connect to the TEX Rail Regional Rail Line to Fort Worth, and the DFW Airport Skylink People Mover. The proposed project is mostly at-grade, with double-track. It includes two diversions from the existing railroad corridor to serve the Cypress Waters and City Line areas.



Ten new station locations have been identified including DFW Airport, DFW North, including a future “through” platform that will allow direct east-west movements across the corridor, Cypress

Waters, Downtown Carrollton, Addison, Knoll Trail, University of Texas (UT) Dallas, City Line/Bush, 12th Street (which includes a new infill LRT Station on the existing DART Red Line), and Shiloh Road.

The Silver Line Project will operate on tracks that are shared with freight for nearly the entire route except North Dallas where freight is abandoned. FRA-compliant diesel multiple unit (DMU) technology will be used for the corridor, and a fleet of eight vehicles will be procured. The existing Trinity Railway Express (TRE) Irving Yard will serve as the Equipment Maintenance Facility (EMF) for the project.

Three federal agencies are involved in oversight of the Silver Line Project. The Federal Transit Administration (FTA) serves as Lead Agency, the Federal Aviation Administration (FAA) a Cooperating Agency for the environmental clearance, and the Federal Railroad Administration (FRA) will serve as a Participating Agency. Funding for the project is being provided through the DOT-administered FRA Railroad Rehabilitation and Improvement Financing (RRIF) program. FAA has jurisdiction over DFW Airport and Addison Airport.

The project is scheduled to be completed in March 2023.

Project Status

The Final Environmental Impact Statement (FEIS) was signed on November 9, 2018. The FTA and FAA have determined the requirements of federal environmental statutes, regulations, and executive orders have been satisfied for the Silver Line Corridor Regional Rail Project. A Record of Decision (ROD) was issued on November 9, 2018. The FEIS/ROD is available in electronic PDF format at www.DART.org/Cottonbelt.

Notice to Proceed (NTP) was issued to the design-builder on January 7, 2019, and to the Program Manager/Owner's Representative (PMOR) on January 8, 2019. In February 2019, site surveying and data gathering activities were initiated. In March 2019, DART conducted coordination meetings with city representatives and provided updates on design and construction activities to the community.



In May 2019, coordination with city representatives continued and community workshops for the betterments program were initiated in Dallas neighborhoods. On May 29, 2019, the DART Station Art and Design Orientation Meeting was conducted for the DFW North, Cypress Waters, and Knoll Trail Stations. On July 24, 2019, the DART Station Art and Design Orientation Meeting was conducted for the Addison Station. A series of four quarterly design and construction update meetings with the community were initiated in July and will conclude on August 15, 2019.

The design-builder is working to progress design development from the 10% level to 30%, 60%, 100%, and IFC levels of design. As of May 2020, the design-builder has submitted 227 of 419

design packages, approximately 54% of all packages due, including street improvements, civil, systems, stations, bridge plans, and utility relocation packages.

Construction of the Phase I 60" water line at the new Mercer Yard is near completion. ONCOR relocation at the new Mercer Yard will start early June 2020.

COVID-19 impact was mostly on the start of utility relocations.

Redesign of Hillcrest and Coit Road intersections was briefed to DART Board in May 2020, with follow up briefings and action on the ILA completed in September 2020 for City of Dallas requested change.

New alignments at Mercer Yard in Downtown Carrollton are being investigated in order to avoid property acquisition concerns. DART is leaning towards the two-up alignment with no improved property acquisition. It will require taking vacant properties.

Discussions are being held with TxDOT and the City of Richardson on the ILA related Gateway Bridge Structure required at the US 75 crossing of the Silver Line in City of Richardson. Phase II design is complete. DART is discussing plans and funding considerations for execution of next three phases of the project including Preliminary design, final design, and construction.

On October 12, 2018 two additional solicitations were issued: one for vehicle procurement and Equipment Maintenance Facility (EMF) design and a separate solicitation for construction of the EMF. Proposals were received in January 2019.

Negotiations for vehicle procurement were completed in April and on May 28, 2019, the DART Board authorized award of the contract for procurement of the base vehicle design and EMF design. Negotiations for the vehicle options have been completed and a supplemental agreement was executed for vehicle options including a 15-year Vehicle and EMF maintenance option on January 3, 2020. As of the end of May 2020, the Vehicle manufacturer and EMF designer had submitted 131 of 164 vehicle design submittals, totaling to 80% of all vehicle design submittals due. As of the end of May 2020, the 65% EMF designs were delivered to DART and are under review. The estimated EMF construction costs based on the 65% designs are significantly higher than DART budget despite numerous attempts to reduce EMF costs. DART is considering the shared use of DCTA's OMF in Lewisville (TX) as a temporary Silver Line EMF. The DCTA OMF would be used temporarily while DART seeks and develops a permanent EMF for the Silver Line.

On April 30, 2019, an RFP was issued for the EMF Construction Manager/General Contractor (CMGC) Pre-Construction and Construction Services Contract. Proposals were received on June 26, 2019, evaluations and negotiations were completed for Pre-Construction services. An NTP was issued for CMGC Pre-Construction Services on January 8, 2020.

The anticipated date for project completion which is March 2023 is tracking late and will be updated in the next monthly updates.

Project Issues

Contractor Right of Entry (CROE) at DFW Airport Property

The contractor has been provided access to areas of the ROW for site information gathering. On March 31, 2020, DFW Airport granted access to DART for Survey, Boeing and SUE investigations on airport property. Legal staff from DART and DFW are working on the final version of a License Agreement to allow DART's contractor to enter onto and begin work on DFW property.

Agreements with Freight Railroads

Discussions are ongoing to develop agreements with railroad entities to address design review, access for construction and available work hours, and other transitional operations. DART is working with design-builder to align anticipated dates for agreements with the project schedule.

Agreements with Member Cities

Discussions are ongoing to develop agreements with Jurisdictional Authorities to address design requirements, design review, responsibilities, and funding mechanisms. DART is working with design-builder to align anticipated dates for agreements with the project schedule.

Pending Change Issue – Silver Line Hike and Bike Trail

DART is working with the North Central Texas Council of Governments (NCTCOG) and respective cities to prepare funding agreements for implementation of the corridor-wide hike and bike trail. Cost proposal received from the design-builder for final design based on the 10% design under development by the NCTCOG is in excess of the NCTCOG's budget. DART is evaluating cost drivers in an attempt to narrow down the budgetary gap. Follow up meeting for March and April discussions, between DART and NCTCOG, is anticipated in late May or early June 2020.

City of Dallas Design Issue

City of Dallas is not currently reviewing design plans or issuing permits for the Silver Line Project due to unresolved issues regarding Hillcrest Road and Coit Road. All parties are currently working towards mutually acceptable solutions. An agreement between DART and City of Dallas was briefed to DART Board in March, April and May sessions. Follow up briefings are anticipated in June and July with action in August 2020.

Red & Blue Line Platform Extensions (RBPE)

Total Budget: \$ 128,744,913

Funding Source(s): Grant: \$60,760,000; Texas Mobility Fund: \$60,000,000; GF: \$7,744,913

Project Description

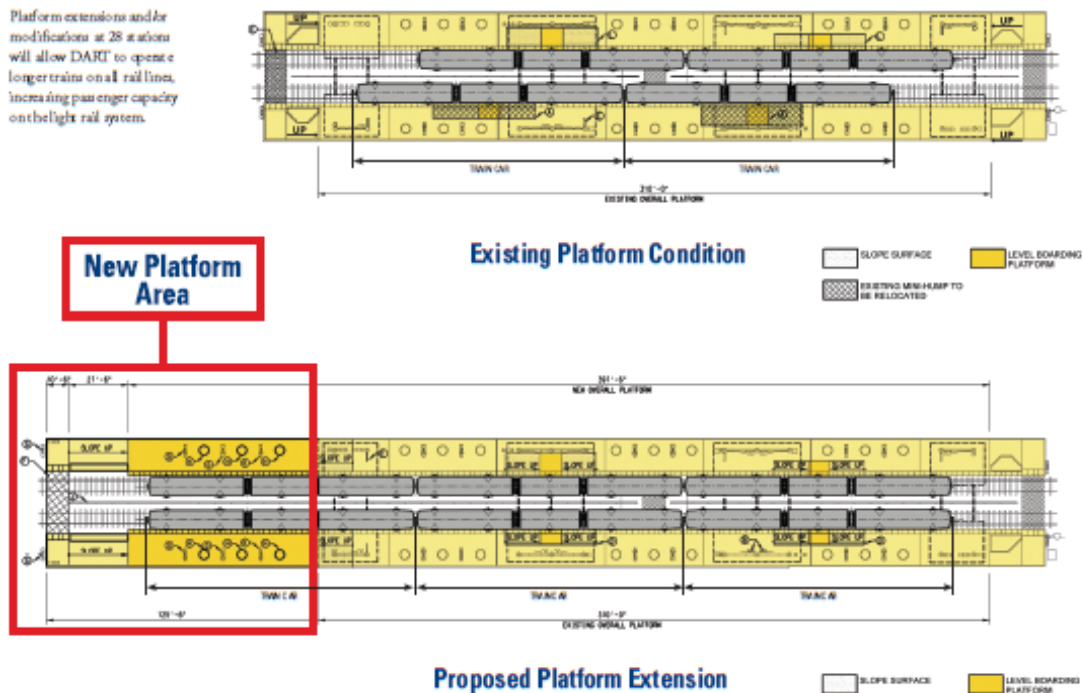
The purpose of this project is to modify platforms at 28 stations that were constructed before 2004, along the Red and Blue Lines to accommodate three-car trains. Modifications include extending platforms and/or raising portions of the platform to permit level boarding. These modifications will increase the carrying capacity of the LRT system by 30% and enhance the core capacity of the network.

Two ancillary projects related to the platform extension project will be separate from the scope of the federally funded project. These projects to accommodate three-car trains are: modifying the CROF cleaning platform and extending the Westmoreland tail track.

Platform Extensions Project on Red and Blue Lines



Platform extensions and/or modifications at 28 stations will allow DART to operate longer trains on all rail lines, increasing passenger capacity on the light rail system.





Project Status

Construction cost was negotiated with CMGC in June 2018. The Issue for Construction (IFC) submittals for Groups C, D, and E were received in July and August 2018. The IFC submittals for Groups A and B were received in October 2018.

The anticipated August 2018 date for submittal to FTA for the Full Funding Grant Agreement (FFGA) was achieved August 17, 2018.

On September 24, 2018, the FTA confirmed use of pre-award authority on long-lead items.

On October 30, 2018, the Board authorized award of construction contracts pending FFGA execution.

On December 7, 2018, DART submitted a request for a Letter of No Prejudice (LONP) authorizing DART to begin construction on six (6) Red Line stations on the North Central Corridor.

In February 2019, DART prepared a CM/GC Group B contract change to construction schedule and NTP for LONP work.

On March 12, 2019, DART issued NTP to CMGC Group B for work under Letter of No Prejudice (LONP) and long lead procurement items; a revision was issued on March 18, 2019. Anticipated start of construction was delayed from March 25, 2019, to May 1, 2019, due to contractor mobilization. In April, a stop work order was issued for site activities only pending resolution of mobilization issues.

On May 13, 2019, an NTP was issued to CMGC Group B and work commenced at Downtown Plano and Galatyn Park Stations on May 28, 2019.

On March 29, 2019, DART issued NTP to CMGC Groups A and C for procurement of long lead items.

On May 28, 2019, the FFGA was executed.

Group A

On January 21, 2020, NTP letter was issued to CMGC Group A for work. Cityplace Station was issued an access letter to commence work on March 2, 2020. Work began on March 2, 2020 with Completion set for September 25, 2020.

September 2020 – Substantial completion for Cityplace/Uptown. Contractor is addressing punch list items.

October 19, 2020 – Start anticipated for Cedars and Convention Center.

March 18, 2021 – Start anticipated for Mockingbird, 8th & Corinth.

Group B

On May 13, 2019, Notice to Proceed was issued, after stop work order, which includes purchase of long lead items for all Group B stations, Downtown Plano & Galatyn Park.

On June 11, 2019, Notice to Proceed: Phase 2 was issued for Walnut Hill, Spring Valley, Downtown Plano, and Galatyn Park.

On July 1, 2019, Notice to Proceed letter was issued to CMGC Group B for work at aerial stations at Walnut Hill and Spring Valley.

On September 25, 2019, Notice of Substantial Completion was issued for Spring Valley and Walnut Hill.

On September 30, 2019, Notice to Proceed was issued for Phases 3 and 4 – Park Lane, Forest Lane, Lovers Lane, LBJ Central, Bush Turnpike, Arapaho, and Parker Road.

On October 11, 2019, Notice to Proceed was issued to commence work on CityLine/Bush and Parker Road. Work began on October 12, 2019.

On November 27, 2019, Notice of Substantial Completion was issued for Galatyn Park and Downtown Plano.

On December 4, 2019, Notice to Proceed was given to begin Park Lane Station and Forest Lane Station, with completion set for February 28, 2020.

On December 6, 2019, actual work began on Parker Road due to delays by the contractor. Completion date remained April 13, 2020.

On February 6, 2020, Forest Lane and Park Lane stations both received substantial completion.

On February 27, 2020, Notice of Access was given to Arapaho Station. Work began March 3, 2020 with completion set for September 24, 2020. Substantial completion certificate was issued in August 2020.



On March 17, 2020, Parker Road received substantial completion.

On April 20, 2020, CityLine/Bush received substantial completion.

On April 22, 2020, Notice of Access was given to LBJ Station and Lovers Lane Station. Work began April 27, 2020 with completion set for September 24, 2020. Substantial completion certificate was issued in August 2020.

Group C

On September 30, 2020, Notice to Proceed was issued for Dallas Zoo and Westmoreland with a construction start date of October 19, 2020.

Group D

On September 16, 2020, Notice to Proceed was issued for Forest/Jupiter and White Rock with a construction start date of October 19, 2020.

Group E

On August 20, 2019, Notice of Access was given for Illinois and VA Medical Center Stations. Work began October 21, 2019 with completion set for March 21, 2020.

On March 27, 2020, Illinois Station received substantial completion.

On March 31, 2020, Notice of Access was given to Morrell Station. Work began April 1, 2020 with completion set for August 27, 2020.

On April 10, 2020, substantial completion was issued for VA Medical Center Station.

On April 13, 2020, Notice of Access was given to Kiest Station. Work began April 13, 2020 with completion set for August 27, 2020.

In August 2020, substantial completion was issued for Morrell. Contractor is addressing punch list items.

Project Issues

Schedule Mitigation:

Although the date for the FFGA document submittal to FTA was achieved, the project completion date is trending later than the baseline schedule. DART is working to reconcile the difference between the working schedule and the baseline schedule.

Dallas Streetcar Central Link

Total Budget: \$ 96,194,000
 Funding Source(s): FTA Small Starts: \$48,097,000; General Fund: \$48,097,000

Project Description

The Dallas Streetcar Central Link is proposed as a modern streetcar alignment connecting from the Union Station/Omni Hotel area through the central core of Downtown Dallas, linking to the M-Line trolley near Uptown and Klyde Warren Park.

Project Status

DART, in cooperation with the city of Dallas and Downtown Dallas, Inc. (DDI), conducted a Supplemental Alternatives Analysis (AA) effort in 2017. Dallas City Council approved a resolution on September 13, 2017, endorsing the Elm/Commerce alternative as the preferred alternative. The resolution also stated the need for additional analysis of the Main Street and Young/Harwood alternatives during subsequent FTA Project Development (PD) efforts.

DART provided the City with a proposed scope for the FTA Project Development phase on February 2, 2018. Comments were received on April 10, 2018. A meeting with City staff was held on May 1, 2018, to discuss and finalize the scope. A consultant cost estimate has been requested and negotiated. The City and DART finalized the Master Streetcar Interlocal Agreement (ILA) in August 2019. A Project Specific Agreement will be developed to outline scope, funding, and responsibilities for the Project Development of the Central Link project. A request to enter FTA Project Development under Small Starts would be done concurrent with the agreement.

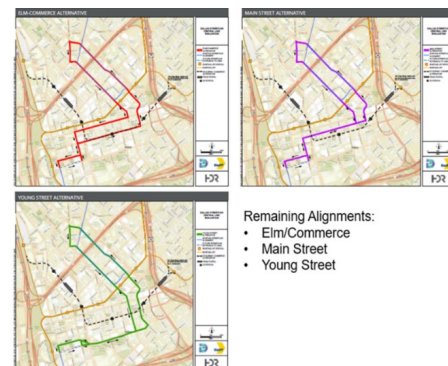
Current assumed revenue date is 2025 consistent with D2 given potential construction area overlap.

Project Issues

The following approvals are needed for project progress:

Completion of city review of the Convention Center Loop design/cost to determine if all or part of the project will be integrated into Central Link.

Elm/Commerce - Preferred Alternative based on Dallas City Council September 2017 resolution.



Madill Bridges Replacement

Budget: Total: \$ 35,500,000

Funding Source(s): Grant: \$17,750,000 Debt: \$17,750,000

Project Description

The objective of the Madill Bridge/Double Track Program is to maintain a state of good repair along the Madill line by rebuilding and modernizing aging timber trestle bridge infrastructure that is over 100 years old and increasing capacity by building three new bridges at the same locations to create double track.

The following work will be accomplished under the grant/cooperative agreement: replace single-track bridge at (MP 705.2); renovate/partially replace single-track bridge at (MP 707.45); construct three new track 2 bridges at (MP 707.45), (MP 707.04), and (MP 705.2) and perform associated track and crossing work. The end-state of the project will be two modern single-track bridge spans at (MP 707.45), (MP 707.04), and (MP 705.2) that meet current engineering standards to accommodate modern freight cars. This will allow for removal of slow orders that currently exist on the (MP 707.45) and (MP 750.2) bridges.



Project Status

A CRISI grant application has been submitted. The results will determine the plan going forward.

Positive Train Control

Total Budget \$ 34,800,000

Funding Source(s): Grant: \$17,400,000; Trinity Metro: \$11,150,000; General Fund: \$6,250,000

Project Description

Congress approved the Rail Safety Improvement Act of 2008 which resulted in a Federal Railroad Administration (FRA) mandate, CFR 49 Part 236 I, Positive Train Control (PTC). PTC is designed to prevent train-to-train collisions, overspeed derailments, movement of a train through a switch left in the wrong position and incursion into an established work zone.

Project Status

After numerous reports to Congress regarding ongoing challenges in implementing PTC, Congress passed the Surface Transportation Extension Act of 2015, which revised the Positive Train Control requirements including the extension of the substantial implementation deadline from December 31, 2015, to December 31, 2018; permits carriers to provide for an alternative schedule and sequence for implementing a PTC system, subject to DOT review; requires railroads to submit a revised PTC Implementation Plan by January 27, 2016; requires railroads to submit an Annual Status Report to the FRA by March 31st each year; and requires FRA compliance reviews and reports due to Congress by July 1, 2018.

The Trinity Railway Express (TRE) is working on several fronts to advance the implementation of PTC in accordance with the approved TRE PTC Implementation Plan. With safety, interoperability and cost effectiveness as core objectives, DART and Trinity Metro have formed a Regional Positive Train Control coalition to address PTC. To maximize the PTC technology in an efficient manner, it will be implemented as a regional solution consistent with the Operations and Maintenance strategy which leverages shared operations and technology between DART and Trinity Metro.



After unsuccessful negotiation of a Systems Integrator contract, DART and Trinity Metro made the determination to self-perform the various components of the project working directly with the vendors. The two agencies worked together to devise the roles and responsibilities of each agency.

DART took the lead with PTC-220, LLC, for the spectrum and with Meteorcomm for the radio equipment. A Spectrum Sublease Agreement with Burlington Northern Santa Fe (BNSF) and PTC-220, LLC (comprised of Class I Railroads, spectrum owners) through the Trackage Rights Agreement, was signed in June 2017 for the purpose of leasing radio spectrum. DART negotiated the license agreements required for the Regional PTC with Meteorcomm to allow for the radio equipment necessary for the rolling stock, communication systems and wayside segments. The Meteorcomm Agreement was fully executed in May 2017.



Trinity Metro negotiated the design and installation of the Back-Office System, Dispatch System, rolling stock and wayside. On November 18, 2016, Wabtec Corporation delivered the revised price proposal for the TRE PTC system design and implementation, including the Hosted Solution for the Back-Office System. On December 18, 2017, Trinity Metro signed the PTC System Implementation Contract with Wabtec Corporation.

Fiber optic cable installation between Fort Worth Texas & Pacific (T&P) Station and Union Station to support the PTC project was completed in March 2018 through an agreement with MCI/Verizon.

The Radio Spectrum Analysis has been completed by the Transportation Technology Institute (TTI), which confirmed the three radio tower structures currently in place along the TRE are sufficient to support the PTC project.

Major testing activities completed includes Critical Feature Validation and Verification, F59PH & Bombardier Cab Car Brake Test consisting of Low Speed (20 mph) and High Speed (79 mph), Route Navigation and Speed Verification, Wayside Interface Unit (WIU) Field Validation and Verification, Lab Integration, Nearest Neighbor, Lab Integration End to End – Cycle 1, Field Integration Testing, and Field Qualification Testing (End to End Runs).

Wabtec has completed installation on all onboard vehicles, all WIUs, and all Base Station 220 MHz data radios.

On March 28, 2019, the FRA sent notification of Conditional Approval of the TRE's request to conduct Revenue Service Demonstration (RSD) of its Interoperable Electronic Train Management System. The installation of the new Penta radio and CAD merged database was completed on April 27, 2019, and RSD was initiated on May 2, 2019. TRE completed the requirements stated in the FRA Conditional Approval and entered extended RSD on May 23, 2019.

On April 1, 2019, TRE submitted its PTC Safety Plan to the FRA. This contains vendor product information on the safety and reliability, industry and individual railroad hazard analysis, along

with TRE process and procedure for the implementation, operation, and maintenance of the IETMS. TRE received a “Notice of Delay Letter” from the FRA stating that the FRA will require additional time to review the TRE PTCSP. TRE submitted an RFA to modify the TRE PTCIP schedule, extending the FRA review schedule until December 2020.

PTC Interoperability testing activities completed with TRE tenants includes Lab Interoperability End to End Testing with DGNO, FWWR, BNSF, UPRR, and Amtrak. Field Interoperability Testing completed with DGNO, FWWR, and BNSF. All TRE tenants are now operating PTC trains on the TRE corridor, without any Interoperability issues.

Wabtec has reported the following status as of September 30, 2020:

- System Engineering 93% complete
- Test Procedure Development 100% complete
- Engineering Functional Requirements 100% complete
- Track Data Services (GIS) 100% complete
- Communication Implementation 100% complete
- Wayside Implementation 100% complete
- Onboard Installation 100% complete
- Interoperable Train Control Message (ITCM) Hosting 100% complete
- Back Office System 100% complete
- System Integration 86% complete
- Training 96% complete

Bus Repower Program

Total Budget: \$23,423,000

Funding Source(s): General Fund: \$23,423,000

Project Description

The Capital Bus Maintenance Program is designed to address the power plant assembly at a mileage scheduled/condition-based interval and prior to a catastrophic event. The intent of the program is to ensure a State of Good Repair and address progressive degradation of the major power plant assemblies within our bus fleet. The program includes a complete rebuild of the engine, transmission, electronic control sensors, cooling system, and electronic control units. This program encompasses the entire bus fleet and is funded in 6-year increments.



These programs are necessary to protect DART's on-time performance, reduce service interruptions, and maintain a continued State of Good Repair in our revenue rolling stock for the safety of our riders, providing the 5-Star customer experience that DART strives to deliver.

Project Status

On schedule to complete 104 repowers by end of FY20, exceeding the planned 92.

Repowers completed to date in FY 2020 = 88; repowers being completed monthly = 8.

Estimated repowers to be completed in FY 2021 is 92.



LRV Repower Program

Total Budget: \$18,304,000

Funding Source(s): General Fund: \$18,304,000

Project Description

Capital LRV Maintenance Programs are designed to address major systems and components that are detrimental to the LRV on-time performance and safe operation.

The Programs are time-scheduled/condition-based intervals, with the intent of addressing safety and mechanical issues with a pro-active approach.

The time-scheduled intervals are as follows: 3-Year friction brake overhaul (OH), 5-Year door OH and propulsion testing, and 15-Year mid-life door OH and propulsion testing/replacement (LRVs are 30-year assets.)

These programs are funded in 5-year increments.

Project Status

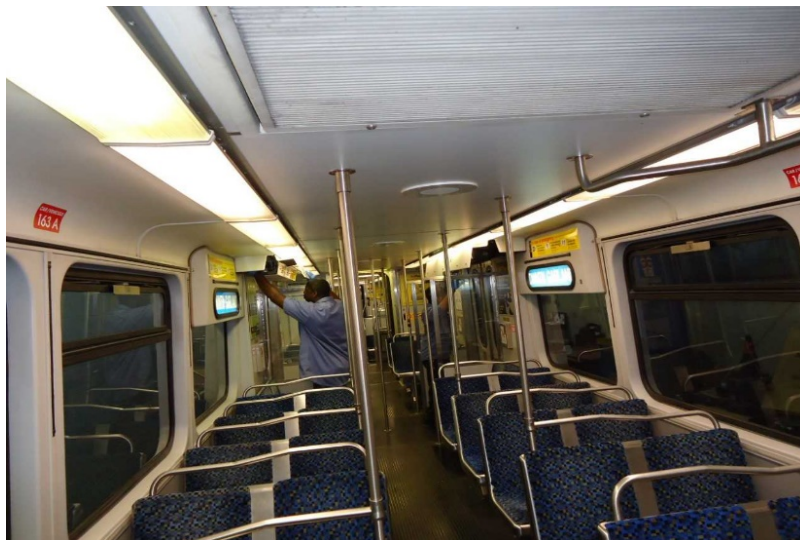
On schedule to complete one friction brake overhaul per week if parts supplies from WABTEC are not an issue.

Fleet 53 friction brake overhaul complete (20)

Fleet 54 friction brake overhaul 47 of 48 complete

Fleet 51-52 door overhaul 54 of 55 complete

Fleet 50-51-53-54 paint program 18 of 35 complete



Bi-level & Cab Car Overhauls

Total Budget: \$ 16,178,000

Funding Source(s) General Fund: \$8,089,000 Trinity Metro: \$8,089,000;

Project Description

TRE's fleet consists of eight bi-level cab cars and 17 bi-level coach cars. The Bi-Level Overhaul and Side Sill Repair project allows TRE to comply with the OEM requirements for a mid-life overhaul of the cars to achieve the 30-year life expectancy of the vehicles. It is important to maintain a state of good repair on all vehicles in order to meet the daily service requirements.

Project Status

Notice to Proceed was issued to CAD Railways on September 9, 2019.

CAD Railways currently has four (4) TRE coach cars in their shop for overhaul and side sill repair. The project is funded with capital funds in the amount of \$15.9m.

Project Issues

A series of crossing incidents damaged three (3) TRE bi-level cars, removing them from revenue service. This caused delays in providing CAD Railways the first unit for overhaul.

The first two coach cars provided to CAD Railways were cars previously contracted to RELCO Locomotives, Inc. The RELCO contract was terminated and the cars were transported to CAD's maintenance shop in February 2020. On March 2, 2020, TRE provided Coach Car 1054 to CAD for overhaul and side sill repairs. On July 7, 2020, Coach Car 1048 left TRE EMF for transport to CAD for repair of side sill damage. COVID-19 conditions have impacted overhaul activities slightly due to physical distancing requirements issued under Canadian law.



Enterprise Asset Management System

Total Budget: \$15,150,000

Funding Source(s): General Fund: \$15,150,000

Project Description

Since 1999 DART has used SPEAR software in support of its bus, light rail and non-revenue vehicle maintenance and material inventory efforts. After 20 years, this software is nearing end of life. DART needs replacement that will enhance the systems currently utilized to enhance our abilities to effectively manage both future capital projects and to maintain the assets onboarded by these projects. An agency-wide needs assessment was documented, resulting in a detailed set of requirements for selection of new software systems to provide enhanced asset maintenance capabilities.



Enterprise asset management (EAM) software is used to manage the activities within the lifecycle of assets, both their physical movement and condition and their associated financial information to ensure that the organization's objectives with these assets are achieved. The EAM solution will maximize not only the availability of assets, but also their reliability and performance, resulting in a lower total cost of ownership. The system must be continually reviewed based on both internal change and external factors. The new Enterprise Asset Management system will be the platform that brings the financial and operational information of equipment and other enterprise assets into one place to allow the agency to make the best decision in managing assets.

Requirements

DART has developed the following requirements including but not limited to:

- Implement asset nomenclature and data management standards,
- Implement whole-life investment programs to maintain asset performance,
- Develop a decision-making framework to assess asset life performance and costs,
- Adopt a systematic approach to asset risk management on focus of asset criticality,
- Improve efficiency and effectiveness of forecasting material requirements; and
- Comply with MAP-21 and FTA mandates; and confirm with industry best practices such as PAS 55 and IS55001.

Project Status

The project involves a System Integrator familiar with the acquisition, configuration, and deployment of Cloud-based EAM solutions within transit environments similar in size and scope to DART. The Systems Integrator provides and manage a Software as a Service (SaaS) solution to assist DART in its efforts. Technology consulting services are utilized to perform the integrations from the DART legacy systems such as Trapeze and Lawson to the new EAM system. The project will be divided into phases. The Phase 0 pilot includes all activities required to convert rail signals assets into the new EAM system. Phase 1 and 1a includes the conversion of all other DART assets into the EAM system.

- Phase 0, Signals Pilot, Go Live date was July 18th, 2020. End user training started July 9th with completion on July 17th. The mobile devices for the Signal maintainers have arrived and final preparations are underway for migration to the production environment.
- Phase 1 design workshops for all the remaining asset groups began April 9th with a scheduled completion date of Sept 3rd for the design stage. After design comes build, test, train then deploy. Bi-monthly meetings are held with process owners and key stakeholders to discuss how EAM will improve our ability to plan work on assets and track total cost of ownership with reengineered business processes. Phase 1 is on track for a Go Live date of February 22, 2021 for the remaining SPEAR assets and June 2021 for non-SPEAR assets.



Comprehensive Payment System (CPS)

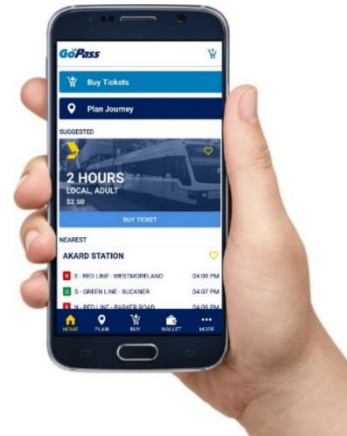
Total Budget: \$15,000,000

Funding Source(s): General Fund: \$15,000,000

Project Description

A robust account-based payment solution which utilizes innovative technologies to streamline fare collection and provide customers with convenient and easy-to-understand methods for obtaining and purchasing fares throughout the DART Service Area.

Unwire was responsible for the development, implementation, and delivery of the mobile ticketing application and Unwire will be responsible for operation and maintenance of the mobile application following initial deployment.



DART engaged in a multi-year agreement with Vix Technology, a system integration firm in August 2015 to streamline DART's fare payment environment by utilizing new innovative technologies. The goal of this project is to find better methods that permit customers to obtain and purchase fare media that is convenient and easy to understand.

This new solution incorporates an account-based back office system which utilizes best practices of modern technologies in the consumer and fare payment sectors, capable of interfacing with both bank and non-bank financial clearing systems for transaction processing and settlement. One goal of this solution is to allow DART to significantly reduce the total amount of physical cash that the agency must process. DART has determined that this can be accomplished by creating an electronic payment infrastructure for transportation and other services that is ultimately capable of being deployed region-wide, using third-party produced and distributed prepaid cards and



contactless devices such as smart cards, contactless bank cards, RFID tags, and Near Field Communication (NFC) enabled devices.

In addition to the system integrator selection, DART awarded a contract to PayNearMe (PNM) in April of 2016 to provide the retail distribution solution. PNM provides hundreds of retail locations within the DART Service Area for customers to purchase and reload smart cards for use in the new account-based system. PNM partners include Blackhawk Network, which provides access to the largest grocery store network in the U.S. and Fidelity Express, which provides access to independent and small grocery operators.

DART embraced the concept of mobile payments and introduced a first-generation mobile ticketing and trip planning app in September 2013. In the interest of continuous improvement, DART elected to provide enhanced mobile ticketing capabilities (GoPass 2.0) as part of a larger platform being developed by Vix in conjunction with the mobile ticketing provider.

Project Status

DART made the following improvements to the GoPass app in Fiscal Year 2019:

January 2019:

- Introduced Apple Pay
- Launched GoPass 3.0 to incorporate the future GoLink booking and Bird Scooters

March 2019:

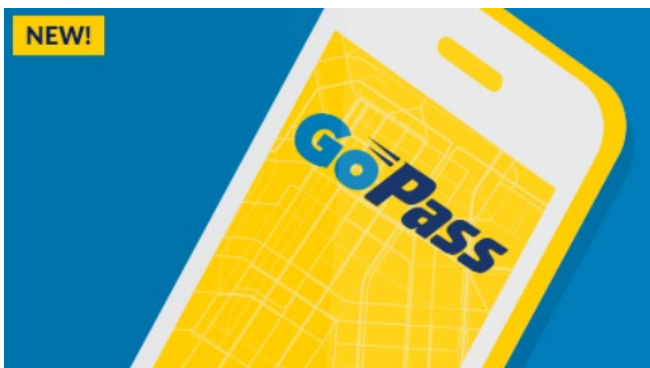
- Introduced UberPool and launched GoLink in all On Call zones

August 2019:

- Updated GoPass with a new app icon and white agency logos
- Introduced Google Pay

September 2019:

- UberPool was released to all GoLink zones
- eLerts “say something” web reporting in GoPass
- Filter stops and vehicle types in the map and trip planner



The account-based back office system called Pulse, went live in 2018 to offer the GoPass Tap service. Since then, the system has enhanced its quality of service through multiple releases. In 2020 we went live with two new releases providing additional point of sale features and system upgrades. Later in 2020 one two additional releases will be added to Pulse to provide all merchandise sales through the point of sale. Currently the DART Store can offer all our GoPass Tap fares, ParaTransit vouchers, and Citation payments. In addition, the following Comprehensive Payment System deliverables are live in production:

- Pulse reporting dashboards – through a data lake called Compass and a dashboard reporting software called QuickSight, all fares and transaction are reported and represented in dashboard presentations. This deliverable provides reporting on all GoPass Tap and EMV sales, taps, daily reconciliation reporting, types of concession and product sales as well as locations of those taps.
- Track dashboard – this deliverable provides all device monitoring for health and diagnostics. Such reporting is vital for an efficient and effective support to maintain validator hardware online. The dashboard provides system profile drill down capabilities to all bus and rail platform validator installations.
- Fare Enforcement Flex devices with not only GoPass Tap but also EMV inspection capabilities as well as Citation processing. These devices are 4G capable and will provide fare enforcement officers the ability to print citations at any time.
- GoLink – upgrades services through allowing customers to purchase a GoLink fare by linking your GoPass Tap card to your GoPass app account you will have immediate access to GoLink services.
- Currently in pilot phase EMV services are scheduled to go live in 2021. Once EMV services are fully rolled out customers will be able to utilize their contactless credit cards to be used to board all DART Bus and Rail services. Customers would only need to tap their contactless credit cards on the payment terminal, also known as validators, to receive the best fare.

Consolidated Dispatch & Command Center [CDCC] Relocation Project

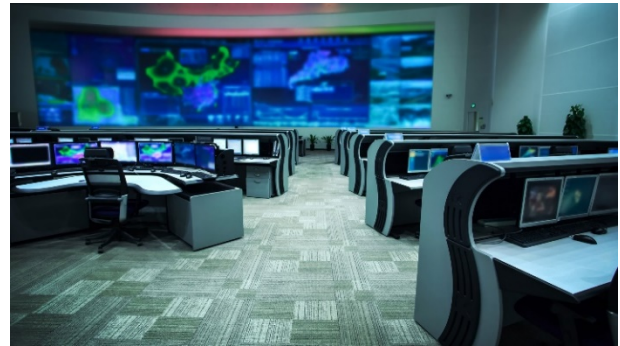
Total Budget: \$14,980,835

Funding Source(s): General Fund: \$14,980,835

Project Description

The Critical Functions Facility Project is intended to develop a facility with the following goals:

- Ensure all critical functions are sustainable and consistent with COOP/EOP plans
- Enhance cross-communications between bus, rail, and police dispatching
- Suitable to meet current and future capacity and functional requirements for each function
- Located close to DART systems for use by team members
- Support sustainable incident command center operations
- Allow potential shared use with other government entities



The critical business functions include the following:

- Police Radio Dispatch (TLETS)
- Bus Radio Dispatch
- LRT Radio Dispatch
- LRT Supervisor Control & Data Acquisition (SCADA)
- Surveillance Camera Network Monitoring
- Operations Communication Liaison Operations
- Emergency Command Center (EOC) Operations
- Mobility Management Footprint within EOC

Project Status

Engineering Department completed a 10% Design review to determine a feasibility and no fatal flaws assessment for relocating the CDCC functions to NWROF. Finding that the CDCC relocation to NWROF is feasible and there are no identified fatal flaws, staff is now working to finalize the 30% design for CDCC plan, including a project budgetary cost estimate and a project schedule.



Hidden Ridge Rail Station

Total Budget: \$ 13,158,000
Funding Source(s): City of Irving: \$ 4,358,000
Grant: \$8,800,000

Project Description

This deferred light rail station will be constructed on the operating Orange Line and is fully funded by a grant and the City of Irving in accordance with the Interlocal Agreement executed on March 27, 2018

Project Status

On October 30, 2018, an NTP was provided for professional services to complete system design and prepare bid documents. Completed bid documents were delivered in March 2019.



On April 17, 2019, the RFP for construction services was issued.

Three proposals were submitted in June 2019. DART successfully negotiated with the highest qualified and responsive proposer. Board approval for the award of the construction contract was obtained on January 14, 2020. Notice of the award was issued to Archer Western Construction (AWC) on January 17, 2020. NTP for the construction contract was issued on February 4, 2020. Mobilization is substantially complete. Contractor has substantially completed the earth work in the parking lot and is making progress in the moisture conditioning of the parking lot. Main Storm Sewer Lines were installed in the parking lot. Contractor encountered conflict of retaining wall ties and drilled shaft. Potholes were excavated to locate retaining wall ties. Submission of deliverables are in progress.

Revenue Service is trending March 2021. DART and contractor are working together to mitigate.

Loop 12 Rail Station

Total Budget: \$12,000,000

Funding Source(s): City of Irving: \$12,000,000

Project Description

This station was planned and included in the approved environmental study for the Irving Corridor, but was deferred. It is expected that the City of Irving will fund the development of the station. During the Irving Corridor build-out, grade beams, clearing, grubbing, and some rough grading was completed.

Revenue service will be determined after an ILA with the City of Irving is executed.



LRV HVAC Upgrade Project – 115 Cars

Total Budget: \$ 10,256,000

Funding Source(s): General Fund: \$ 10,256,000

Project Description

The Environmental Protection Agency (EPA) is phasing out R-22 refrigerant (Freon) used within HVAC units, along with other ozone-depleting chemicals in a stepwise fashion. After 2020 the servicing systems with R-22 will rely on recycles or diminished stockpiled quantities. EPA regulations ended the production and import of R-22 refrigerant.

Actual costs are unknown at this time. Fleets 50 through 53 require HVAC upgrade to accommodate the green technology refrigerant.

DART's 2008 sub-fleet (Fleet 53) of twenty (20) LRVs are to be retrofitted with HVAC units filled with EPA approved R134a substitute refrigerant. Contractor shall design, produce, and deliver total of sixty-six (66) new HVAC units. This includes the provisioning of three (3) units per LRV, within six (6) spares. There is an option to replace seventy (70) HVAC units for 1998 sub-fleet (Fleet 52) of twenty-one (21) LRVs. The new HVAC units shall utilize the EPA approved, environmentally safe R134a substitute refrigerants, the same refrigerant used on the newest 2010/2011 LRV sub-fleet of forty-eight (48) cars).

Project Status

DART staff completed the procurement action for a HVAC equipment upgrade on the older 41 LRVs [(Fleet 52) of twenty (20) and (Fleet 52) of twenty-one (21) LRVs, plus up to 13 spare HVAC units. Board action targeted for January 2021.



Capital Projects Summary

Grouped by Mode

Summarized by Maintenance and Expansion

The capital projects for FY 2021 and the twenty-year totals in the Plan have been summarized by categories. The category totals are provided for each transportation mode (bus, commuter rail, and agency-wide, etc.)

The following project categories were used:

- Guideway
- Passenger stations
- Administrative buildings
- Maintenance buildings
- Revenue vehicles
- Service vehicles (non-revenue)
- Fare revenue collection equipment
- Communications and information systems
- Other

Capital projects include equipment and furniture integral to buildings and structures.

Guideways

This includes the costs for design and engineering, land acquisition and relocation, demolition, and purchase or construction of guideway. It also includes the buildings and structures dedicated for transit operations such as:

- Elevated and subway structures
- Tunnels and bridges
- Track and power systems for rail modes
- Paved highway lanes dedicated to fixed-route modes

Guideway does not include passenger stations and transfer facilities, but pull-ins, or Communication systems.

Passenger Stations

Capital expenses for passenger stations include the costs for design and engineering, land acquisition and relocation, demolition, and purchase or construction of stations. Passenger stations include park-and-ride facilities.

Administrative Buildings

Capital projects for administrative buildings include the costs for design and engineering, land acquisition and relocation, demolition, and purchase or construction.

Administrative buildings are the general administrative offices owned by the Agency.

Maintenance Buildings

Capital expenses for maintenance buildings include the costs for design and engineering, land acquisition and relocation, demolition, and purchase or construction of the maintenance buildings.

Maintenance buildings include garages, shops, operations centers, and equipment that enhance maintenance, such as diagnostic equipment.

Revenue Vehicles

Capital expenses for revenue vehicles include acquisition and major rehabilitation of the vehicles. The cost of the vehicle includes both the vehicle and all fixtures and appliances inside or attached to the vehicle. When equipment such as a farebox, radio, Automatic Vehicle Locator (AVL), or spare engine is included as part of the vehicle purchase, these items are part of the vehicle cost.

Capital funds for revenue vehicles include the following:

- Replacing a fleet — the replacement of revenue vehicles having reached the end of their service lives
- Rebuilding a fleet — the installation of new or rebuilt major components (e.g., engines, transmissions, body parts) and/or structural restoration of revenue vehicles to extend service life
- Overhauling a rail fleet — the one-time rebuild or replacement of major subsystems on revenue producing rail cars and locomotives, commonly referred to as midlife overhaul
- Expanding a fleet — the acquisition of revenue vehicles for expansion of transit Service

Service Vehicles

Capital expenses for the acquisition or rebuilding of service vehicles. Service vehicles include supervisor vans, tow trucks, mobile repair trucks, transit police cars, and staff cars. The cost of the vehicle includes both the vehicle and all fixtures and appliances inside or attached to the vehicle.

Fare Revenue Collection Equipment

Capital expenses for the acquisition or rebuilding of fare revenue collection equipment. Fare revenue collection equipment includes validators and automated fareboxes and related software, and ticket vending machines.

Communications and Information Systems

Capital for systems includes systems that process information, and communication systems that relay information between locations. A system is a group of devices or objects that form a network for distributing something or serving a common purpose (e.g., telephone, data processing systems). Communication systems include two-way radio systems between dispatchers and vehicle operators, cab signaling, and train control equipment in rail systems, AVL systems, automated dispatching systems, vehicle guidance systems, telephones, facsimile machines, and public-address systems.

Information systems include computers, monitors, printers, scanners, data storage devices, and associated software that support transit operations. Associated software may include general office, accounting, scheduling, planning, vehicle maintenance, nonvehicle maintenance, and customer service programs.

Other

This group includes the capital expenses for other capital projects, including:

- Planning
- Studies

DART further categorizes expenditures as Maintenance (SGR) and Expansion (expansion of services, capacity or function). The 20-Year FY 2021 capital budget includes \$2.4 billion for expansion (the Silver Line and D2), and \$4.4 billion for maintenance/SGR.

Exhibit 19 provides the groups of summaries of all capital projects in the FY 2021 Plan.



Exhibit 19
Capital Projects Summary (in thousands)

Maintenance, Replacement, and Improvement				
Category	FY 2021	20-year Total	External Funds	Operating Expense (Savings)
Agency-Wide				
Administrative Building	\$3,717	\$93,998	\$0	\$0
Communication/ Information Systems	23,663	334,070		(500)
Fare Revenue Collection Equipment	879	2,005		
Maintenance Building	439	15,993		
Passenger Stations	1,594	3,458		
Revenue Vehicles	81	3,575		
Service Vehicles (non-revenue)	3,237	74,091		
Total Agency-Wide	\$33,610	\$527,191	\$0	\$ (500)
Bus				
Communication/ Information Systems	\$5,218	\$15,199	\$0	\$0
Fare Revenue Collection Equipment	911	44,958		
Guideway	570	1,224		
Maintenance Building	8,010	104,099		
Passenger Stations	1,367	6,268		
Revenue Vehicles	1,623	1,078,690		
Total Bus	\$17,699	\$1,250,438	\$0	\$0
Commuter Rail				
Communication/ Information Systems	\$4,246	\$50,630	\$0	\$0
Guideway	6,899	203,002		
Maintenance Building	729	125,315		
Passenger Stations	0	631		
Revenue Vehicles	15,673	247,919		
Total Commuter Rail	\$27,546	\$627,497	\$0	\$0



Exhibit 19
Capital Projects Summary (in thousands) (cont.)

Category	FY 2021	20-year Total	External Funds	Operating Expense (Savings)
LRT				
Communication/ Information Systems	\$4,282	\$113,235	\$0	\$0
Fare Revenue Collection Equipment	0	49,568		
Guideway	3,674	123,121		
Maintenance Building	9,029	77,545		
Passenger Stations	41,819	110,573		
Revenue Vehicles	0	1,462,337		
Service Vehicles (non-revenue)	0	13,155		
Total LRT	\$58,803	\$1,949,534	\$0	\$0
Paratransit				
Communication/ Information Systems	\$0	\$0	\$0	\$0
Maintenance Building	252	5,944		
Total Paratransit	\$252	\$5,944	\$0	\$0
Streetcar				
Maintenance Building	\$242	\$1,483	\$0	\$0
Total Streetcar	\$242	\$1,483	\$0	\$0
Road Improvement				
Total Guideway Road Improvement	\$10,490	\$32,703	\$0	\$0
Total Maintenance, Replacement and Improvement	\$148,643	\$4,394,791	\$0	-\$500
Non-Operating				
Total Other	\$12,591	\$32,817	\$0	\$0



Exhibit 19
Capital Projects Summary (in thousands) (cont.)

Expansion				
Category	FY 2021	20-year Total	External Funds	Operating Expense (Savings)
LRT				
D2	\$63,824	\$1,368,958	\$650,000	\$4,422
Total LRT	\$63,824	\$1,368,958	\$650,000	\$4,422
Commuter Rail				
Silver Line	\$358,255	788,913	\$183,328	\$18,246
Maintenance Building	17,149	46,268		
Revenue Vehicles	32,271	87,068		
Total Commuter Rail	\$407,675	\$922,248	\$183,328	\$18,246
Road Improvement				
Streetcar Link	\$0	\$103,194	\$103,194	\$3,200
Total Streetcar	\$0	\$103,194	\$103,194	\$3,200
Total Expansion	\$471,498	\$2,394,400	\$936,522	\$25,868
Additional Capital-Related Costs				
Total Capital P&D, Start-up Costs	\$14,273	\$355,862	\$0	\$0
Grand Total	\$647,005	\$7,177,870	\$936,522	\$25,368

Debt Program

Background

On January 23, 2001, the Board approved a Master Debt Resolution which authorized DART to pledge its sales tax revenues for Senior Lien Debt (Bonds) and Senior Subordinate Lien Debt (Commercial Paper).

Bonds – With the passage of a bond referendum in August 2000, DART received voter authorization to issue up to \$2.9 billion of solely pledged Senior Lien sales tax-backed long-term debt (sales tax bonds). A change to DART's enabling legislation was enacted during 2009 allowing DART to pledge multiple revenue sources as a first lien on Senior Lien Long-Term Bonds (multi-revenue bonds). This was confirmed by a bond validation suit in 2012. This change allows DART to issue more than \$2.9 billion in long-term debt, provided that the bonds are backed by multiple revenue sources.

Commercial Paper – The Board authorized the issuance of up to \$375 million in Commercial Paper (CP) notes including \$125 million back by self-liquidity, \$125 million bank-backed, and \$125 million of extendible CP, all for capital acquisition purposes. A requirement of the self-liquidity program is that DART maintains at least 2.0 times the debt service amount for the notes and ensures that no more than \$35 million of the notes mature within five days. DART's bank-backed CP program requires a third-party bank to provide funds if the seller cannot find a buyer for the maturing notes, which is known as a remarketing failure. A requirement of the extendible CP program is that the initial note issuance be no greater than 90 days, and upon a remarketing failure the maturity of the note(s) can be extended an additional 180 days.

Debt Program Structure

DART's two-tiered debt structure program is designed to meet capital funding requirements and to provide flexibility to meet changing debt market conditions. The commercial paper program is issued to meet temporary capital funding requirements and to access variable interest rates when the financial markets dictate that strategy to be advantageous. Long-term bonds are used as the ultimate capital financing instrument for long-lived assets such as buildings and rail lines.

As of September 30, 2020, DART will have approximately \$3.12 billion in bonds outstanding, as well as \$74 million in CP.

Debt Program Implementation

Commercial Paper – DART plans to issue \$227 million during the next five years and an additional \$400 million during the following fifteen years under the new bank-backed and extendible Commercial Paper (CP) Programs, which will be used as the initial fund mechanism to support DART's capital programs up to a maximum authorized amount of \$250 million. A third-party bank promises to provide the funds if the seller cannot find a buyer, which is known as a remarketing failure. The bank provides a revolving credit facility or letter of credit dedicated

to commercial paper note repayments. An extendible CP program enables DART to issue commercial paper notes without a revolving credit facility or letter of credit. A requirement of the extendible CP program is that the initial note issuance be no greater than 90 days, and upon a remarketing failure the note(s) can be extended an additional 180 days. If market conditions and cash flow needs dictate, DART can issue long-term debt to replace the outstanding CP or retire it with cash. The current Financial Plan assumes that the \$227 million in CP will be refunded with long-term debt during FY 2026. DART has established a \$125 million maximum authorization Commercial Paper Self-Liquidity (CPSL) Program. When an investor purchases a commercial paper note, the investor has an expectation that when the note matures the seller will return the par value of the note plus interest. The seller demonstrates that the expectation can be satisfied by identifying its own funds that will be used to repay CP notes. This is called a CPSL program. The ability to meet this obligation is monitored by rating agencies and is reflected in the seller's short-term debt rating. DART is using self-liquidity for the \$50 million in CP that is currently outstanding. This balance will be reduced steadily over the next few years. By the end of FY 2022, all CPSL currently outstanding at the beginning of FY 2021 will be retired.

Additional issuances will begin in 2025 to provide the initial funding for DART's bus fleet replacement, totaling \$400 million, which will be retired by 2037.

Short-term interest rates are expected to average 1.00% in 2021, increasing to 3.25% by 2024.

Long-Term Bonds – DART believes a sound debt program should have a combination of fixed and variable-rate debt. DART plans to have no more than 15% of its debt in variable-rate products. The variable-rate debt can either be short-term or long-term. DART has never issued long-term variable rate debt and has no current plans to do so. However, the market will be analyzed for each future debt issuance and either fixed-rate or variable-rate debt may be issued depending on which type of debt is in the best interest of DART at that time.

In the next ten years, DART anticipates issuing \$2.65 billion in support of the Program of Interrelated Projects (Core Capacity Program), the Silver Line, and other capital projects. Beyond that, \$300 million of debt is planned in 2039-2040 to begin funding of the replacement/refurbishment of the second light rail fleet.

Exhibit 20 summarizes the major commercial paper and long-term debt assumptions. The exact timing, nature, and amounts of long-term debt issuances may be adjusted from Financial Plan estimates depending on interest rates and other considerations, as determined at the time of issuance.

Exhibit 20 FY 2021 Financial Plan Debt Assumptions

Description	Commercial Paper (CP)		Long-Term Debt (LTD)	
	FY 2021	2022 - 2040	FY 2021	2022 - 2040
Term	Rolling for up to 7 years	Rolling for up to 11 years	30 years	30 years
Interest rates + fees	1.00%	1.50%-3.25%	3.95%	3.95%-5.50% Fixed
Principal Repayment	\$30M	All outstanding (Self-Liquidity) CP will be retired	\$64M	\$2.55B
New CP* / Total Long-Term Debt issued**	\$68M	\$484M	\$109M	\$3.1B
End of Year - Maximum debt outstanding	\$242M	\$400M	\$3.53B	\$5.3B
Year of maximum debt outstanding	n/a	FY 2029-2031	n/a	FY 2028
Cash reserves required?	Yes	Yes	No	No
Uninsured Debt Rating assumed	A-1+/P-1	A-1+/P-1	AA+/Aa2	AA+/Aa2

*The amounts shown on this line related to commercial paper issuance are net numbers and do not include 'rolling' retirement and re-issuance. The long-term debt amounts shown on this line are gross issuances.

**Amounts shown are for long-term debt issuances are shown at par value

Build America Bonds (BABs) and Federal Budget Cuts – In 2009 and 2010, DART issued a combined \$1.56 billion in taxable Build America Bonds. As a part of this program, the Federal government agreed to subsidize 35% of the interest expense. In 2019 DART refunded \$362,645,000 Series 2009B bonds, leaving \$1.2 billion outstanding. As part of the federal budget sequester cuts which took effect on March 1, 2013, the federal government reduced the subsidy to be paid to DART. From 2013 to 2021, the expected subsidy was reduced by a total of \$14.9 million. Projecting future reductions based on the 2021 reduction percentage of 5.7%, an additional \$2.6 million of anticipated subsidy will not be received. That will result in a total estimated subsidy reduction of \$17.4 million over the 10-year period of the sequester.

Debt Service Costs Costs (lines 28 - 33 of the Financial Plan)

Exhibit 21 illustrates debt service costs for all existing and projected debt issuances contained in the FY 2021 Financial Plan. Interest expense payments are shown net of the (BABs) subsidy, thus showing only DART's net interest cost.

Exhibit 21

FY 2021 Financial Plan Principal and Interest Payments (in Millions)

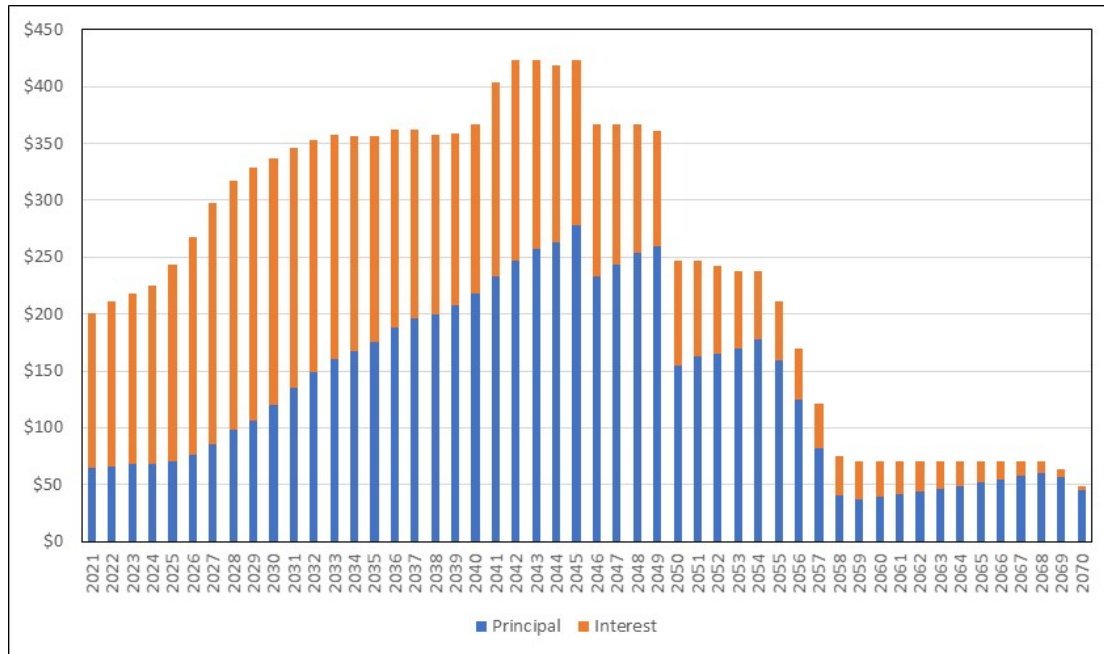


Exhibit 22 shows the interest rate assumptions contained in the FY 2021 Financial Plan.

Exhibit 22

Interest Rate Assumptions 2021 – 2040

Year	Commercial Paper Rate	30-Year Fixed Rate Bonds	Interest Income rate
2021	1.00%	3.95%	1.50%
2022	1.50%	3.95%	2.15%
2023	2.15%	3.95%	2.80%
2024	3.25%	4.19%	3.90%
2025	3.25%	4.43%	3.90%
2026	3.25%	4.43%	3.90%
2027	3.25%	5.00%	3.90%
2028	3.25%	5.25%	3.90%
2029	3.25%	5.50%	3.90%
2030	3.25%	5.50%	3.90%
2031	3.25%	5.50%	3.90%
2032	3.25%	5.50%	3.90%
2033	3.25%	5.50%	3.90%
2034	3.25%	5.50%	3.90%
2035	3.25%	5.50%	3.90%
2036	3.25%	5.50%	3.90%
2037	3.25%	5.50%	3.90%
2038	3.25%	5.50%	3.90%
2039	3.25%	5.50%	3.90%
2040	3.25%	5.50%	3.90%



Supplemental Financial Information

Net Increase (Decrease) in Cash and Change in Balance Sheet Accounts (lines 35-36 of the Financial Plan)

Based on each year's programmed sources and uses of funds, DART has projected its Balance Sheet for each of the next twenty years. These line items reflect the net change in cash and non-cash balance sheet accounts. The Change in Balance Sheet Accounts line item is used as a compensating factor for the lag between the occurrence of an accounting transaction, which affects the balance sheet, and the actual receipt or disbursement of cash. DART's projected Balance Sheet for each of the twenty years of the Financial Plan is included in Exhibit 23.

Exhibit 23 FY 2021 Financial Plan 20-Year Balance Sheet (in Millions)

Line	Description	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	ASSETS										
	CURRENT ASSETS										
1	Cash and cash equivalents & Investments	\$727.0	\$497.4	\$448.6	\$437.8	\$539.8	\$645.4	\$577.3	\$522.6	\$467.3	\$451.6
2	Sales taxes receivable	101.6	107.7	115.5	123.6	131.1	137.6	137.7	143.3	150.4	159.5
3	Transit revenue receivable, net	2.3	2.8	3.4	3.4	3.5	3.7	3.8	3.8	4.1	4.2
4	Due from other governments	14.8	9.1	35.5	31.6	22.1	22.5	11.2	11.1	11.7	9.4
5	Material and supplies inventory	38.2	39.1	40.0	40.9	41.9	42.8	43.8	44.8	45.8	46.8
6	Prepaid Expenses	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
7	TOTAL CURRENT ASSETS	\$886.9	\$659.1	\$645.9	\$640.4	\$741.3	\$855.0	\$776.7	\$728.5	\$682.3	\$674.3
8	Notes Receivable & Investment in Joint Venture	\$4.7	\$1.7	\$0.6	\$0.2	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
9	Property, Plant & Equipment, Net	5,184.6	5,564.1	5,933.8	6,288.6	6,729.8	6,861.7	7,070.0	7,156.4	7,007.6	6,817.3
10	Restricted Assets held to pay Capital Lease Liabilities	121.2	123.6	8.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	Unamortized debt issuance costs and other	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
13	Deferred Outflows of Resources	38.9	37.9	37.0	36.0	35.1	34.3	33.4	32.6	31.8	31.1
14	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$6,236.6	\$6,386.8	\$6,626.2	\$6,965.6	\$7,506.6	\$7,751.3	\$7,880.4	\$7,917.8	\$7,721.9	\$7,523.0
	LIABILITIES AND EQUITY										
	CURRENT LIABILITIES										
15	Accounts payable and accrued liabilities	\$213.6	\$218.9	\$222.3	\$224.5	\$244.0	\$191.6	\$209.4	\$191.2	\$152.4	\$148.4
16	Commercial Paper notes payable	242.2	239.2	227.0	227.0	347.0	240.0	300.0	350.0	400.0	400.0
17	Current portion of Long-term Debt Payable	65.4	68.3	67.8	70.7	75.7	85.8	98.6	104.7	114.5	126.1
19	Retainage payable	39.5	50.9	50.9	50.3	53.5	44.8	35.8	34.5	20.5	9.7
20	TOTAL CURRENT LIABILITIES	\$560.8	\$577.3	\$568.0	\$572.6	\$720.2	\$562.2	\$643.9	\$680.3	\$687.5	\$684.2
21	Senior Lien Sales Tax Revenue Bonds Payable	\$4,252.1	\$4,544.6	\$4,771.5	\$5,000.8	\$5,375.1	\$5,722.3	\$5,873.7	\$5,969.0	\$5,854.5	\$5,728.4
22	Net Pension Liability	49.9	45.9	41.4	36.4	30.8	24.8	17.8	10.3	2.3	0.0
23	Net OPEB Liability	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8
24	Capital Lease Liabilities	121.2	123.6	8.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	TOTAL LIABILITIES AND DEFERRED INFLOWS	\$4,988.8	\$5,296.2	\$5,394.3	\$5,614.6	\$6,130.9	\$6,314.1	\$6,540.1	\$6,664.4	\$6,549.0	\$6,417.4
26	NET ASSETS (EQUITY)	\$1,247.8	\$1,090.5	\$1,231.9	\$1,351.0	\$1,375.7	\$1,437.3	\$1,340.3	\$1,253.4	\$1,172.9	\$1,105.6
27	TOTAL LIABILITIES & NET ASSETS	\$6,236.6	\$6,386.8	\$6,626.2	\$6,965.6	\$7,506.6	\$7,751.3	\$7,880.4	\$7,917.8	\$7,721.9	\$7,523.0



Exhibit 23
FY 2021 Financial Plan 20-Year Balance Sheet
(in Millions) (cont.)

Line	Description	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
	ASSETS										
	CURRENT ASSETS										
1	Cash and cash equivalents & Investments	\$479.0	\$464.7	\$463.9	\$459.9	\$440.7	\$454.0	\$448.5	\$524.3	\$594.7	\$661.9
2	Sales taxes receivable	167.4	174.1	179.4	179.4	186.5	195.9	207.6	218.0	226.7	233.5
3	Transit revenue receivable, net	4.2	4.5	4.6	4.6	5.0	5.0	5.1	5.5	5.6	5.6
4	Due from other governments	9.0	8.1	8.5	8.1	8.1	8.1	8.1	9.9	9.9	9.0
5	Material and supplies inventory	47.8	48.8	49.9	51.0	52.1	53.2	54.3	55.4	56.6	57.8
6	Prepaid Expenses	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
7	TOTAL CURRENT ASSETS	\$710.4	\$703.3	\$709.2	\$706.0	\$695.4	\$719.1	\$726.5	\$816.1	\$896.5	970.76746
8	Notes Receivable & Investment in Joint Venture	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
9	Property, Plant & Equipment, Net	6,603.8	6,412.9	6,211.4	5,993.5	5,766.7	5,540.8	5,459.9	5,403.7	5,510.8	5,730.7
10	Restricted Assets held to pay Capital Lease Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	Unamortized debt issuance costs and other	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2
13	Deferred Outflows of Resources	30.3	29.6	28.9	28.3	27.6	27.0	26.4	25.8	25.3	24.7
14	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$7,344.8	\$7,146.1	\$6,949.8	\$6,728.0	\$6,490.0	\$6,287.2	\$6,213.1	\$6,245.8	\$6,432.9	6726.3901
	LIABILITIES AND EQUITY										
	CURRENT LIABILITIES										
15	Accounts payable and accrued liabilities	\$147.8	\$155.3	\$157.6	\$158.7	\$161.0	\$164.9	\$195.4	\$204.0	\$237.5	\$261.7
16	Commercial Paper notes payable	400.0	350.0	300.0	250.0	150.0	50.0	0.0	0.0	0.0	0.0
17	Current portion of Long-term Debt Payable	137.2	147.7	154.2	161.3	173.3	180.8	183.4	189.8	199.2	212.8
19	Retainage payable	7.3	7.5	8.4	7.8	7.1	7.1	13.3	20.6	28.5	39.8
20	TOTAL CURRENT LIABILITIES	\$692.4	\$660.5	\$620.1	\$577.8	\$491.5	\$402.8	\$392.1	\$414.4	\$465.2	514.23025
21	Senior Lien Sales Tax Revenue Bonds Payable	\$5,591.2	\$5,443.5	\$5,289.4	\$5,128.1	\$4,954.8	\$4,774.0	\$4,590.6	\$4,400.8	\$4,301.7	\$4,288.9
22	Net Pension Liability	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23	Net OPEB Liability	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8
24	Capital Lease Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	TOTAL LIABILITIES AND DEFERRED INFLOWS	\$6,288.3	\$6,108.8	\$5,914.3	\$5,710.7	\$5,451.1	\$5,181.6	\$4,987.5	\$4,820.0	\$4,771.6	4807.9248
26	NET ASSETS (EQUITY)	\$1,056.5	\$1,037.2	\$1,035.5	\$1,017.3	\$1,039.0	\$1,105.7	\$1,225.6	\$1,425.9	\$1,661.2	1918.4653
27	TOTAL LIABILITIES & NET ASSETS	\$7,344.8	\$7,146.1	\$6,949.8	\$6,728.0	\$6,490.0	\$6,287.2	\$6,213.1	\$6,245.8	\$6,432.9	6726.3901

Cash Reserves and Restricted Funds (line 38 of the Financial Plan)

DART maintains several cash reserves. Financial Standard G-5 requires a Master Insurance Reserve for claims and Board liability exposure. This fund is expected to have a balance of approximately \$12.2 million on September 30, 2020.

Financial Standard G-7 requires that sales tax collections that exceed budget during a fiscal year be placed in a "Financial Reserve" account. Once this fund balance reaches \$50 million, all additional funds will be placed in a Mobility Assistance and Innovation Fund (MAIF) account. The Financial reserve and MAIF may be used for any purpose, subject to an affirmative vote of two-thirds of the appointed and qualified Board members. This line item represents the projected end-of-year value. The Financial Reserve is at \$50 million so all future sales tax excesses will be placed in the MAIF.

DART has pledged up to \$10 million of the Financial Reserve Fund as collateral on a defeased lease transaction with Comerica. This amount will decrease over time until it reaches zero in December 2023.

Less Advance Funding/Reserve (Core Capacity) (line 39 of the Financial Plan)

DART received advance funding in the amount of \$60 million from TxDOT in 2015 in support of the Core Capacity program. These funds are kept as restricted funds until qualifying core capacity expenditures are made. At that time, the general fund is reimbursed for those expenditures and the restricted fund amount is reduced accordingly. All is expected to be drawn down by the end of 2020.

Working Cash Requirements (line 40 of the Financial Plan)

Financial Standard G-6 states "since sales taxes are received on a monthly basis, the unrestricted cash balance at the end of the year shall not be less than one-twelfth of the difference between the subsequent year's total sources of cash (excluding sales taxes) and total uses of cash as projected in the Financial Plan." For an improved safety margin, the Financial Plan maintains this cash balance to a minimum 90 days' worth of operating expenses (as opposed to 30 days required by policy). This line item represents the projected end-of-year value.

Mobility Assistance and Innovation Fund (line 41 of the Financial Plan)

In accordance with Financial Standard G-7, once the Financial Reserve Fund balance reaches \$50 million, all sales taxes in excess of budget are placed in a Mobility Assistance and Innovation Fund Reserve. Any excess sales tax revenues over the FY 2020 budget will be added to this reserve on or before December 31, 2020. Note that the FY 2018 Financial Plan incorporated the use of \$20 million of reserve funds for the acceleration of the Silver Line commuter rail project.

Unrestricted Cash (Net Available Cash) (line 42 of the Financial Plan)

This line item represents the projected end-of-year value and is the bottom-line check regarding the long-term affordability of DART's programs. As long as this value is positive, the Financial Plan is affordable, given the assumptions used to build the Plan. In the FY 2021 Financial Plan, the minimum value of Unrestricted Cash is \$141.5 million, occurring in 2037. This amount is in addition to the reserves described in the previous paragraphs and as such, represents DART's unprogrammed cash balance. DART's minimum total cash on hand, inclusive of all reserves and restricted funds is projected at \$448.5 million in 2035.

DART looks at Unrestricted Cash and the internal and external coverage ratios as critical components of affordability analysis. Every decision that is made, as well as every change to a Financial Plan assumption or estimate, is made with consideration of the effect on the overall affordability of the Plan.

Coverage Ratios (lines 43-44 of the Financial Plan)

Financial Standard D-7 requires DART maintain a debt coverage ratio (the External Coverage Ratio) such that Gross Sales Tax Revenues must be at least two times the amount of annual Debt Service. This is the standard DART is held to by the financial marketplace and in its own external debt documents. In those documents, DART agrees that it will not issue additional debt when it does not comply with this standard. In the FY 2021 Financial Plan, the lowest external coverage value is 2.60 in 2028.

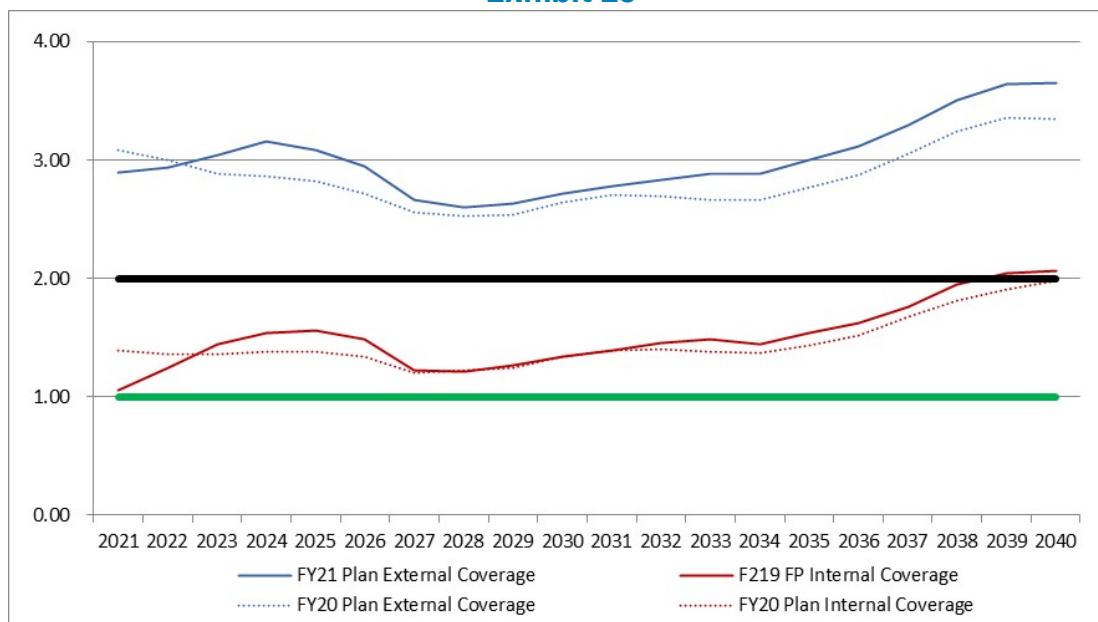
DART also has a goal to maintain another coverage ratio – the Internal Coverage Ratio. Standard D-7 states, “It is a goal of DART that for financial planning purposes, for long-term debt, sales tax revenues plus operating revenues, plus interest income, less operating expenses (excluding debt service and depreciation), for any twelve consecutive months of the prior eighteen months, must be sufficient to cover maximum annual debt service (ratio greater than 1.0). The FY 2021 Financial Plan meets this standard for all years, with a minimum value of 1.06 in 2021. And while the pandemic has caused a reduction in near-term coverage ratios, most of the Plan has better coverage ratios because this plan replaces \$350M in debt that was assumed in the FY 2020 Plan for D2 with additional grant money. Exhibits 24 and 25 compare the projected annual values of the internal and external coverage ratios from the FY 2020 Plan to those in the FY 2021 Plan. The reduced coverage ratios in the later years are primarily a result of new debt service for D2.



Exhibit 24 Projected Coverage Ratio Comparison

Year	FY20 FP		FY21 FP		Variance	
	External Coverage	Internal Coverage	External Coverage	Internal Coverage	External Coverage	Internal Coverage
2021	3.08	1.40	2.90	1.06	(0.18)	(0.34)
2022	3.00	1.36	2.93	1.25	(0.06)	(0.12)
2023	2.88	1.36	3.04	1.44	0.16	0.08
2024	2.86	1.38	3.16	1.54	0.30	0.16
2025	2.82	1.38	3.09	1.56	0.27	0.18
2026	2.72	1.34	2.95	1.49	0.23	0.15
2027	2.56	1.20	2.66	1.23	0.11	0.02
2028	2.52	1.22	2.60	1.21	0.08	(0.02)
2029	2.53	1.25	2.63	1.26	0.10	0.02
2030	2.65	1.34	2.72	1.34	0.07	0.00
2031	2.71	1.39	2.78	1.39	0.07	0.00
2032	2.70	1.40	2.83	1.46	0.14	0.06
2033	2.67	1.38	2.89	1.48	0.22	0.10
2034	2.67	1.37	2.89	1.44	0.22	0.07
2035	2.77	1.43	3.00	1.54	0.23	0.10
2036	2.88	1.51	3.11	1.62	0.23	0.11
2037	3.05	1.67	3.30	1.76	0.25	0.09
2038	3.24	1.82	3.51	1.95	0.27	0.13
2039	3.36	1.91	3.64	2.04	0.28	0.14
2040	3.35	1.98	3.66	2.06	0.31	0.08

Exhibit 25



Funds and Fund Balances

DART's cash balances are contained in the following funds:

General Operating Fund

The primary objective of investment strategies for the operating fund is liquidity achieved by matching investment maturities and income stream with anticipated cash flows. The majority of funds are placed in short-term or readily marketable securities with emphasis on high-grade commercial paper and government agencies. Local government investment pools are used to provide diversity and facilitate daily funding of cash outflows.

The average maturity of this portfolio shall not exceed two years; the maximum maturity for any single holding shall not exceed five years. Yield enhancing techniques applied to a core segment of this portfolio may include the use of Treasury notes in the two to three-year area which can be purchased for yield and held for possible capital gains, and intermediate-term agencies with short-call provisions offering a spread to comparable Treasuries.

DART Commercial Paper System Expansion & Acquisition Fund

This fund was reactivated when additional commercial paper was issued for new capital projects. Deposits in this fund are generally held less than ninety days between the sale of DART's commercial paper and contract payments for the financed capital projects. To provide the short-term liquidity required, investments are limited to money market instruments, such as money market mutual funds or local government investment pools, commercial paper, discount agencies, or repurchase agreements, with maturities matched to check payment dates where feasible. The average maturity for this fund is up to 90 days, with a maximum maturity of 180 days.

Financial Reserve Fund

The investment goal of capital preservation is primary for this fund, which will be accessed in the event of a downturn in sales tax receipts, unanticipated capital overruns, or other financial difficulties. The need for liquidity is low. To maximize yield while maintaining a relatively stable market value, this portfolio will use an investment strategy of normally placing securities evenly spaced over a one- to five-year maturity range, commonly referred to as a ladder maturity structure, to ensure consistent availability of current funds for reinvestment or cash flow requirements. Securities will be evaluated on a risk-return basis, with bond swaps used to take advantage of market anomalies while maintaining market quality and structure. The average maturity of this portfolio is four years or less with ten years as the maximum maturity for any single holding.

Insurance Reserve Fund

DART's self-insurance program for liability and workers' compensation claims requires the preservation of assets to ensure funding capability. The reserve amount required will vary on a yearly basis as new claims offset claims payments. The fund will be adjusted no less frequently than yearly to reflect the appropriate level, upon approval of the Investment Officers, and after consultation with Risk Management. The lack of liquidity requirements in this fund allows for an average maturity of four years or less, with a maximum maturity for any single holding of ten

years. Capital preservation is valued above yield, but the stable balance and minimal cash outflow permits a higher level of interim market price volatility than in other DART portfolios.

Senior Lien Debt Service Funds

The long-term bond program requires the establishment of two reserve funds: an interest fund and a principal fund. These funds will be used to make payments directly to bond investors as needed during the month. The investment objective of these two funds is to provide sufficient liquidity to meet the payment requirements and to minimize market and credit risk. To meet this investment objective, investments will be limited to money market mutual funds that invest in short-term securities that are issued or guaranteed by the U.S. government or U.S. government agencies, or direct obligations of the U.S. government and its agencies with maturities closely matched to specific payment requirements. The average maturity of the interest fund shall not exceed six months, with a maximum maturity of six months. The average maturity of the principal fund shall not exceed one year with a maximum maturity of one year.

Senior Subordinate Lien Debt Service Funds

The commercial paper program requires the establishment of two reserve funds: an interest fund and a principal fund. These funds will be used to make payments directly to commercial paper investors as needed during the month. The investment objective of the two funds is to provide sufficient liquidity to meet the payment requirements and to minimize market and credit risk. To meet this investment objective, investments will be limited to money market mutual funds that invest in short-term securities that are issued or guaranteed by the U.S. government or U.S. government agencies, or direct obligations of the U.S. government and its agencies with maturities closely matched to specific payment requirements. The average maturity of these funds shall not exceed 90 days, with a maximum maturity of one year.

Mobility Assistance and Innovation Fund

In order to provide funding for initiatives that enhance the quality and affordability of public transportation, DART will maintain a Mobility Assistance and Innovation Fund. The liquidity need of this fund is 20%. To maximize yield while maintaining a relatively stable market value and the desired liquidity component, this portfolio will use a two-tiered investment strategy. The liquidity needs will be invested evenly, 50% in the one to six month and 50% in the six to 12-month maturity range. The remainder of the portfolio will be invested by placing securities evenly spaced over a two to five-year maturity range, commonly referred to as a ladder maturity structure, to ensure consistent availability of current funds for reinvestment or cash flow requirements. Securities will be evaluated on a risk return basis, with bond swaps used to take advantage of market anomalies while maintaining market quality and structure. The portfolio allows for an average maturity of four years or less with ten years as the maximum maturity for any single holding.

DART Bond System Expansion & Acquisition Fund

This fund was reactivated when Series 2020A bonds were issued for new capital projects. The Bond proceeds in this fund are held up to 36 months between the sale of DART's long-term bonds and contract payments to finance capital projects. The investment goals in this fund will be to provide capital preservation, liquidity needs, and investment return. To meet the investment goals, investments will be in high grade corporate and government/agency instruments and local government investment pools. The investments purchased will have maturities that match forecasted payments. The average maturity for this fund is up to 30 months, with a maximum maturity of 36 months.

Regional Toll Road (RTR), Streetcar, and Toyota Funds

The deposits in these funds are provided by state, local governments, or other entities for specific projects. Preservation of capital and liquidity are the paramount investment objectives of these funds. Therefore, the deposits in these funds will be invested in AAA or United States Treasury money market funds. The average maturity will be one day, with a maximum maturity of one day.

Platform Fund

Amounts in this fund are held between their receipt from the Texas Mobility Fund and contract payments to finance the Platform Extension project in the future. The investment goals in this fund are to provide capital preservation and liquidity needs. To meet the investment goals, investments will be in high-grade corporate and government/agency instruments and money market mutual funds instruments. The investments purchased will have maturities that match forecasted payments. The average maturity for this fund is up to 30 months, with a maximum maturity of 36 months.



Exhibit 26 shows DART's flow of funds.

Exhibit 26 Flow of funds Chart

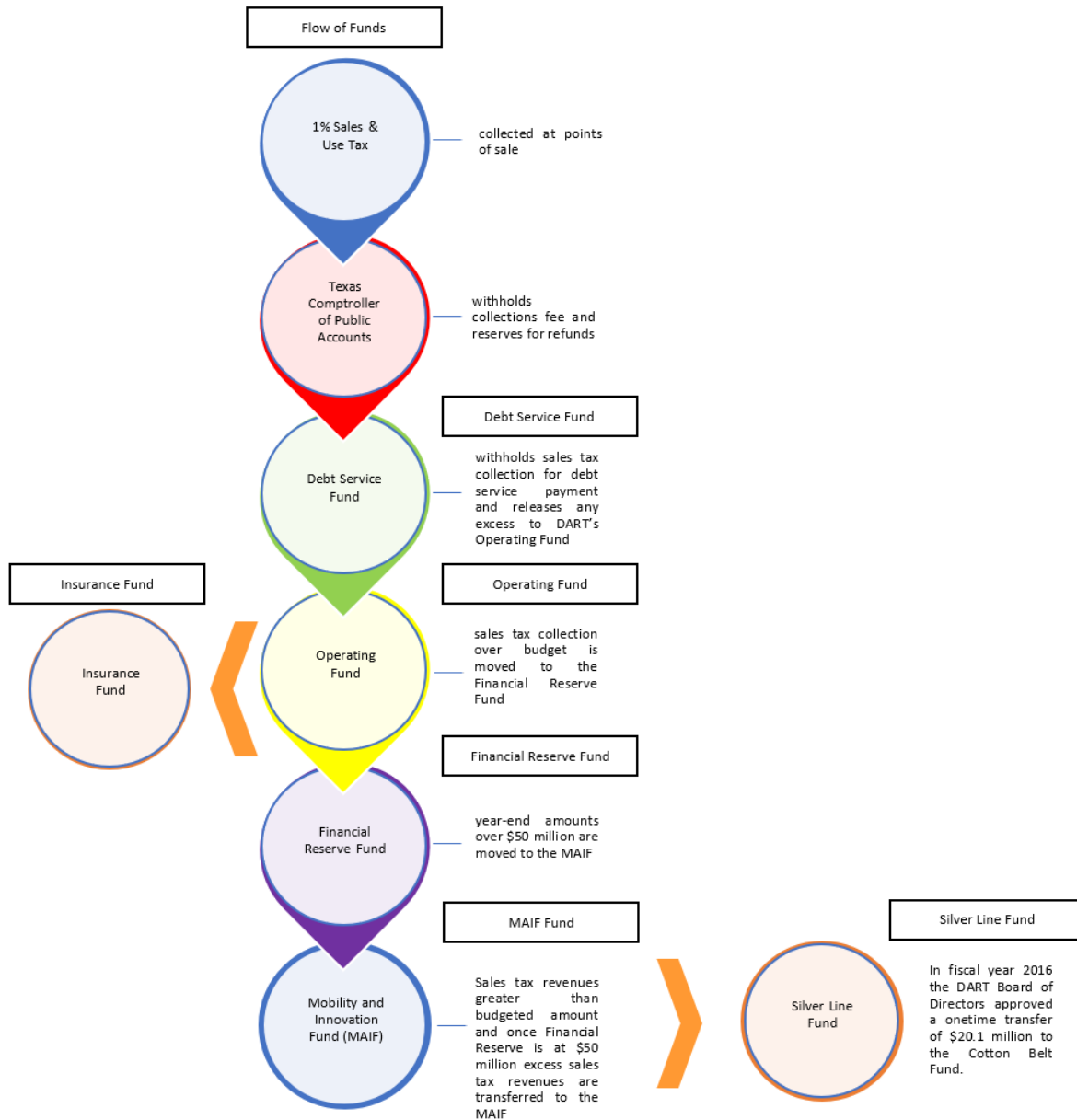
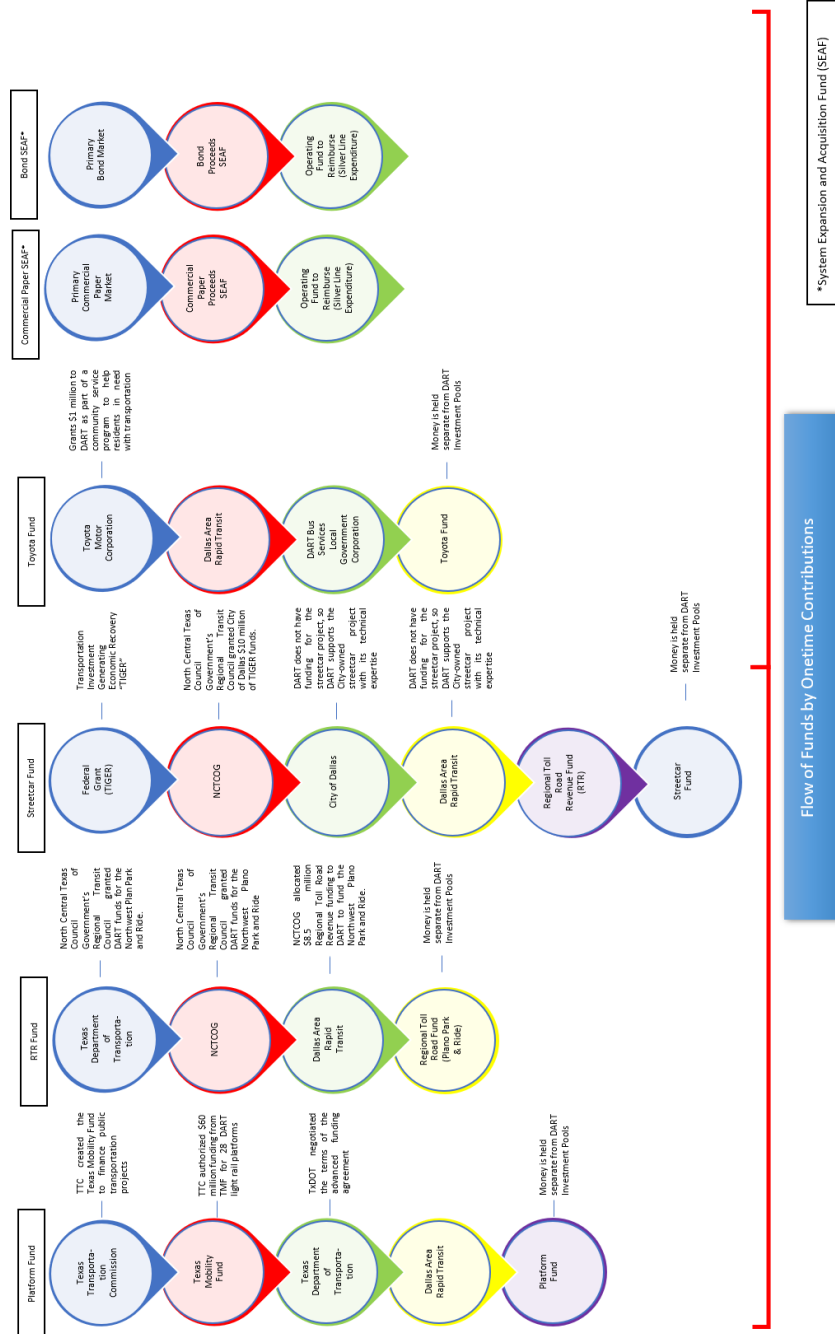


Exhibit 26 Flow of Funds (cont.)



Major Financial Plan Assumptions

Sources of Funds

- The COVID-19 pandemic has certainly caused a significant downward reduction in projected sales tax revenues. FY 2020 sales tax revenues are projected to be down 11%, then have a growth pattern similar to what occurred coming out of the Great Recession with growth over the next six years averaging 6%. Once this recovery is over, DART will return to the cyclical sales tax approach that has been used in the financial plan in the last few years. 2027 and every seven years after that are budgeted as a zero-growth year. Sales tax receipts are projected to be \$365 million below the FY 2020 Plan between 2020 and 2025 and \$895 million below the 2020 Plan through 2040. Including the end of 2020, the FY 2021 Financial Plan incorporates a conservative average annual growth of 3.8%.
- DART programs a fare increase of 9% every three years. All fare increases in the FY 2021 Plan have been deferred by one year so the next fare increase, originally schedule for FY 2022 will not take place until FY 2023. All future fare increases were pushed out by one year to maintain the three-year cycle.
- Fare revenues are based on an estimated average fare and ridership projections for each mode of service. As fare increases are implemented, reductions in fixed-route ridership are programmed into the Plan, netting against the normal projected ridership growth rate for that year to determine the net ridership change. The fare increase affects all fixed-route modes in a similar manner. Future service level decisions on all modes will also impact future ridership projections.
- Ridership over the next few years will be severely affected by the pandemic. Between 2020 and 2021, DART estimates ridership losses in excess of 42 million passengers, or approximately 30% of our total projected ridership for that period as stated in the 2020 Plan. Ridership should return, but even then, fixed route ridership is projected to be lower by approximately 10 million passengers annually as compared to the 2020 Plan. Service levels, the speed and robustness of the recovery will also impact ridership moving forward.
 - After the ridership recovery phase is complete in 2023, all fixed route modes are projected to increase by 0.5%/year in years without a fare increase and remain flat in years when a fare increase occurs.
 - Additions to service will also have a ridership impact as DART expected around 2 million passenger per year when the Silver Line opens in FY22 and Streetcar ridership is expected to double when the extension opens in 2025. Paratransit ridership is expected to increase by 2.5% annually over the life of the FY 2021 Financial Plan. FY 2021 ridership levels are projected at 606,120.
 - Vanpool ridership was below budget for several years due in part to low gasoline prices and poor service from the vanpool contractor. It had been rising until the pandemic.
- Miscellaneous operating revenues are generally programmed to grow by inflation each year.
- The Federal Reserve had been increasing interest rates slowly, but recently has reversed course. DART projects an average interest income rate of approximately 1.00% for FY 2021 (varies

by fund). As interest rates inevitably increase, it is expected that traditional spreads between commercial paper rates and interest income rates will also return. Investment portfolio yields are expected to increase to 3.25% in by 2024 and remain at that level in perpetuity.

- DART expects to receive \$78.9 million in Federal Formula allocations each year for Capital Preventive Maintenance, Fixed Guideway Modernization, Bus & Bus Facilities, Transit Enhancement, and Security project funds in 2021. This represents DART's annual formula fund allocation. In addition to these funds, DART has a balance of \$70 million in funds that have been allocated to DART but have not yet been incorporated into grants. Grant applications will be put in place over the next year to ensure DART can draw down all the federal monies it is entitled to. Per Financial Standard B-10, these funds are to be programmed at the most recent known allocation throughout the life of the Plan and not increased, despite a history of growth. An exception is made for formula funds that will be generated by the opening of the Silver Line. Funding lags two years so DART anticipates an increase of \$2.3 million in formula funds in FY 2025 for Silver Line operations that begin in FY 2023.
- Congestion Mitigation/Air Quality (CMAQ) or Texas Mobility Funds (TMF) in the amount of \$11.1 million is programmed to be received in FY 2021 – FY 2022. No additional CMAQ or TMF funds are included in the Financial Plan beyond that year. As additional funds become available and projects are identified to access these funds, additional CMAQ and/or TMF funds will be programmed into the Plan.
- Over the life of the Financial Plan, CMAQ and federal discretionary funding represents just under 14% of DART's \$7.1 billion 20-year capital program. Beyond already existing discretionary grants, DART has assumed the following federal participation in future programs:
 - \$650 million is assumed to be received between 2023 and 2026 for the D2 subway;
 - \$109.0 million for Silver Line Rail scheduled to be received between 2020 and 2022;
 - All future bus purchases are conservatively assumed to be 10% grant funded. These future grants total \$86.2 million over the life of the Plan.
 - TRE fleet vehicle replacement is expected to be 50% funded with federal money and totaling \$92.3 between 2027 and 2031.
- \$254.0 million in other external capital contributions over the next 20 years, including:
 - \$181.6 million from Trinity Metro for their contribution to TRE capital programs;
 - \$7.0 million for Downtown Streetcar projects;
 - \$12.0 million to fund the Loop 12 in-fill stations on the Orange Line;
 - Tax Increment Financing (TIF) and Value Capture revenues along the Silver Line corridor, beginning in 2022, will be used to support operations, maintenance, and debt service for the Silver Line. They are expected to generate \$51.6 million between 2020 and 2038.

Uses of Funds

Operating Expenses

- DART's operating budget is \$542.3 million in FY 2021, \$32.4 million below the FY 2021 projected budget that was included in the approved FY 2020 Financial Plan. Most of those reductions will come from elimination of the regular pay increase in FY 2021, general 'belt-tightening' measures and selected service reductions.
- In future years, per DART Financial Standard B-5, operating expenses are planned to grow by 90% of inflation plus increases for new service, new programs, Board-approved contract increases, and adjustments related to fuel prices and actuarial analysis. Projections for rates of inflation are part of the same economic model that is provided by The Perryman Group each year to estimate sales tax revenue growth. Annual local inflation rates are anticipated to be approximately 2.1-2.3% per year over the life of the Plan. This means that DART-allowed inflation per this standard is roughly 1.9% -2.0% per year.
- TRE contract costs are programmed at contract rates for current service levels, and therefore total contract costs will be 3% higher in FY 2021 than in FY 2020, less any reductions based on service levels.
- The number of vanpools in the budget has grown from an allowed maximum of 145 in 2008 to 200 in 2020. Due to COVID-19 most vanpool participants and sponsoring employers have temporarily suspended their respective vanpool programs resulting in a 94% drop in ridership. The previous vanpool vendor (Enterprise) has also deployed vanpools from DCTA and Trinity Metro within DART's Service Area in an effort to retain competitive business. DART in cooperation with the NCTCOG is challenging this practice and is currently pending further disposition. The vans are used for trips that cannot be made using other DART services and is available anywhere in Dallas, Ellis, Collin, Hunt, Rockwall, Kaufman, and Navarro counties.

NCTCOG's federal funds would offset 35 percent of program costs while 60 percent would come from the users and 5 percent from DART in-kind services.
- DART will make \$10.0 million in contributions in FY 2021 to the Defined Benefit Pension Plan. This plan has been closed since 1988 and because of this, DART's investments within the Pension Plan must become increasingly conservative, with more fixed income assets and a smaller percentage dedicated to equities. This has the impact of reducing yields and therefore may increase the total contributions required to fully fund the Plan by 2030 (the estimated date that the last eligible DART employee will retire). The actual contributions to these plans in future years are dependent on both fund earnings and actuarial analysis of the value of future benefits and may be adjusted annually.

- Increasing healthcare costs have been one of the major challenges to controlling the growth of operating expenses. The cost of claims increased in FY 2017 by 16% over the prior year, but FY 2018 saw a significantly lower increase. And the FY 2021 budget is little changed from the FY 2020 budget. On January 1, 2018, DART implemented a new strategic approach to Health Care. Based on results thus far, it seems that the approach is moving toward “bending the cost curve downward” and can have a positive impact on DART’s 20-year financial plan.



Capital & Non-Operating Expenditures

- The FY 2021 Financial Plan includes service along the Silver Line corridor in the northern part of the DART Service Area, beginning in late 2022. This line runs from Plano, through Richardson, North Dallas, Addison, and Carrollton and into DFW International Airport. This line has been designed to link up with TEX Rail operated by Trinity Metro (formerly known as the Fort Worth Transportation Authority) running from downtown Fort Worth to DFW Airport. Long-term, this will allow for a single-seat ride from Plano all the way to Fort Worth. Service along the Silver Line is scheduled to begin in 2022. Headways would be 30 minutes in the peak periods.
- DART’s is in the midst of a mid-life overhaul of its bus fleet. The total program cost is \$21 million. The next bus fleet replacement is scheduled to occur beginning in 2025 and with most of the fleet replaced by 2028.
- In the Capital/Non-Operating Program over the next 20 years, DART has allocated \$4.4 billion to funding state of good repair (SGR) projects and capital reserves. These funds are devoted to capital maintenance and the timely replacement of DART’s assets and are critical to DART’s long-term sustainability. Programming funds in this manner helps ensure that DART can continue to serve the community with high-quality, reliable vehicles and infrastructure.
- Capital Planning & Development costs (Capital P&D) are costs spent inside the operating departments that are specifically for planning, management, oversight, and administration of capital projects but are costs that cannot be capitalized. As such, they are shown on budget reports as a credit to total departmental expenses and are deducted from that total (along with start-up costs described below) to calculate operating expenses.
- Start-up costs are all operating-type costs that are both: 1) incurred solely as a result of the opening of new service; and 2) incurred prior to the start of revenue service. Upon the commencement of revenue service for each line section, the appropriate portion of these costs is incorporated into the operating budgets. Start-up costs are shown on budget reports as a credit to total departmental expenses and are deducted from that total (along with Capital P&D costs) to calculate operating expenses.



Debt Service

- DART will retire all currently outstanding self-liquidity commercial paper by 2022, but will issue \$227 million during the period from 2019 to 2024 (to be replaced by long-term debt in 2026) to support Silver Line construction. DART will then issue \$400 million in commercial paper between 2025 and 2029 as the initial funding mechanism for our bus fleet replacement program. This will be done through the combined use of a bank-backed liquidity facility and an extensible CP program. That \$400 million is scheduled to be repaid between 2032 and 2037.
- \$1.04 billion in debt is scheduled to be issued between 2020 and 2024 in support of the D2, the Silver Line and other infrastructure projects.
- \$700 million in additional long-term debt will be issued between 2024 and 2028 to fund the rehabilitation and replacement of DART's first fleet of Light Rail vehicles.
- \$46 million in additional long-term debt will be issued in 2026 for the TRE fleet replacement.
- The actual amount, type, interest rates and timing of debt issuance may change from the Plan depending on DART's financial needs and market conditions.

Potential Risks and Opportunities

As sales tax receipts represent the largest single source of revenues, sales tax projections are unquestionably the single most important estimate in DART's Twenty-Year Financial Plan. Therefore, they are also the largest single area of risk to DART's ability to meet its goals and objectives. The COVID-19 pandemic has not just had a significant negative impact, both on sales taxes and fare revenues, but of greater concern is the uncertainty it creates moving forward.



Each recessionary event embodies its own unique characteristics. Each event generates concerns about how deep the revenue losses will be, how long will it last and how quickly will the economy bounce back. This particular event may have more uncertainty around it than either the Dotcom bubble burst combined with 9/11 between 2000-2003 and the Great Recession of 2008. In each of those cases, the economy was expected to return to normal, it was just a matter of when. Each of those recessions could, in many ways, be considered somewhat normal economic cycles.

This pandemic is something entirely different and has many more layers of uncertainty to it.

- Will the economy require another shutdown?
- When can a vaccine be created and distributed worldwide and how effective will it be?
- Will the virus continue to mutate requiring the development of additional vaccines?
- How many restaurants and small businesses will never recover?
- Many businesses have transitioned to a work-from-home mentality. When the crisis is over, will that permanently alter how work is done. If so, how will long-term ridership be affected?

DART will need to be highly vigilant to changing circumstances and nimble enough to evolve with the changes.

Helping to pave the way for possible expansion of regional public transportation beyond borders of the DART Service Area, the DART Board amended its Policy III.07 DART Services beyond the Service Area Boundary. Under this amended policy, DART or its Local Government Corporation is able to provide contract services to a municipality or county outside the service area, provided that: 1) the entity pays for 100% of the cost of the contracted service (including capital costs, access, and impact fees); 2) a full transit system plan is developed within 36 months of the initial contract; and 3) a plan to become a DART member is developed.

DART Financial Standard B-10 states that federal formula funds will be programmed at the current year's level for all future years in the Plan. The FY 2021 Plan includes \$78.6 million in annual allocations for each year and an additional \$2.3 million annually from the Silver Line beginning in FY 2025.

If the annual allocations are reduced or significantly delayed as a result of the pandemic, it could have a significant negative impact on DART's cash flows as well as future capital project planning.

DART currently has a significant amount of discretionary federal funding (\$809 million) programmed into the Financial Plan through 2026. 80% of this (\$650 million) is programmed for the D2 subway. If this funding is not received for these projects, they may have to be delayed. The only assumptions of additional discretionary federal funding in the Plan beyond this five-year window are an anticipated 10% contribution for future bus purchases, totaling \$77 million, and \$92.3 million for replacement of TRE vehicles.

Inflation is also addressed in DART's Financial Standards. According to Financial Standard B-5, DART is constrained to grow operating expenses by no more than 90% of the projected inflation rate, plus new programs, new services, and specific other adjustments. The Perryman projections over the last two years call for continued very low inflation, averaging only 2.2% over the life of the Financial Plan. That means that 90% of those inflation projections fall in the range of 1.9% - 2.0% annual rate. This operating expense target is very difficult to achieve year after year.

Over two-thirds of DART's Operating Budget is composed of salaries, wages, and benefits. In the long term, these costs must at least grow by inflation, or DART's ability to attract and retain quality employees may be adversely impacted. Compounding the challenge is the national trend of nearly double-digit annual increases in healthcare costs. DART completely reengineered its healthcare plans for 2018 with an eye toward both cost control and better service for employees and their families. Though there were claims processing issues that affected the timing of reporting, results show that the rate of growth of costs has been noticeably reduced.

Fuel and energy prices have been highly volatile over the last decade. During that time, DART has taken advantages of dips in the market to put both hedges and physical delivery contracts in place to benefit from advantageous forward pricing. As DART has transitioned from diesel and liquefied natural gas buses to compressed natural gas (CNG), the risk associated with that price volatility has been greatly reduced. DART currently has a contract for physical delivery of CNG, with a hedge to cover FY 2021 - 2023. DART has executed an extension to its contract for electricity with the Texas General Land Office for 2020 through 2023 resulting in a 5-year savings of \$14.8 million compared to what was projected before the extension.



DART has attempted to identify all capital projects that can be foreseen, but every year additional new projects are requested. Significant additions to the capital program (and associated operating costs) without concurrent increases in revenues or the deletions of offsetting capital project costs could adversely affect the Financial Plan. As an attempt to mitigate those items, DART's Financial Plan contains multiple capital reserves, which are placeholders for anticipated future expenditures.

As part of the sequestration budget cuts, the federal government reduced the amount of the subsidy that will be paid to DART in support of the Build America Bonds that DART issued in 2009 and 2010 by an estimated 6.9% over the 12-year period of the sequester. This reduction has been incorporated into the Plan. Further federal budget cuts could result in even more subsidy reductions in the future. DART would have to make up any of this reduction either through expense cuts, enhanced revenues, or by accessing its cash reserves.

Any sustained period of deflation would cause significant financial damage to the Agency. Deflation would undoubtedly result in falling sales tax or sales tax that did not grow as fast as anticipated. Reduced revenues combined with DART's fixed-rate debt obligations already outstanding could result in a significant contraction of Agency services.





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FY 2021 Annual Budget

In this section of our document, we provide the reader with an overview of the Board-approved Strategic Priorities followed by a description of what we anticipate accomplishing toward achieving those priorities through the use of our resources. This discussion is followed by a breakdown of the FY 2021 Annual Budget. This portion of our document is organized as follows:

- Overview
- Budget Basis and Process
- Strategic Priorities – which frame our budget decisions
- Financial Summary and Discussion (“Inside the Numbers”) – which enumerates the FY 2021 amounts for operating expenses, capital and nonoperating costs, and debt service

Overview

The Annual Budget corresponds to the first year of the DART Twenty-Year Financial Plan (the Plan). The Plan is presented as a separate section of this document. The Plan represents a robust long-term projection of DART’s operating revenues, funding, operating expenses, capital expenditures, and other financial information. The Plan validates the affordability of system expansion and maintenance commitments, operating requirements, and debt repayment. The FY 2021 Budget incorporates the following amounts:

Operating	\$542,297,672
Capital & Non-Operating	647,005,314
Debt Service	204,016,395
Total FY 2021 Annual Budget	\$1,393,319,381

The FY 2021 Twenty-Year Financial Plan demonstrates that DART has the financial capacity to meet the Agency’s Transit System Plan commitments and to continue the programmed levels of bus, rail, and other transportation services, based on current information and assumptions.

The FY 2021 Annual Budget reflects the continued improvement in the efficiency, effectiveness, and quality of the services we deliver. The pages that follow describe many of DART’s customer-facing initiatives aimed at attracting and retaining customers, as well as initiatives to address operational improvements. The list of all capital projects is shown as Exhibit 18 in the *Twenty-Year Financial Plan Section* of this document. The list reflects a key strength in the Plan of funding to keep the system in a state of good repair. Notable capital



“Customer-facing initiatives while responsibly meeting operating cost challenges”



projects in the FY 2021 Plan include a program of interrelated projects to increase the core capacity of DART's service, and the development of rail service along the Silver Line corridor in the northern part of the DART Service Area.

The budget reflects many cost-containment efforts to address cost pressures and achieve a balanced budget.

Our Priorities

The DART Board has adopted strategic priorities to guide Agency initiatives which, in turn, drive the FY 2021 Annual Budget.

Strategic Priorities

1. Enhance the safety and service experience through customer focused initiatives
2. Provide stewardship of the transit system, agency assets and financial obligations
3. Innovate to enhance mobility options, business processes and funding
4. Pursue excellence through employee engagement, diversity, development, and well-being
5. Enhance DART's role as a recognized local, regional, and national transportation leader

These priorities provide guidance to the Agency as it focuses on retaining and attracting customers with responsive service, a sustainable system, and stronger branding. At the same time, the Agency will continue to explore service connections and partnerships regionally. Capital expenditures will increasingly be directed towards maintaining existing assets in a "state of good repair" and capital asset replacement. A program of interrelated projects designed to increase the core capacity of DART's service through the Dallas Central Business District will benefit the entire service area. Accelerated rail service along the Silver Line corridor in the northern part of the DART Service Area will provide a much-needed east-west connection between the Red Line and Orange and Green lines.

A discussion of Agency initiatives in support of the Strategic Priorities can be found on pages 106 through 136.

Documentation prepared by management for Board briefings and action items include an explanation of the way in which each item supports one or more of these priorities.

Strategic Priorities as Framework for Agency Initiatives

DART's leadership uses the Board-adopted Strategic Priorities as framework for the Agency's initiatives. The following information highlights a number of these initiatives. This discussion, which begins on page 106, is followed by the amounts for operating expenses, capital and nonoperating costs, and debt service, in the FY 2021 budget to accomplish these initiatives.

Budget Basis

The Twenty-Year Financial Plan drives the annual budget. Approval of the Financial Plan requires an affirmative vote of two-thirds of the appointed and qualified members of the Board. The annual budget, which is approved by a majority vote of the Board, corresponds to the first year of the Plan.

DART's Annual Budget is prepared in the same format and organization as DART's financial reports, except the budget does not include depreciation, the offsetting interest income and interest expense from defeased lease transactions, and a small number of other non-system items such as pass-through grants. The activities of DART are accounted for in the same way proprietary funds are accounted for in other local governments and are therefore reported as a single enterprise fund. Enterprise accounting is used to account for entities that operate in a manner similar to a private enterprise. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Certain major repairs and one-time or non-routine projects that are not eligible for capitalization according to Generally Accepted Accounting Principles (GAAP) are budgeted as Capital/Non-Operating projects but are expensed in the year the expense is incurred.

Unexpended funds included in the operating budget expire at the end of the fiscal year and are not carried over into subsequent years. Conversely, Capital/Non-Operating projects are budgeted for the life of the project and funds are not required to be spent in the current fiscal year. Funds that are not expended for capital and non-operating projects in the current year roll forward into the next budget year until the project is completed.

DART's fiscal year runs from October 1 through September 30. Section 452 of the Texas Transportation Code provides for a 30-day review period of the budget by the governing bodies of each municipality in the Agency and that a majority vote of the DART Board is required for approval of the annual budget.

Please Note: Budget schedules are presented and rounded to millions or thousands (as indicated) but are based on actual raw numbers. Consequently, certain schedules may not tie exactly or add properly, due to rounding. In some cases, prior years' numbers have been restated to conform to the current year's format. All schedules are in fiscal years unless otherwise stated.

Structural Balance of the Budget and Financial Plan

DART strives to maintain structural balance to its budget, meaning current period cash inflows match the outgoing cash requirements for operating and debt service costs. The FY 2021 Budget and Financial Plan meet this test – demonstrating that DART has sufficient income to pay for ongoing operating costs and debt service in all years of the Plan. A more detailed discussion of structural balance can be found in the *Financial Plan Section*.

Budget Process

The budget process begins with Strategic Priorities and Board-approved Financial Standards that establish parameters within which management must operate. Targets are established, maintained, and highlighted throughout this document.

Departmental targets are set based on projections from the approved Twenty-Year Financial Plan and other known factors or programs (e.g., increases in health care, contract rates, or fuel costs). Based on direction from executive management, departments prepare detailed budgets for each of their cost centers within those targets. These budgets are, in turn, reviewed during meetings with the department head, Executive Vice President, the President/Executive Director, Chief Financial Officer, the Budget Office (Business Planning & Analysis unit in the Finance Department) and the Budget and Finance Committee of the DART Board to discuss the respective budgets as well as any changes. All new proposed programs are evaluated for effectiveness and efficiency.

The Budget Office then compiles the numbers, coordinates work programs to achieve strategies, and publishes the Business Plan, including the Annual Budget and Twenty-Year Financial Plan, for the legislatively required 30-day budget review period by the cities within the DART Service Area. The Board performs additional reviews in August and September, as necessary, before approving the Budget and Twenty-Year Financial Plan in September.



Strategic Priority 1

Enhance the Safety and Service Experience through Customer Focused Initiatives

It is DART's goal to provide safe, secure, efficient, and effective services to our customers. The agency works toward improvement in these areas through a variety of strategies including: 5 Star Customer Service, improved customer experience, employee training and development, deployment of new technologies, increased safety and security across all dimensions, improved service delivery planning and processes, and enhanced internal communication and coordination. DART utilizes qualitative measures through face-to-face contact, on-site observations, and formal and informal groups coupled with quantitative measures through the Customer Satisfaction Report and periodic customer surveys to monitor the effectiveness of agency programs and services.

The COVID-19 pandemic has impacted a number of the statistics and programs described in the following pages. For example, call volumes to Customer Service have declined dramatically at the time of this writing, and the in-person service provided at DART headquarters has been suspended due to the closure of the building. We expect the statistics and programs to return after the end of the pandemic.

Efforts to Improve Safety Experiences and Perceptions for Our Customers



The Safety Department has established an aggressive, proactive, visible safety program designed to educate and inform both our internal customers (employees) and our external customers (passengers) of efforts undertaken to ensure their safety. We have ongoing campaigns to update these constituents on safety trends and concerns as well as detailed programs and procedures for investigating and mitigating unsafe activities that could lead to accidents. We operate on a covered watch schedule of 24 hours a day, 7 days a week, to ensure someone is available to resolve accidents/incidents without adversely impacting DART's revenue service operations.

Customer Satisfaction Survey

To shape and influence customer behavior, it is critical that we understand how they feel about and experience our brand.

Every year, DART conducts a customer satisfaction survey to measure brand health. Survey goals are:

- Identify any significant shifts in brand perception among consumer subgroups.
- Understand the drivers of customer satisfaction.

About 6,585 riders participated in the 2019 survey conducted April 22 - June 25. From this survey, we know that six factors drive customer perception:

- timeliness
- safety and security
- cleanliness
- customer service
- convenience
- communication

Specifically, the 2019 survey revealed the following:

- Net Promoter Score (NPS) is down to 10.7 vs. 15.3 in the 2018 survey.
- Overall satisfaction is down, 80% vs. 84% in the 2018 survey.
- 87% of respondents are likely/very likely to continue using DART vs. 86% in the 2018 survey.
- Awareness of the GoPass App and GoPass Tap increased from 50% in 2017 to 80% in 2019.
- GoPass app ease of use and overall satisfaction remains strong, 92% and 88% respectively.
 - Less than half of respondents (49%) are paying with cash, down from 73% in 2015.
 - Riders aged 18-34 are more likely to find the app easy to use compared to other groups.
 - Riders aged 35+ and Hispanics have a lower awareness of the app compared to their demographic counterparts.
- 75% of riders have used rideshare in 2019, up from 50% of riders in 2017.
- Intent to ride DART in the future remains strong, with 87% of respondents indicating their intent to ride vs. 86% in 2017.

Factors that may have impacted results include:

- Platform extensions and downtown Dallas track improvements, which caused the closing of stations over weekends for an extended period.
- Dissolution of D-Link service.
- Media coverage of opposition from vocal residents and business owners in North Dallas to the Silver Line project.

The Customer Satisfaction Survey empowers the agency to analyze any measurable changes and adjust strategy accordingly.

5 Star Service Program

This initiative is a major cultural shift for DART. The customer focus culture is a significant change in how we approach customer service internally and externally. The 5 Star Service Program has five parts: Culture Change, Center of Excellence, Improved Services, High Performance and Recognition, and Image and Brand.



During the last four years there has been a large focus on Culture Change and Improved Services, but a stronger focus will occur in Center for Excellence (training), High Performance and Recognition, and Image and Brand. Focusing on all five parts of the 5 Star Service Program will result in a cultural shift that encompasses individuals, departments, and teams throughout the Agency.

Some of the key elements of the 5 Star Initiative include:

- Development and delivery of 5 Star training programs for all employees.
- Identification, training, and support for internal champions, known as “Customer Experience Officers,” within each area to communicate and support the 5 Star Initiative.
- Outreach events at rail stations and transit centers involving staff from across the Agency who meet and greet customers as well as receive feedback and work to resolve customer concerns.
- Process reengineering and process improvement projects to improve the internal and external customer experience in identified areas, such as improved customer experience relative to bus/rail connections and improved response time to operator requests for police or supervisor assistance.
- Distribution of tablet PCs to field supervisors and Station Concierges to facilitate improved customer information delivery in the field.
- Deployment of employees to assist customers during the implementation of new services and route changes as well as during special events and service disruptions.
- Integration of 5 Star Initiative principles and objectives into job descriptions, performance management plans, and recognition/incentive programs to support the institutionalization of the initiative.



Enhance Customer Satisfaction and Rider Retention

This customer service initiative has a two-pronged approach to increase customer satisfaction and ridership. It includes: 1) employee motivation/satisfaction, and 2) positive customer experiences.

Surveys indicate that one-quarter to one-third of customers describe themselves as “new” riders on the system. A customer’s first experience with DART service is a significant factor in building long-term ridership, and employee motivation/satisfaction impacts the degree to which employees focus on creating a positive first-time customer experience.

During previous years, new rail expansion provided significant opportunities for service quality improvements and additional ridership growth. Market research reveals a significant level of “turnover” in the composition of bus ridership. As new riders are attracted to the system, we also experience attrition among existing riders. The primary causes in the fluctuation of the annual customer base include changes in residence, employer, or employment location, and changing gasoline prices. Apartment teardowns and redevelopment have also had significant impact upon ridership levels in certain parts of the service area over the last few years.



Less significant reasons include changes to the bus network due to the rail expansion or dissatisfaction with service levels or service quality.

Overall, the initiatives put in place in FY 2017 have yielded positive results among riders. Strategies to improve service and safety experiences and perceptions continuing into FY 2021 include the following major categories:

- Improved Bus Service
- Improved Service Reliability, Timeliness, and Service Connections
- In-Transit Customer Communication Services
- Mobile Platforms
- Initial installation of interactive kiosks
- Enhancement of the GoPass Mobile Ticketing Solution
- New Marketing and Promotion Initiatives
- Improved Strategies for Responding to Service Disruptions

Improved Bus Service

Starting in FY 2015, DART conducted the Comprehensive Operations Analysis (COA) of all DART fixed routes, including evaluation of the effectiveness of all routes and identification of future service improvements. Based upon Board and community feedback, DART initiated a

comprehensive Bus Network Redesign project in FY 2020. This planning process will result in a new DART bus network that will be implemented with funds available in early 2022.

- GoLink Mobility on Demand service has now been expanded to include operation in 14 zones throughout the DART Service Area. GoLink offers direct-request demand-responsive service with connections to other DART routes; most passengers are picked up within 10 minutes of request. Service has transitioned to a mixed supply model; GoLink service is provided by a combination of dedicated vans and taxis, non-dedicated taxis, and UberPool service. Additional GoLink zones and pilot services are anticipated for FY 2021.
- Schedule adjustments aimed at improved off-peak on time performance.

For FY 2021, DART will focus on two primary initiatives: completion of bus network redesign efforts supporting FY 2022 implementation of a new bus network, and potential restoration of services that were reduced due to the 2020 COVID-19 pandemic.

In-Transit Customer Communications Program

This program, co-sponsored by the External Relations and Technology departments, coordinates ten separate projects to ensure there are no overlaps or inconsistencies between initiatives being developed to provide communications to riders during their trip. Projects include: dynamic train arrival signs on station platforms, digital displays at transit centers, and web-based applications for mobile devices. These applications provide real-time bus and train arrival predictions at stops, stop and route location services, and subscription-based messages about service disruptions and changes delivered by email, text, and social media feeds.

Mobile Platforms

The ability to send/receive information on mobile platforms (smart phones and tablets) continues to be enhanced. More than 70 percent of all DART website activity occurs on mobile devices. To better support customers, the Agency has developed mobile tools that deliver real-time information on DART bus and light rail services. These apps are: “Where’s My Train? ®”, “Where’s My Bus? ®”, and “Where’s My DART Stop? ®”. New mobile tools were introduced in FY 2018 with Go Pass 2.0 adding Mobility on Demand enhancements.



Customers traveling on the Trinity Railway Express (TRE) or the DCTA A-train benefit from mobile websites developed by DART staff. Riders can plan a region-wide trip on DART, TRE, Trinity Metro, and DCTA routes using the DART mobile website. DART’s mobile site, m.DART.org/ was updated in August 2014 to improve access to rider tools. During FY 2016, DART participated in the launch of a new transit-related mobile application tied to the region’s 511DFW traveler information program. This application includes customer information for transit services, as well as roadway construction that may impact transit travel.

To improve in-transit customer communication, the Agency uses Operations Communications Liaisons who are part of the External Relations Division and work in the Train Control Center where they have access to real-time service information. They are responsible for sending customer notifications on rail, bus, and TRE service disruptions via subscription email, text, and Twitter. The liaisons support rail controllers with on-board and platform customer notices via the public address/variable message board system.

Enhancement of GoPass Mobile Ticketing Solution



DART introduced an upgraded version of the [GoPass® app](#) in May 2018. Features such as real-time trip planning and an integrated map, as well as a new design and easier navigation, enhance our customers' experience.

The new cash-to-mobile option on GoPass is in line with our vision and goal to reduce cash handling within the DART system. At hundreds of DFW area retail locations, cash-paying customers can load value onto their GoPass app account using cash. Customers then use that stored value, held in a digital wallet within the app, to purchase tickets for DART, Trinity Railway Express, Trinity Metro or Denton County Transportation Authority.

Future enhancements to the app may include more seamless integration with ride-sharing services, including bikes and shared vehicles.

Since the app launched five years ago, it has been downloaded more than 730,000 times and has generated 4.9 million ticket sales.

New Marketing and Promotion Initiatives

The activities of the Marketing & Communications Department (Mar-Comm) promote brand awareness and relevance to drive ridership growth.

The COVID-19 pandemic has dramatically impacted how and where North Texans work and move about. Mar-Comm has taken proactive steps to provide transparent communication to our customers and key stakeholders. In July 2020, Mar-Comm launched a marketing and communications campaign to welcome riders back after sheltering in place during the first few months of the pandemic.

Under the “Ask DART” umbrella, the campaign will focus on humanizing our brand through compelling storytelling, building trust with the public through transparent, accurate and consistent communication, and raising awareness of how DART is making a safer commute for returning riders.

The campaign targets the following riders in this order:

- Reliant commuter
- Task rider

- Corporate Commuter
- Event goer

This 360-degree plan includes: video elements, marketing, public relations, social media, digital communications, customer service, and operations.

The campaign will continue well into FY 2021, and the ultimate goal is to increase ridership.

Improved Strategies for Responding to Service Disruptions

The expansion of the light rail system to 93 miles, together with certain characteristics of the rail system (e.g., having multiple junctions and all rail lines passing through the Dallas Central Business District) have resulted in an increased number of service disruptions over the past few years. In order to deal more effectively with the impact of service disruptions on passengers, a Continuous Improvement Team (CIT) has been established. Its charge is to develop an integrated internal communication process to assure consistent and accurate dissemination of information to all front-line staff regarding operations during service disruptions.

Its deliverables include the following:

- Identify staff requiring information regarding service during disruptions
- Identify communications technology used by each group and data elements required
- Develop mapping of information flow
- Develop specifications for possible tools to disseminate internal communications
- Map the inter-relationship of the internal communication and the customer communication publisher used by the Operations Communication Liaisons

An internal website has been developed by the Technology team based on the needs identified by the Continuous Improvement team and is now in a testing phase. Enhancements have also been identified for DART's Customer Response Team and the Everbridge notification system, that also support communication with customers during service disruptions. Other efforts to address disruptions include:



- In-Transit Customer Communications – The initiation of the changeable message signs on rail platforms and the introduction of Operations Communication Liaisons (OCL) in the Control Center have been in response to this increase in disruptions and have laid the foundation for improved customer communications during these incidents.
- Customer Response Team – The Customer Response Team (CRT) is comprised of administrative employees who are assigned to various rail stations to assist with customer

communications during service disruptions. Procedures for the activation and deployment of the CRT have been enhanced.

- Severe Winter Weather Contingency Plan – A contingency plan was developed several years ago to allow DART to provide more reliable services during major winter storms and to recover the system more quickly in the wake of a storm. The contingency plan was activated twice and provided significant improvements in service reliability as compared to previous severe weather incidents. Based on the results and feedback from those activations, Management has evaluated the contingency plan and has made adjustments to refine the plan and process.
- CBD Rail Disruption Contingency Plan – DART has experienced a number of rail service disruptions in the Dallas CBD as a result of weather, infrastructure failures, power failures, criminal activity, and other triggering incidents. A new CBD Rail Disruption Contingency Plan was rolled out in FY 2018 to improve our response to these types of incidents. Four basic response plans have been developed and will be applied depending on the nature and extent of the disruption.
- After-Action Reviews, Table-Top Exercises, and Drills – After every major service disruption incident, After-Action Reviews are held to debrief all aspects of the incident and the response to the incident to identify lessons learned. All findings and recommendations are documented and tracked by Emergency Preparedness staff to assure that recommendations are distributed, and appropriate modifications are made to our processes. In addition to the After-Action Reviews, Table-Top exercises and drills are also scheduled to reinforce training and procedures. Often these Table-Tops and drills include emergency response personnel from cities within the DART Service Area or other entities with whom DART needs to collaborate.

Providing Customer Service

Technology provides our customers with another touchpoint, but there still is a need for human call centers. DART's Customer Service division fields over 750,000 calls annually. These calls come from current and potential riders seeking information about DART services, including bus and rail operations.

This division responds to customers' needs in person, by phone, and on [DART.org](https://www.dart.org). They are responsible for quantifying customer contacts through the development of the Customer Feedback Report.

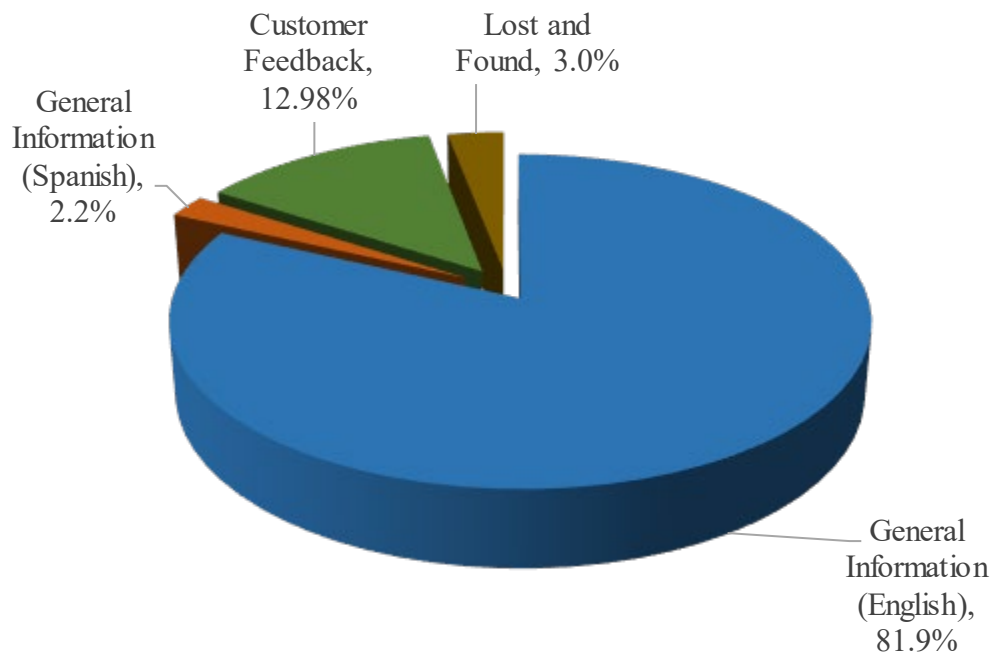
Customer contacts are identified as belonging to one of three categories: (see Exhibit 27)

- General information (trip planning, event, promotions, advertisements, and DART initiatives)
- Customer feedback (commendations, suggestions, and complaints)
- Lost and found

The customer service call-in and interaction data this division collects serves to gain a more granular and immediate understanding of our customers' needs. Through analysis and aggregation, we are able to identify the breadth and depth of opportunities to enhance service and strengthen brand affinity.

The DART Call Center is open 363 days a year are only closed only on Thanksgiving and Christmas Day.

Exhibit 27
Customer Service Call Types





Strategic Priority 2

Provide Stewardship of the Transit System, Agency Assets and Financial Obligations

The Board-approved Strategic Priorities and Goals include initiatives for managing system improvements and maintaining infrastructure. DART uses its annual process to develop a twenty-year financial plan to ensure the Agency identifies the resources necessary to maintain and operate its existing and planned infrastructure.

Affordability

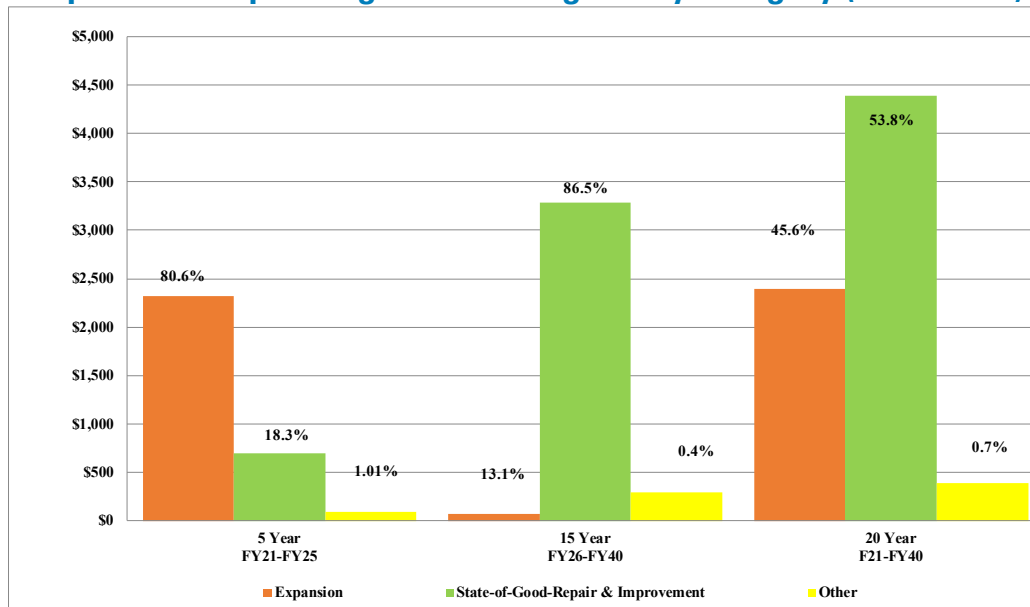
The Twenty-Year Financial Plan demonstrates DART has the financial capacity to meet the Agency Transit System Plan commitments and to continue the programmed levels of bus, rail, and other transportation services, based on current information and assumptions.

The FY 2021 budget reflects both continued rail construction and system expansion and enhancements to DART's bus service. The Agency continues to concentrate on the core business of getting people where they need to go safely, reliably, and affordably, as well as attracting and retaining customers with responsive service and a sustainable system.

The capital program, the full schedules of which can be found in the *Twenty-Year Financial Plan Section*, reflects a shift from expansion to maintaining and replacing our assets – keeping the system in a state of good repair.

Exhibit 28 provides an overview of the capital and non-operating projects by category and highlights the increase in funding for state of good repair for DART's system.

Exhibit 28
Capital/Non-Operating 20-Year Program by Category (in Millions)



The capital expenditures included in the FY 2021 capital/non-operating budget total \$647.0 million as shown in Exhibit 17 on page 42 in this section.

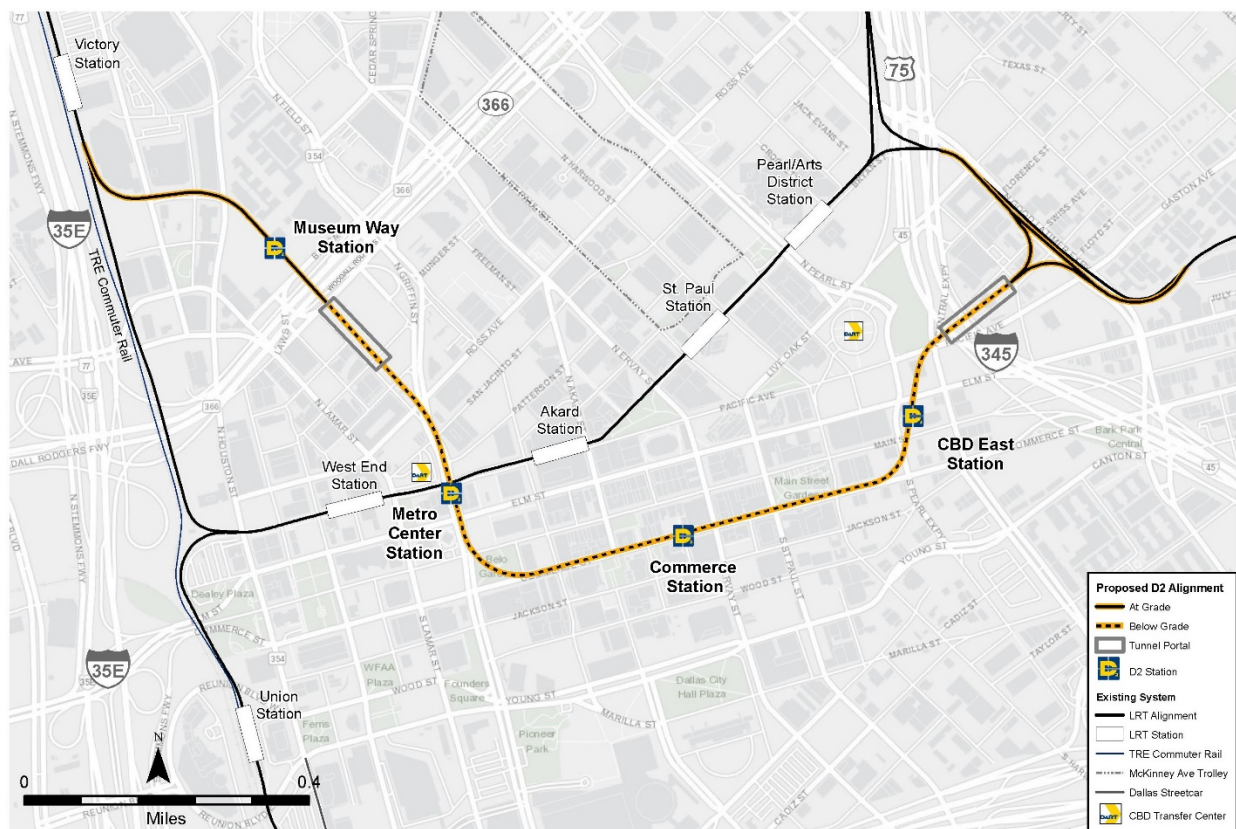
Light Rail Transit (LRT) System

The current LRT system is 93 miles and 64 stations.

The next major LRT investment will be related to core capacity, including a second LRT alignment through downtown Dallas (known as D2 Subway) and Red and Blue Line LRT platform modifications. In September 2017, both the Dallas City Council and the DART Board of Directors unanimously approved the refined LPA D2 Subway alignment. Exhibit 29 illustrates the D2 Subway project. DART is currently in the project development phase, including preliminary engineering (PE) and preparation of a Supplement Draft Environmental Impact Study (EIS).

During FY 2021, DART anticipates a request to enter Engineering and continue through the FTA Capital Investment Grant Program.

Exhibit 29 Dallas CBD Second Light Rail Alignment (D2) Subway Project



D2 Subway and Red and Blue Line platform extensions are part of a Program of Interrelated Projects to address capacity needs under the FTA Capital Investment Grant Program. DART's



program consists of three significant projects: D2 Subway, platform modifications at 28 stations on the Red and Blue lines to accommodate three-car trains, and a Dallas Streetcar central link in downtown Dallas. These three projects will add significant core capacity and enhanced access to the DART system. The FY 2021 Financial Plan reflects funding for D2, platform modifications, and the central streetcar link. A Full Funding Grant Agreement (FFGA) was awarded for the platform extensions project in May 2019.

Exhibit 30 provides historical and prospective data on light rail expansion projects.

Exhibit 30 LRT Revenue Service Dates

Corridor	Line	From	To	Miles	Stations	Opening Date
STARTER SYSTEM						
Central Business District	All	West End	Pearl	1.0	4	June 1996
Oak Cliff	Red/Blue	West End	8th & Corinth	3.8	4	June 1996
South Oak Cliff	Blue	8th & Corinth	Ledbetter	4.6	5	June 1996/May 1997
West Oak Cliff	Red	8th & Corinth	Westmoreland	4.6	4	June 1996
North Central	Red	Pearl	Park Lane	6.0	4	Jan 1997
Starter System Subtotal				20.0	21	
RED/BLUE LINE EXTENSIONS						
North Central	Red	Park Lane	Parker Road	12.3	9	July-Dec 2002
Northeast	Blue	Mockingbird	Downtown Garland	11.2	5	Sept 2001-Nov 2002
Northeast	Blue	Downtown Garland	Downtown Rowlett	4.6	1	Dec 2012
South Oak Cliff	Blue	Ledbetter	UNT-Dallas	2.6	2	Oct 2016
Extension Subtotal				30.7	17	
GREEN LINE						
Northwest (NW-1A)	Green	West End	Victory	1.2	1	Nov 2004
Northwest (NW-1B)	Green	Victory	Inwood	2.8	3	Dec 2010
Northwest (NW-2)	Green	Inwood	Bachman	3.2	2	Dec 2010
Northwest (NW-3)	Green	Bachman	Farmers Branch	4.9	3	Dec 2010
Northwest (NW-4)	Green	Farmers Branch	Frankford	5.3	3	Dec 2010
Northwest Subtotal				17.4	12	
Southeast (SE-1A)	Green	Pearl	MLK, Jr.	2.7	4	Sept 2009
Southeast (SE-1B)	Green	MLK, Jr.	Hatcher	1.4	1	Dec 2010
Southeast (SE-2)	Green	Hatcher	Buckner	6.0	3	Dec 2010
Southeast Subtotal				10.1	8	
ORANGE LINE						
Northwest-Irving/DFW (I-1)	Orange	Bachman	Irving Convention Center	5.4	3	July 2012
Northwest-Irving/DFW (I-2)	Orange	Center	Belt Line	3.6	2	Dec 2012
Northwest-Irving/DFW (I-3)	Orange	Belt Line	DFW Airport	5.0	1	Aug 2014
Orange Line Subtotal				14.0	6	
Total Miles/Stations in Operation*				93.0	64	

*Total miles includes approximately 0.75 miles of pocket track.

Strategic Priority 3

Innovate to Enhance Mobility Options, Business Processes and Funding

DART maximizes Agency resources through effective marketing, innovative technology, and astute financial management.

Improve Levels of Service

Timely, Accessible, and Reliable Services and Information to Customers

Customer transportation services are being optimized by improving the systems used on DART's vehicles to create and adhere to schedules and make operator assignments more efficient and equitable. The Agency continues a focus on business intelligence to provide greater insight into DART services for continuous improvement.

The existing point-to-point rail trip planning application has been modified to provide arrival predictions instead of scheduled times. System enhancements have increased stability and availability of this service.

To address a major customer concern regarding missed connections, connection protection software is being piloted at selected key transfer locations. This system uses automated vehicle location information and bus schedules to temporarily "hold" the departure of a bus if a connecting bus is arriving a few minutes behind schedule.



Interactive Kiosks – Connecting with current and potential riders across multiple channels influences their experience with our brand in positive and meaningful ways.

The agency first tested an interactive kiosk at Dallas Love Field Airport two years ago. Since then, arriving passengers can plan their ground transportation on the interactive map, and then text or email the directions to themselves.

The agency is looking to expand its usage of interactive kiosks at rail stations and bus transit centers. Interactive kiosks could offer wayfinding and real-time travel information. Wayfinding will be an important feature, as it will assist riders with trip planning and identifying local attractions.



These kiosks could potentially be integrated into other DART systems, including the GoPass app and GoPass Tap card readers. They also could provide Wi-Fi service and offer service in multiple languages. The kiosks should generate advertising revenue for the agency.

Interactive kiosks complement other customer touchpoints DART provides, including the GoPass app, DART.org, customer service, printed materials, and others. Interactive kiosks would make it easier for riders to navigate the

system, particularly special occasion riders, tourists and those new to using the service.

InfoTransit Digital Signage – The “InfoTransit” digital signage system on all buses displays information on the next and subsequent two stops for passengers. DART is now able to create slideshows onsite, update the “Next Stop” content, and present slideshow content by Stop ID or GPS location. Additionally, this system provides customers with system-wide marketing campaigns relating to current and upcoming DART events.

Broadband Data Communications to Buses and Surveillance Cameras – All DART buses are also equipped with surveillance cameras and 4G LTE (Long-Term Evolution) cellular communications for police and other authorized parties to view current video streams from the video cameras on the bus in case of an incident. The video is recorded and tagged and is then offloaded automatically from the vehicle in the operating division garage or by special request. The health of the 4G LTE cellular communications link on the bus is regularly monitored, as is the bus’s ability to connect to the wireless network at the garages.

Finally, broadband cellular communications will be used for real-time validation of electronic fare media such as DART proprietary smart media, contactless bank cards, and Near Field Communication (NFC) devices for Apple Pay, Android Pay, and Samsung acceptance once the fleet is equipped with validators.

The agency continues to improve the use of technology to provide timely, accessible, and reliable services and information to customers.

Leveraging Technology for Maximum Benefit to the Agency and Stakeholders

Traffic Signal Priority (TSP) – The City of Dallas has completed installation of the Advanced Traffic Signal Controllers (ATC) at Dallas Central Business District (CBD). City will be implementing peer-to-peer communication network with new ATC in the LRT mall. At the request of DART, the City will install detectors for vehicular traffic on city streets intersecting the LRT mall. DART Intelligent Transportation Systems (ITS) will continue to provide train detection input to City of Dallas new ATC and maintain a network to monitor and detect issues with the DART detection system. City of Dallas is also working on a business continuity in the event TSP systems housed at headquarters are unavailable. DART Intelligent Transportation Systems (ITS) is

working on a simulation project for the study of three-car train impacts during normal business and special events on the transitway in the CBD.

In FY 2018, funding was approved to implement TSP along the Belt Line corridor. TSP will reduce or eliminate unnecessary stops at signalized intersections when a bus runs behind schedule. Reduced signalized time at intersections will improve on time performance for buses that operate this corridor. TSP has been expanded to include Buckner and Hampton corridors. There is a capital request for additional funding. If approved, the team will move forward.

Automatic Passenger Counters (APC) – The use of APCs on trains and buses supports the collection of real-time ridership as well as schedule performance by stop. To date, APC units have been installed on 175 buses as part of the new radio system implementation and are providing more accurate passenger counts and runtime data to support planning and scheduling decisions. DART had APC equipment installed on the full DART Bus Fleet in FY 2019 to permit passenger counts to be estimated from APC counts rather than farebox data. DART also added additional 21 APCs to the existing rail fleet.

TRE Next Train Project – This system provides “Next Train” information at TRE’s ten stations. This system includes Automatic Passenger Counters, which accurately provide the Agency with timely ridership data. The system also provides schedule adherence and the ability to make announcements onboard the vehicle and at station platforms.

Comprehensive Payment System (CPS) – DART entered into a multi-year agreement with Vix Technology, a system integration firm, to streamline DART’s fare payment environment by utilizing new innovative technologies. The goal of this project is to find convenient and easy-to-understand methods for customers to obtain and purchase fare media.



This new solution incorporates an account-based back-office system which utilizes best practices of modern technologies in the consumer and fare payment sectors, capable of interfacing with both bank and non-bank financial clearing systems for transaction processing and settlement. One goal of this solution is to allow DART to significantly reduce the total amount of physical cash that the agency must process. DART has determined that this can be accomplished by creating an electronic payment infrastructure for transportation and other services that is ultimately capable of being deployed region-wide, using third-party produced and distributed prepaid cards and contactless devices such as smart cards, contactless bank cards, RFID tags, and Near Field Communication (NFC) enabled devices.

In addition to the system integrator selection, DART awarded a contract to PayNearMe (PNM) to provide the retail distribution solution. PNM will provide hundreds of retail locations within the DART Service Area for customers to purchase and reload smart cards for use in the new account-

based system. PNM partners include Blackhawk Network, which provides access to the largest grocery store network in the U.S., and Fidelity Express, which provides access to independent and small grocery operators.

Vix Technology (Vix) and PNM implemented the state-of-the-art electronic fare payment, distribution, collection and processing system in phases beginning in the fourth quarter of FY 2018. The implementation of additional features continues.

GoPass Mobile Ticketing – Enhancements scheduled for FY 2019 were “See Something” integration, robust analytic tools, Google Pay, rider alerts, weather, Scooter battery life, and inbox messaging. FY 2021 anticipates the following enhancements: In-app feedback, parking availability, SDK tickets for third-party sales, vouchers, & couponing, advertising, and Tap Card provisioning.

GoLink is a micro-shuttle that combines the low cost of public transportation with the convenience and technology of ride-sourcing. GoLink provides customers personalized curb-to-curb service anywhere within a zone. There are currently three zones in Plano, a suburb of Dallas, three zones in southern Dallas and one zone in Rowlett. Customers request a GoLink ride through the TapRide mobile app and can track the location of the shuttle bus, like they can with private ride-sharing services.

DART hopes to reach new customers who live or work in areas not served by public transit by introducing a dynamic carpooling service: GoPool. Unlike static carpooling, where commuters must find people in advance to share a trip, dynamic carpooling uses technology to arrange one-time shared rides on short notice through a mobile app. Commuters who want to reduce travel costs but don’t have access to DART service can use GoPool to find the ideal ride companion – someone who lives and works nearby and shares a similar work schedule.

DART was selected to participate in this technology-driven project through two U.S. Department of Transportation (U.S. DOT) initiatives aimed at promoting the use of advanced technologies in transportation: The Advanced Transportation and Congestion Management Technologies



Deployment (ATCMTD) program run by the Federal Highway Administration (FHWA) and the Mobility as a Service (MaaS) Sandbox program overseen by the Federal Transit Administration (FTA). Mobility as a Service (MaaS) – As DART moves into providing MaaS, our focus continues to be serving our customers and creating a transit system that is an integral part of communities to enhance quality of life and opportunity, while sustaining our

system into the future. MaaS is journey planning and management, digital payment and ticketing, first/last mile transportation combining public transit, on-demand, and shared mobility services.

Challenge, Redefine, and Update the DART Business Model

Over the last several years, DART has undergone significant changes in its operating modes. These items are either in-process or have seen successful completion:

- Full replacement of the bus fleet
- Deployment of CNG fueling facilities in all four operating divisions (three bus and one paratransit division)
- Completion of the light rail extensions to DFW Airport and the Dallas UNT Campus
- Implementation of a new delivery model for paratransit services
- Contract bus services for cities outside the service area
- Award of a new 10-year contract for regional commuter rail services
- Introduction of modern, convenient payment systems that will permit the customer to buy tickets, parking passes, event tickets, and other items in a single purchase

Today, DART has an increasingly customer-focused culture and has institutionalized the team-based improvement philosophy and process to increase efficiencies within the organization.

DART currently has more than 20 cross-functional process teams from all levels, actively engaged to identify efficiencies and quality improvements to ensure DART attains the highest level of performance excellence for their customers, employees, and stakeholders. Examples of these teams include:

- *5 Star Continuous Improvement Teams* – These cross-functional teams focus on identifying improvements in five-to-six key process areas each year. Recommendations are focused on enhancing the customer experience for external as well as internal customers.
- *Service Planning Committee* – This committee is chaired by the President/Executive Director and meets to discuss service planning, ridership, and related issues.
- *Route Monitoring Task Force* – This formal staff task force addresses service issues involving planning, scheduling, and transit operations. It meets monthly and offers a forum for operations employees to speak to issues with routes and schedules. Representatives from Service Planning & Scheduling review and report back on progress. The group also reviews major planning initiatives from an operating perspective and includes operators appointed by each operating division, plus representatives from Service Planning & Scheduling, Bus, Rail, and Mobility Management.
- *Division Level Measurement (DLM) Steering Committee* – This committee recommends goals and provides guidance to the Division Level Measurement Program, engaging employees at all levels throughout the operational departments in achieving annual key performance metrics.
- *Employee Communication and Engagement Committee* – This committee was formed in response to previous employee survey findings. The committee is composed of employees from throughout the organization who serve as departmental representatives and the voices to communicate information to their respective groups on a timely basis.
- *On-Time Performance Data and Radio Team* – This team focuses on refinements to the Bus Computer Aided Dispatch/Automatic Vehicle Location System (CAD/AVL system) to enhance DART's ability to monitor and optimize the on-time performance and connectivity of the bus and rail networks. The team includes representatives from Planning,

Scheduling, Bus, Rail, and Technology who are charged with developing systems and processes to improve on-time performance.

- *Customer Response Team* – This is a team of DART administrative employees who help communicate with DART customers during major rail service disruptions that affect a significant portion of our ridership group.
- *Service Disruption Committee* – This continuous improvement team focuses on improving the processes and procedures necessary to enhance internal communications and communications with customers during service disruptions and reduce the negative impact on our customers.
- *Business Intelligence* – Considerable progress has been made in the area of Business Intelligence in recent years, including:
 - Creation of a library of reports for On-Time Performance utilizing information from the Transit Master CAD/AVL System.
 - Evaluation of a new, easy-to-use visualization tool for analysis and management reporting of ad-hoc data housed in a cloud-based repository that enables collaboration and sharing of these analyses and improves technology infrastructure performance.
 - Implementation of analysis tools for schedule optimization and service delivery performance. This environment should enable DART to identify significant operational cost savings and improve customer satisfaction by optimizing the delivery of services to our customers.
 - Upgrade of the Business Intelligence (BI) environment used in the budget planning process to the current software version that allows the use of new BI reporting and data manipulation tools in that process.

Community Engagement

Community Engagement involves linking DART to the various communities it serves, ensuring the Agency meets legal and/or government regulations while developing and maintaining relationships with diverse communities throughout the DART Service Area. There are three main areas of focus:

- Provide factual and timely information regarding specific projects to ensure public involvement opportunities during various stages of DART project planning, design, and construction,
- Support various departments by coordinating and conducting public hearings for such issues as Federal Transit Administration grants and other federal compliance initiatives; and,
- Work with Service Planning to facilitate community meetings and public hearings during the implementation of major bus and rail service changes.

Community Engagement team members continue to strengthen and expand their reach within the cities served by DART by identifying and communicating development and transportation opportunities and working with corporate sales and the local chambers of commerce to broker relationships and drive sales with corporations and local businesses.

Community and Stakeholder Outreach

Community and stakeholder outreach efforts are focused on educating current and future rider segments about DART and how to use the system safely. An extensive education program aimed at all age groups delivers this message to a diverse audience comprised of students, senior citizens, service area city organizations, civic groups, businesses, and other stakeholder groups. These partnerships with key stakeholder groups allow DART to promote its services, capital expansion initiatives, business opportunities, and employer programs via tours, briefings, speakers' bureau, and chamber events. In turn, the chambers have historically supported DART's various community, legislative, and funding initiatives. The DART Promotions staff partners with more than 125 events each year with DART's presence providing information on DART to prospective riders and community stakeholders.



Economic Opportunity for Disadvantaged, Minority, and Woman-Owned Business Enterprises (D/M/WBEs)

DART's D/M/WBE Programs are designed to involve disadvantaged, minority, small and emerging, and woman-owned businesses to the maximum extent possible in all facets of DART's contracting and purchasing activities. The Department of Diversity positions itself as a bridge between DART and such businesses. To increase access to DART procurement opportunities, the department offers and conducts various modes of technical assistance, outreach, seminars, goal setting, educational training, and counseling in the understanding of federal, state, and DART procurement regulations. The department aggressively seeks integration of DMWBEs in all DART procurement and contracting opportunities, and ensures that DART complies with all appropriate federal and state laws, regulations, and executive orders.

Over the last five fiscal years, DART has averaged annual awards of 139 contracts. With the exception of "Transit Vehicle Manufacturer" procurements and procurements conducted through the State of Texas, the Diversity Department reviews scopes of work, terms, and specifications for all contracts. This is done to assess and identify subcontracting opportunities that will allow DMWBEs an equitable opportunity to compete in the procurement process.

A Federal Transit Administration (FTA) report recognized DART as having awarded more dollars to Disadvantaged Businesses on a percentage basis than any other transit authority in the country.

In fiscal years 2017 and 2018, DART established annual Agency goals of 31% and 32% for participation of minority and woman-owned business enterprises (M/WBE). In those years, D/M/WBE participation on all DART procurement activities exceeded goals, with 36% and 38% participation, respectively. Additionally, in 2018 the Diversity Department underwent FTA's Triennial Review in which the DBE program was rated in full compliance with a rating of "no findings."

On average, nearly 500 active contracts are managed annually for compliance through targeted vendor site visits (where applicable), vendor payment reporting, and other forms of communication and correspondence. During site visits, a myriad of topics are discussed with both prime contractors and subcontractors such as:

- Payments reported vs. payments received
- Missing documentation from invoices
- Prompt payment
- Subcontractor utilization
- Working relationships
- Work performed
- Schedule of subcontractors' work

Site visits are essential in identifying and solving any potential non-compliance issues. They also keep the program involved on a frontline level with DART's small business community. DART also works to mediate and resolve any disputes that may arise between primes and subcontractors.

Additionally, DART's ongoing involvement with 26 minority chambers of commerce, minority contractor associations, and women and minority supplier development groups has created outreach touch-point opportunities to more than 2,500 individuals. Business community outreach efforts have been expanded to engage the interest of an additional 48 minority organizations. The establishment of DART's Small Business Academy further assists with the development of small businesses to participate and compete for DART procurement opportunities. Some small businesses have established a contracting partnership with DART after participating in the academy.

DART strives to ensure that economic opportunities are available to the whole community.

Economic Development

A new study looking at construction near Dallas Area Rapid Transit (DART) light rail stations shows just how productive and important it is to the overall North Texas economy, generating billions of dollars in revenue, taxes, and jobs.

Researchers from the Economics Research Group at the University of North Texas (UNT), led by Michael Carroll, Ph.D., reviewed 81 development projects completed within a quarter mile of DART stations with a total property value of \$5.138 billion between 2016 and 2018.

A copy of this study is included in the Section G of the *Reference Section* of this document as well as on the DART website, www.DART.org.

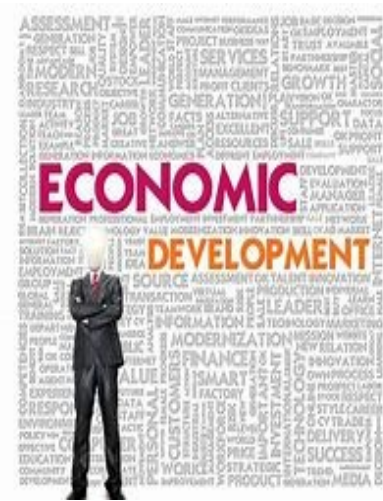
DART's investment continues to be a catalyst for investment near DART transit facilities to create transit-oriented development opportunities that result in vibrant, livable communities, increasing transit ridership and generating new sources of revenue.

Two of the objectives of the Agency, as stated in the DART mission statement, are to improve the quality of life and to stimulate economic development through the implementation of the Transit System Plan. It has been both surprising and gratifying to see how quickly transit-oriented developments have been constructed along the rail corridors since the launch of DART Rail in 1996. Management continues to support DART's Economic Development staff and continues to monitor, identify, evaluate, and develop opportunities in partnership with service area cities.

To support efforts such as these and provide information to the public and development community, DART has established a transit-oriented development web site that provides an overview of DART's transit-oriented development program including its TOD policy, guidelines, and station area fact sheets for each of the rail stations. (www.DART.org/economicdevelopment).

Selected Highlights 2016-2018:

- A total of 81 development projects were completed within ¼ mile of DART stations with a total property value of \$5.138 billion.
- Commercial development accounted for \$2.123 billion; Residential accounted for \$2.068 billion; and Mixed (Residential/Commercial) accounted for \$947 million.
- The total economic impact of the projects created \$10.27 billion for the DFW economy. The projects created 61,017 construction jobs.
- The projects generated \$286.4 million in state and local tax revenue.
- Projects within ¼ mile of the Downtown Dallas to Bishop Arts streetcar route saw \$200.7 million in development with a corresponding economic impact of \$454.7 million.
- The streetcar projects created 2,701 jobs over the period and generated \$12.6 million in state and local taxes.
- Properties surrounding DART stations rent for substantially more than surrounding projects. Residential properties have a 17.9% rent premium and commercial and office space have premiums of 23% and 5.8% respectively.



Strategic Priority 4

Pursue Excellence Through Employee Engagement, Diversity, Development and Well-Being

The DART Board's Strategic Priorities and Goals include major initiatives for increasing the Agency's return on its investment in human capital. The Agency has Employee Values and organizational change strategies that balance the expectations and needs of the organization and its employees. During FY 2021, steps will be taken to achieve demonstrable improvement in customer service through the 5 Star Service Program and through improved employee engagement and leadership development.

The commitment has been a guiding principle for the Executive Leadership Team to provide strategic direction in three critical areas:

- Develop and align the organization's Work Force Plan with the Board's strategic priorities
- Implement initiatives to increase employee satisfaction and drive change through employee engagement and development
- Assure the Human Resources functions seek ways to enhance DART employee status as an important investment and to focus on their growth and development within the Agency

The Human Resources (HR) function strives to provide maximum support and responsiveness to employees who are critical to DART's operational needs and programs. The DART Human Resources department embraces contemporary business practices and functions as a business facilitator of efficient and effective delivery systems and programs.



Human Resources has partnered with Southern Methodist University Cox School of Business and the Dallas County Community College District to provide learning environments for Supervisory DART, Executive DART and a modified Leadership DART program. These programs are an accelerated development program for Executives, Managers, and Supervisors, designed to create a pool of professionally trained employees who are capable of leading DART into the future. Supervisory DART, a new program, is an introductory online program aimed at supporting new supervisors in overcoming the challenges unique to transitioning from an individual contributor role to a supervisory and/or management role.

The DART People Center will continue to play an important role in providing DART employees with information and access to assistance with all matters pertaining to their employment. General questions and assistance with routine matters are answered by staff in the People Center, while more complex issues are referred to senior staff who have more specialized expertise. Employee communications will continue to be refined and more specifically targeted to reach the intended audiences more efficiently. Such refinements will include a continuing focus on communication strategies and tools such as: People's Corner (employee newsletter), DART InfoStation, email announcements, videos, and opportunities to reach individual employees through other official electronic channels.

Establish Consistency in DART People Practices

Human Resources' goal is to achieve business partner status with departments by accomplishing the following:

- Implement Human Resources “best-in-class” services in order to implement change management initiatives
- Identify skills required to manage the pace of change and how this type of change will impact the workforce
-
- Compete for the right talent by providing opportunities to attract and retain talent with focus on underutilized categories
- Maintain accurate employee records both electronically and through the use of limited paper files
- Assure that fair compensation and appropriate benefits (Total Rewards) meet the needs of all DART employees
- Promote the Agency's goal to achieve improvement in service quality through increasing DART employee engagement with the 5 Star Service Program
- Strive to promote continuous process improvement, team learning, and personal development
- Assist in the DART employee engagement process by linking Human Resources activities to Agency priorities and develop an effective and flexible organization that responds to people issues with a culture for results and performance.
- Secure a high degree of DART employee involvement and participation within a climate that fosters learning and growth
- Increase development and training programs to focus and build on workforce contributions and commitments to DART by providing opportunities for a worthwhile and satisfying work experience
- Create partnerships to achieve the Agency's objectives and provide excellent Human Resources services. This will be accomplished through the extensive use of partnerships and direct consultation with functional leaders on Human Resources deliverables, such as: succession planning, workforce planning, career development, and total compensation and professional skill-enhancing programs.

Top Opportunities in Human Resources in FY 2021

Human Resources is committed to organizational effectiveness that requires Human Resources deliverables and programming to be accomplished with a sense of urgency. Human Resources must promote a passionate approach regarding the Agency's business in support of an open work environment in which all DART employees feel personally accountable for meeting business expectations. Human Resources will encourage open, honest dialogue that promotes mutual

respect, understanding, conflict resolution, idea sharing, learning, and growth. Human Resources is committed to an atmosphere which motivates DART employees to engage with Human Resources for information, problem solving, and learning opportunities.

- Continue to develop and implement Standard Operating Procedures for all functions and change initiatives to improve effectiveness
- Lead and support communication in the implementation of the employee engagement strategy
- Address workforce needs and expectations through an open and honest engagement process in terms of ability to understand and implement changes
- Lead and support enhancements of the benefits function in order to ensure that benefit plans and programs meet the needs of DART employees
- Get the right people in the right jobs in a timely manner as well as bring structure and discipline to compensation management
- Develop continuous improvement programming for Human Resources functions including use of a Classification and Compensation consultant to update job descriptions and develop a compensation plan for DART's administration of compensation and classification and bottom-up engagement process in order to align task and deliverables with Human Resources functional direction

Front-Line Employee Engagement

The Division Level Measurement (DLM) Program targets increasing front-line employee ownership of the goals of the Agency, with the ultimate objective of increasing employee motivation and satisfaction in order to drive improved service and increased ridership. The DLM Program also targets improvements in service quality through enhanced data analysis, communications, and problem solving. Peer groups compete with one another on a number of performance measures. In FY 2021, Human Resources will continue to partner with Business Units to assure that the DLM program is effective and fair. This will include providing facilitators to work with focus groups throughout the Bus and Rail Departments to get feedback and reengineer the program.

Each year the peer groups' goals are reviewed and updated. Below is the listing of the current groups.

Peer Group #1

- Northwest Bus Operating Sections' personnel
- South Oak Cliff Bus Operating Sections' personnel
- East Dallas Bus Operating Sections' personnel
- All LRT Sections' personnel, including Rail Operations, Rail Fleet Services, and Ways, Structures, and Amenities



- Includes Safety Specialists, Maintenance Training Specialists, Training Supervisors, and Yard Revenue Controllers assigned to specific operating divisions

Peer Group #2

- Customer Service personnel
- Transit Operations Sections' personnel (Station Concierges)
- Maintenance Central Support Sections' personnel

Peer Group #3

- Non-Revenue Vehicle Maintenance personnel
- TVM Sections' personnel
- Materials Management personnel

Exhibit 31 is a sample of the DLM scorecard from the Second Quarter, FY 2020, showing performance as a percentage of goals for Peer Group 1.

For example, 100% performance on Mean Distance Between Service Calls (MDBSC) for Northwest indicates that the actual number of MDBSC was either at or above the targeted mileage for the quarter.

Exhibit 31 Division Level Measurement (DLM) Program FY 2020, Second Quarter

Category	Northwest		East Dallas		South Oak Cliff		Rail	
	Actual	Percent to Target	Actual	Percent to Target	Actual	Percent to Target	Actual	Percent to Target
On-Time Performance	80.9%	97.47%	82.8%	99.76%	80.7%	97.23%	93.4%	100.0%
Complaints/100K Passengers ^[1]	26.7	90.18%	23.3	100.00%	26.6	88.79%	N/A	84.31%
Complaints/100k Passengers - Rail	N/A	N/A	N/A	N/A	N/A	N/A	3.7	72.72%
Complaints/100K Passengers - WSA	N/A	N/A	N/A	N/A	N/A	N/A	0.6	95.89%
Unsched. Absences (Maint.)	20.03	91.06%	6.93	100.00%	11.40	100.00%	13.34	79.27%
Unsched. Absences (Oper.)	22.54	97.29%	25.34	88.00%	22.81	97.80%	29.06	73.09%
Unsched. Absences (WSA)	N/A	N/A	N/A	N/A	N/A	N/A	11.00	78.09%
Fixed Schedule Programs Completed	N/A	N/A	N/A	N/A	N/A	N/A	11.00	100.00%
Body PMIs Completed	N/A	N/A	N/A	N/A	N/A	N/A	42.00	100.00%
Late Pullouts	223	79.94%	226	82.87%	256	76.95%	1.67	100.00%
MDBSC - Mechanical - Large Bus	8,660	100.00%	7,680	100.00%	8,248	100.00%	N/A	N/A
MDBSC - Mechanical - SMART Bus	6,422	N/A	4,636	N/A	N/A	N/A	N/A	N/A
Miles Between Service Calls - LRT	N/A	N/A	N/A	N/A	N/A	N/A	25,327	100.00%
Miles Between Service Calls - Street Car	N/A	N/A	N/A	N/A	N/A	N/A	5,334	N/A
Accidents/100k Miles	1.75	100.00%	1.95	100.00%	2.32	99.01%	N/A	N/A
Sfty Violations/100k Sched. Trn Mi.	N/A	N/A	N/A	N/A	N/A	N/A	0.49	100.00%
Ridership/Average Weekday	33,240	86.47%	33,157	66.59%	33,952	98.95%	78,721	88.38%
Unit Cost Per Hour	\$54.27	100.00%	\$53.98	100.00%	\$56.22	100.00%	63.80	100.00%
Unit Cost Per Mile	\$1.98	77.67%	\$2.36	66.79%	\$1.70	99.63%	\$4.117	100.00%
Overall Average for Quarter		92.01%		90.40%		95.84%		91.96%

Note: To be eligible for a team incentive the work group must reach the following minimum achievements:

1. Achieve an overall score of 90% or better
2. Achieve 90% or better for Complaints

[1] - Rail Complaints/100K Passengers presented as an average of Rail and WSA.

Due to the COVID-19 Pandemic the DLM Program was suspended at the end of Q2 FY 2020; therefore, the results presented in this table are for Q2 FY 2020.

Strategic Priority 5

Enhance DART's Role as a Recognized Local, Regional, and National Transportation Leader

The DART Board's Strategic Priorities and Goals include the recognition that DART has an obligation to maintain its leadership of public transportation integration and operation in North Texas – a stakeholder focus.

Regional Rail Corridor Strategic Management

Leveraging DART's ownership of 254 miles of regional rail corridors, DART provides management and contract services required for the operation, dispatching, scheduling, and maintenance of the TRE commuter rail line, and various freight lines. At the beginning in FY 2016, DART implemented a new ten-year contract for dispatching, operations, and capital maintenance for regional rail services for the TRE and Madill Subdivision with Herzog Transit Services, Inc. This contract included an option for Trinity Metro's TEXRail commuter rail line, which began operation on January 10, 2019.

Regional Transit Access Agreements

To support the regional objective to expand opportunities for transit services outside the DART Service Area, DART negotiated an umbrella agreement for access funding with the North Central Texas Council of Governments (NCTCOG). Separate agreements were negotiated with STAR Transit for access to DART's Lawnview and Buckner stations, and Texoma Area Paratransit System (TAPS) for bus access connections at Parker Road Station from McKinney, Allen, and Sherman. TAPS suspended service in January 2016. During FY 2016, DART was asked to provide senior and disabled demand responsive service to parts of Collin County left without transportation following the collapse of TAPS. The NCTCOG contracted with the DART Bus Service, LGC to provide services in Allen, Wylie, and Fairview. This NCTCOG-funded service began in February 2016 and ended 90 days later in May 2016. This emergency service allowed DART to negotiate funding with Allen, Wylie, and Fairview along with NCTCOG to provide a similar service through FY 2017. DART was able to obtain a major grant from Toyota Motor North America, Inc., as well as NCTCOG for funding to permit the cities to have a longer time to evaluate their needs for public transportation.



During FY 2017, DART implemented a program for Collin County similar to the Plano Ride Program to provide service for seniors and disabled persons and has submitted a proposal to continue the Taxi Voucher Program for FY 2018 and FY 2019. In addition, beginning in FY 2017, DART is collaborating with the cities in Collin County to complete a public transportation plan to guide future investments in transit (see updates to Collin County Rides Program section for potential changes).

DART also negotiated a general agreement with NCTCOG for funding for the TRE from non-service area cities; the method is called the Mid-Cities Fund. This agreement allows access for a commuter bus service called the Arlington MAX between UTA-Downtown Arlington and the TRE at CentrePort Station. The service ended in December 2017.

Regional Transportation Planning

DART is a voting member of the Regional Transportation Council (RTC) of NCTCOG, which is the public body responsible for the long-range regional planning and programming of Federal and State funding within the region for highways and transit.

DART actively participates on NCTCOG's Surface Transportation Technical Committee (STTC) with two formal members. The STTC provides technical advice and makes recommendations for the RTC policy body on transportation planning and capital funding issues.

DART staff also formally participates on various NCTCOG subcommittees involving bike and pedestrian issues, Intelligent Transportation System issues, Shared Mobility Programs, Vanpool and other clean air initiatives, clean energy and alternative fuels, special event planning, Managed Lanes (known as TEXpress Lanes), elderly and disabled transportation, and transit planning.

In addition, under Policy III.07, DART coordinates with non-DART communities to develop service plan opportunities in an effort to expand regional transit. Studies with the City of Arlington and the City of Mesquite were completed in FY 2017. NCTCOG is conducting studies with Collin County and best southwest cities in FY 2019 and 2020. DART will be a participant in these efforts.

Regional Integrated Corridor Management-511 Traveler Information

DART has provided primary leadership for the DFW Region in managing and operating the Region's Integrated Corridor Management (ICM) Demonstration within the US 75 Corridor since 2006. In 2013, DART implemented the first 511 system in the State of Texas to provide multi-modal, multi-agency traveler information as an outgrowth to the ICM system. DART continued to manage this system through the second quarter of FY 2017, at which time DART transferred the long-term management and operation of the 511DFW system to NCTCOG.



This was a strategic decision supported by DART and the Regional Transportation Council that was designed to reduce the financial risk to DART for maintaining the 511DFW system and help expand the focus of the program to the much larger NCTCOG regional area.

Funding: Federal, State, and Local Government Relations

Government Relations encompasses all interactions between DART and its external political environment. DART's Government Relations staff plans and implements the Agency's advocacy efforts and ensures that the exchange of information between DART, the 13 cities in the service area, the D/FW region, the U.S. Congress, the U.S. Department of Transportation including but not limited to the Federal Transit Administration and the Federal Railroad Administration, and the Texas Legislature is accurate, consistent, and timely. In addition to providing tours and briefings to elected officials and members of their staff, Government Relations responds to citizens' concerns as they are relayed to the elected officials' offices for resolution. Government Relations actively participates in transportation-related organizations such as the American Public Transportation Association, South West Transit Association, Texas Transit Association, Dallas Regional Mobility Coalition, Transit Coalition of North Texas, and the Regional Transportation Council. Government Relations oversees the day-to-day administration of DART's contracted legislative consultants in Washington, D.C. and Austin to develop appropriate advocacy strategies for securing Agency objectives for both operations and capital projects.

DART Government Relations staff monitors dialogue emanating from stakeholders and transit advocacy groups regarding the implementation of federal transportation policy authorized by the Fixing America's Surface Transportation or FAST Act, as well as annual appropriations items concerning DART's capital projects and federal funding requests. Government Relations staff coordinates with members of the Dallas-area congressional delegation to convey DART's positions on federal policy and seek letters of support on federal grant applications, such as for the TIGER program, when necessary. The staff provides timely updates on the status of any grant applications submitted by DART to the U.S. Department of Transportation. Finally, staff actively monitors the U.S. Congress and the Administration for any developments relating to potential funding for projects identified in DART's Twenty-year Financial Plan.

Funding: Rail Right-of-Way

DART owns a total of approximately 254 miles of railroad corridor. The Railroad Management Division of the Commuter Rail Department is responsible for management of DART-owned commuter rail corridors (101 miles, including the future Silver Line commuter rail line), active freight lines (175 miles [a portion of this number has both freight and commuter rail]) and non--operated/freight abandoned lines (25 miles), including the administration of trackage rights agreements with freight railroads that are fulfilling DART's common carrier obligations to provide freight rail service along the freight lines. DART jointly owns the Trinity Railway Express (TRE) with Trinity Metro.

The Regional Rail Right-of-Way Company, a wholly-owned subsidiary of DART, holds the common carrier authority and manages the trackage rights agreements and collection of trackage rights fees for the DART-owned active freight rail corridors.

In total, the division manages approximately 2,675 licenses on the various corridors. Revenues for the TRE corridor are projected at \$2.2 million for FY 2021. The DART/Trinity Metro ILA

specifies that revenues generated on the TRE Corridor are joint revenues and are to be applied against TRE operating costs.

The division is also responsible for the property management of the TRE Corridor, which includes the revenue collection from various land licenses, oil and gas leases, signboard rental income, license fees, and trackage rights fees. The potential impact of revenue generated from the oil and gas industry (natural gas wells) is discussed further below.

The non-TRE revenues are allocated to DART's general fund. Exhibit 32 provides a summary of actual and projected revenue from all activities for FY 2012 through FY 2021 (projected), excluding oil and gas leases which is shown in Exhibit 33.

Exhibit 32
Railroad Management Revenue
(in Millions)

Fiscal Year	TRE	DART	Total
2012	2.9	1.9	4.8
2013	2.9	2.0	4.9
2014	2.8	2.2	5.0
2015	2.8	2.2	5.0
2016	3.1	2.3	5.4
2017	3.4	2.5	5.9
2018	2.5	2.5	5.0
2019	2.3	2.6	4.9
2020 projected	3.0	2.6	5.6
2021 projected	2.2	2.7	4.9
Total (Actual & Projected)	\$27.9	\$23.5	\$40.9

Oil and Gas Lease Agreements

The Commuter Rail and Railroad Management Department strives to increase license and contract revenue through consistent management and enhancement of existing agreements.

In recent years, oil and gas lease revenues have fallen due to decreases in both well production and a sharp drop in natural gas prices. FY 2020 is projected to be \$100,000, and FY 2021 is projected at \$100,000.

Lease royalty and bonus revenues from FY 2012 through FY 2021 are shown in Exhibit 33.

Exhibit 33
Oil & Gas Lease Agreements
(in Thousands)

Fiscal Year	Amount
2012	\$145.5
2013	328.5
2014	455.6
2015	50.4
2016	200.0
2017	106.6
2018	119.8
2019	85.0
2020 projected	100.0
2021 projected	100.0
Total (Actual & Projected)	\$1,691.4

Budget Structure/ Financial Plan Summary

Three major components comprise the agency's FY 2021 Annual Budget:

- Operating Expense Budget
- Capital and Non-Operating Budget
- Debt Service Budget

The Operating Expense, Capital and Non-Operating, and Debt Service budgets have been developed to support the Board's Strategic Priorities (discussed starting on page 108), while retaining a focus on the core strategic objective of maintaining financial stability. The result is a fiscally responsible plan that clearly supports the agency's mission.

Exhibit 34 provides a summary view of the FY 2021 Annual Budget. The Agency's overall budget increased by \$31.2 million (2.3%) from FY 2020. The FY 2021 Operating Expense budget is \$542.3 million, a decrease from the FY 2020 Operating Expense budget of \$20 million (3.6%). The Capital and Non-Operating budget are increasing by \$49.7 million (8.3%). The Debt Service budget is increasing by \$1.5 million (0.8%).

Exhibit 34
FY 2021 Annual Budget
(in Millions)

FY19 Actuals	Category	FY20 Budget	FY21 Budget	\$ Variance	% Variance
\$539.3	Operating	\$562.3	\$542.3	(\$20.0)	(3.6%)
262.6	Capital	597.3	647.0	49.7	8.3%
197.2	Debt Service	202.5	204.0	1.5	0.8%
\$999.0	Total Expenditures	\$1,362.1	\$1,393.3	\$31.2	2.3%

Inside the Numbers

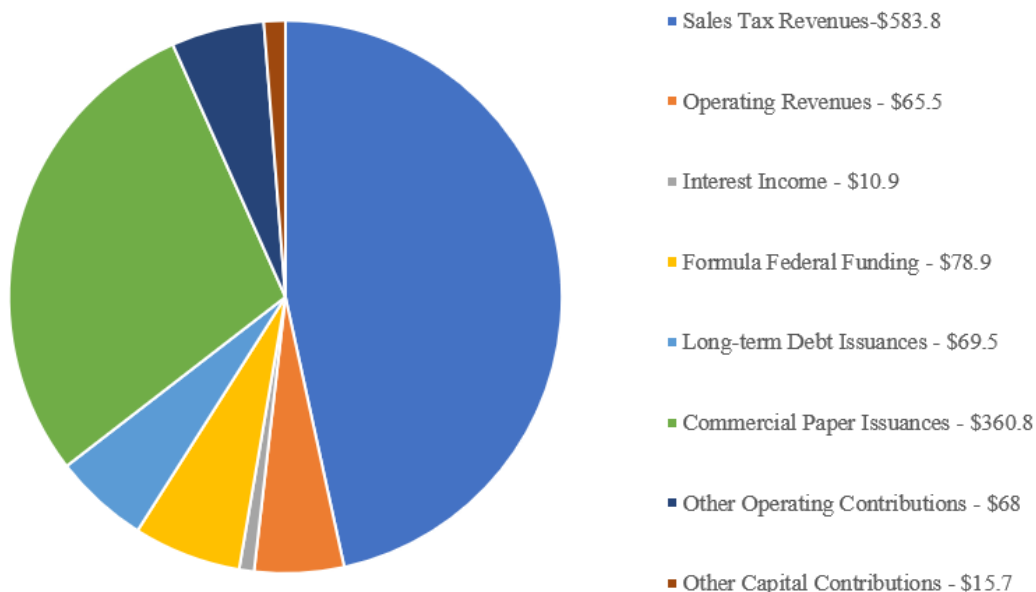
Revenue Factors

Total sources of funds as shown at Exhibit 36 are projected at \$1,269.7 million, \$41.1 million (3.1%) lower than the FY 2020 Budget. The decrease is mainly driven by \$236.4M in Federal Funding reduction and \$7.0M in commercial paper issuances due to the Silver Line corridor alignment and the D2 Light Rail alignment. Sales tax revenues increased \$26.9M compared to projected FY 2020 of \$556.9 million. Additional information about Sources of Funds over the next 20 years can be found in the *Financial Plan* Section.

Exhibit 35
Sources of Funds
(in Millions)

	Budget FY 2020	Projected FY 2020	Proposed FY 2021
Sales Tax	\$628.1	\$556.9	\$583.8
Operating Revenues	\$85.1	\$61.4	\$65.5
Interest Income	\$18.2	\$7.0	\$10.9
Formula Federal Funding	\$81.3	\$288.5	\$78.9
Discretionary Federal Funding	\$85.5	\$96.3	\$69.5
Long-term Debt Issuances	\$395.4	\$195.4	\$360.8
Commercial Paper Issuances	\$75.0	\$75.0	\$68.0
Other Operating Contributions	\$15.3	\$15.3	\$15.8
Other Capital Contributions	\$30.7	\$14.9	\$16.5
Total	\$1,414.6	\$1,310.7	\$1,269.7

Exhibit 36 Breakdown of FY 2021 Sources of Funds (\$ in Millions)



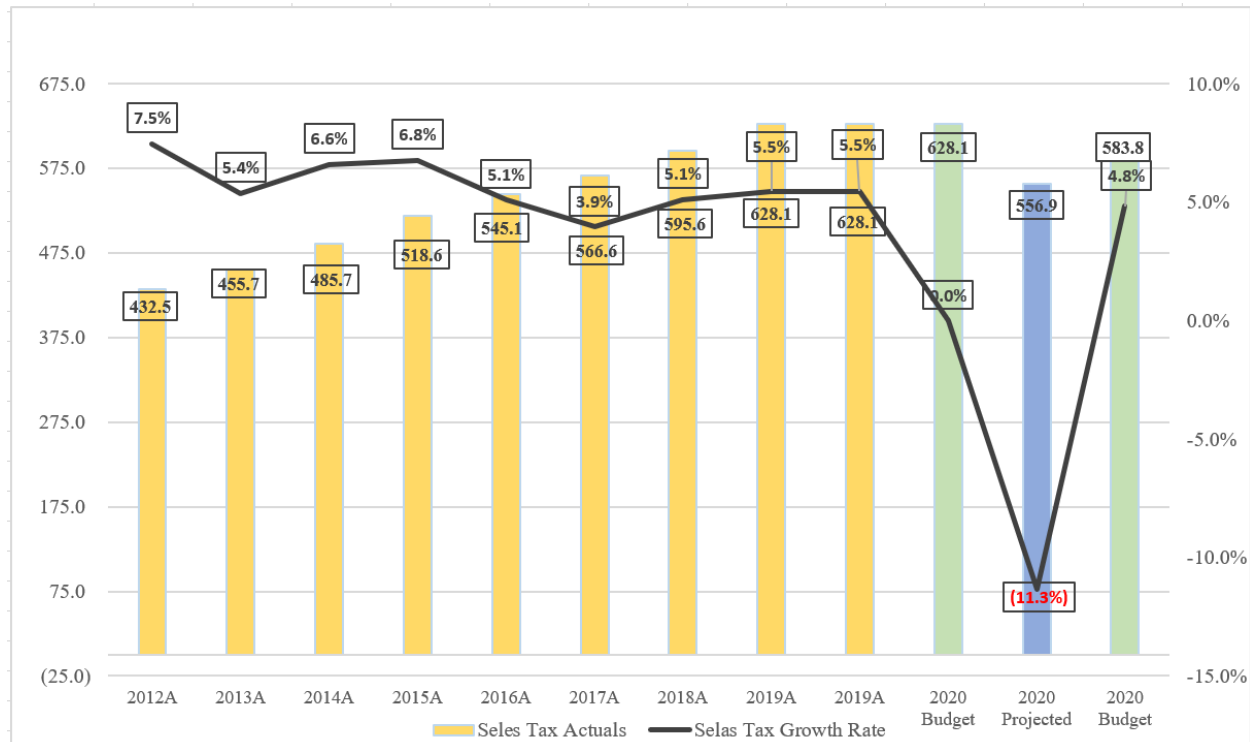
Sales Tax Revenues are projected at \$583.8 million for FY 2021. Sales tax revenues represent 46.0% of total sources of funds for FY 2021 (69.4% excluding debt issuances) and is the largest source of revenue for the Agency.

The sales tax projections contained in the FY 2021 Budget are \$44.3 million lower than the FY 2020 budget due to the economic impact of the COVID-19 pandemic. The FY 2021 Budget includes a modest recovery, with sales taxes increasing by \$26.9 million (4.8%) over FY 2020 projected receipts.

Exhibit 37 shows the year-over-year growth of sales tax from FY 2012 Actual through FY 2020 Budget in terms of both dollars and percentages.

More discussion of future sales taxes is included in the *Financial Plan Section*.

Exhibit 37 Sales Tax Data, Historical and Projected (in Millions)



The category of Operating Revenues totals \$65.5 million for FY 2021, and passenger revenues constitute 79.6% (\$52.1 million) of total operating revenues. While this is a \$4.1 million (6.6%) increase from FY 2020 projected revenues, it is still a \$19.6 million (23.0%) decline from the FY 2020 budget as DART continues to expect a substantial negative impact on ridership from the pandemic. Other components of operating revenues include such items as advertising, lease & rental income and contract service agreements with entities outside the service area.

Interest income is projected to decrease by \$7.3 million (40.1%) from the FY 2020 Budget due to falling interest rates. After a long period of extremely low interest rates, rates had been on the rise. One-year treasury rates had risen from 0.10% in October of 2014 to as high as 2.73% in November of 2018. That steady increase had reversed through February of 2020, but still stood at approximately 1.5% in February 2020, before plunging back down to virtually zero after the pandemic arrived in the US.

The Federal Funds line item includes both Formula and Discretionary Federal Funding. Formula funds include Urbanized Area Formula program (UAFB), State of Good Repair (§ 5337), Bus and Bus Facilities Formula Grants (§ 5339), and High-Density States and Growing States (§ 5340) programs. Discretionary funds are authorized under 49 U.S.C. § 5309 (New Starts/Core Capacity/Small Starts) and other programs such as Congestion Mitigation and Air Quality Improvement program (CMAQ) and the State of Texas Mobility Fund (TMF).

In addition to those programs and in response to the COVID-19 pandemic, the federal government passed multiple relief laws designed to mitigate the negative economic impact of the pandemic. DART expects to receive nearly \$230 million in CARES Act (The Coronavirus Aid, Relief, and Economic Security Act) funding and as a result, this line item is budgeted to decrease by \$209.6 million (72.7%) from FY 2020 projected values. Excluding the extraordinary CARES Act funding, Federal Funding revenues are only expected to decline by \$2.4 million (3.0%) from the FY 2020 Budget, and that is the more reasonable comparison.

Long-term Debt Issuances is projected to increase by \$165.4 million (84.6%) to total over \$360 million to fund increased construction activities on the Silver Line.

The Commercial Paper Issuances is projected to decrease by \$7.0 million (9.3%), which is also related to the Silver Line, but as more long-term debt is drawn from the Federal Railroad Administration's Railroad Rehabilitation & Improvement Financing (RRIF) program, less commercial paper is needed for short-term funding.

Other Operating Contributions are increasing slightly, by just \$0.5 million (3.3%) over FY 2020 projected amounts. 97% of Other Operating Contributions are from the Trinity Metro's contribution to TRE operating expenses and the City of Dallas' portion of the Dallas Streetcar operating costs.

89.6% of Other Capital Contributions are from the Trinity Metro's contribution to TRE capital projects. The FY 2021 budget of 16.5 million is an increase by of \$1.6 million (10.7%) over FY 2020 projected values.

More discussion of the long-term revenues is included in the *Financial Plan Section*.

Operating Expense Assumptions

The Operating Expense Budget is approved in total by the Board of Directors in late September of each year.

The following assumptions were used to develop the FY 2021 Operating Budget:

- Salary and Wage Assumptions
 - Funds will not be available for wage increases for hourly and salaried personnel.
 - Hourly wage progressions based on tenure and training will continue.
- Benefits Assumptions
 - DART is undergoing a healthcare program restructuring to combat rising healthcare costs, focusing on increased accountability of cost and quality of care by providers. This was reflected in the FY 2020 budget and will continue in FY 2021.

- DART is self-insured for health insurance claims with a third-party administrator.
- Fuel and Energy Assumptions
 - The majority of DART's CNG fuel costs are fixed price by contract and result in an average cost of approximately \$0.97 per DGE (diesel gallon equivalent). CNG fuel is also used for all vehicles providing Paratransit service.
 - Diesel fuel is budgeted at \$1.65 per gallon for TRE.
 - Electricity rates per kWh are budgeted at \$0.06856 with an assumption of 11.32 kWh/car mile consumption rate for light rail vehicles (LRV).
- Purchased Transportation Contract Rates
 - Trinity Railway Express services are provided through a 10-year contract with Herzog Transit Services, Inc. FY 2021 is the sixth year of that contract.
 - FY 2021 is the second year of a three-year contract with MV Transportation for delivery of Paratransit services.
 - DART provides Vanpool services through a new third-party contractor (AVR Vanpool).
- Service Levels
 - Bus: Because of the dramatic negative impact of COVID-19 Pandemic upon bus ridership and operational budget resources, FY20 service levels were reduced by approximately 25% beginning April 6th. Generally speaking, weekday service frequency was reduced to Saturday service levels for most routes. FY 2021 service levels will be restored to weekday frequency over FY 2020 based upon ridership increases and the requirements for social distancing.
 - Light Rail: In FY 2020, service levels were reduced on weekdays from 15-minute peak frequency to 20-minute peak period frequency due to the large reduction in ridership. In FY 2021, LRT evening frequency will be changed from 20 minutes to 30 minutes between 7:00 pm and 10:00 pm. Weekday frequency on LRT before 7:00 pm on weekdays will be unchanged in FY 2021.
 - Streetcar: In FY 2021, the City of Dallas is considering a reduction in service frequency and hours of operation on the Dallas Streetcar. These changes are considered to be temporary until the City of Dallas' revenue conditions following COVID-19 improve.
 - Commuter Rail: As stated earlier, the Trinity Railway Express Commuter Rail services are provided by Herzog Transit Services, Inc. through a 10-year contract. The contract includes service costs for TRE and TEXRail project, which opened in January 2019. In FY 2021, the TRE will begin the fiscal year with lower service levels due to COVID-





19. As ridership and operating revenues increase, TRE service may be restored to pre-pandemic frequency within the fiscal year.
- General Mobility: The General Mobility program consists of vanpool services and site-specific shuttle services. In FY 2020, the COVID-19 Pandemic caused a large reduction in the number of van pools reaching as low as nine (9) in June 2020. FY 2021 will be focused on restoring vanpool service as the impacts of COVID-19 permit. Shuttle services also experienced large reductions in ridership during FY 2020. UTD, Richardson, and DFW shuttle services were reduced during FY 2020. FY 2021 services levels will be restored as ridership requires.
 - Reserves
 - Funding in the amount of approximately \$650,000 is included in the FY 2021 Budget for possible cost increases or programs unknown during the budget process. These funds may or may not be used during the fiscal year.

Exhibit 38 shows DART's operating expenses by department for the fiscal years 2020 – 2021.

Exhibit 38
FY 2020 – FY 2021 Departmental Expense Comparison
(in Thousands)

Department	FY 2020 Budget	FY 2021 Budget
President Direct Reports	\$34,541	\$32,458
EVP Customer Care/Svc Delivery	437,959	422,517
EVP Business Solutions & Innovations	50,009	48,928
EVP Growth & Regional Services	49,494	46,149
Board Directs	6,201	6,025
Agency-Wide Benefits Allocation/Initiatives	(2,045)	494
Total Departmental Expenses	\$576,157	\$556,571
Capital P&D and Startup	(\$13,854)	(\$14,273)
Total Operating Expenses	\$562,303	\$542,298



Operating Budget Highlights

DART's FY 2021 Operating Expense budget decreased by \$20.0 million (3.6%) to \$542.3 million. Employee compensation, in the form of Salaries and Wages (\$256.4 million) and Benefits (\$122.0 million), comprised 69.1% of the total operating budget. The third largest element of the operating budget is Purchased Transportation at 10.9% (\$63.1 million).

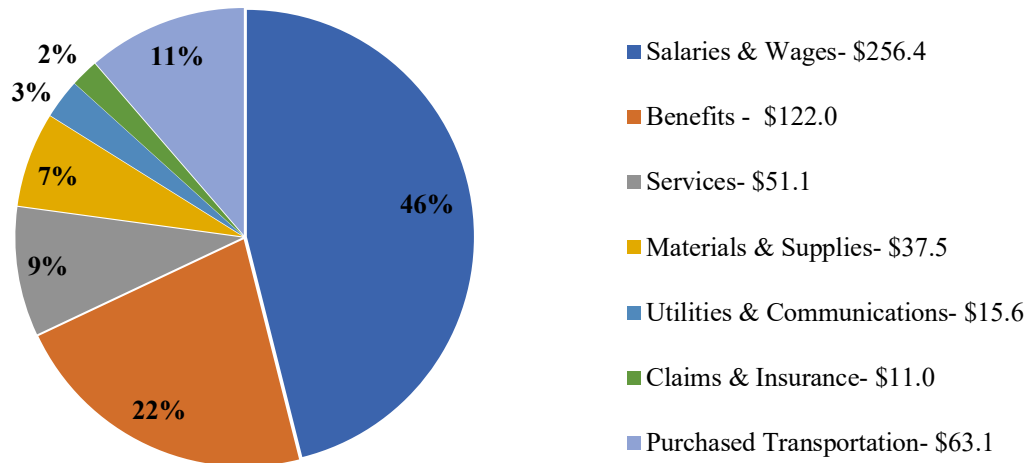
Exhibit 39 displays the Operating Expense budget by object classification and FY 2020 budget, FY 2020 Projected, and the FY 2021 budget.

Exhibit 39
Operating Expenses by Object Classification
(in Millions)

Object Classification	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	\$ Variance	% Variance
Salaries & Wages	\$272.3	\$265.7	\$256.4	(\$15.9)	(5.8%)
Benefits	124.5	121.5	122.0	(\$2.5)	(2.0%)
Services	50.3	45.5	51.1	\$0.8	1.6%
Materials & Supplies	41.3	42.6	37.5	(\$3.8)	(9.2%)
Utilities & Communications	16.0	17.0	15.6	(\$0.4)	(2.6%)
Claims & Insurance	6.8	10.8	11.0	\$4.2	61.7%
Purchased Transportation	65.0	59.5	63.1	(\$2.0)	(3.1%)
Sub-Total (All Expenses)	\$576.2	\$562.6	\$556.6	(\$19.6)	(3.4%)
Capital P&D	(13.9)	(10.9)	(14.3)	(\$0.4)	3.0%
Total Operating Expenses	\$562.3	\$551.7	\$542.3	(\$20.0)	(3.6%)

Exhibit 40, shown on the following page, illustrates the operating budget, showing the amounts and relative proportions of each component.

Exhibit 40 FY 2021 Operating Expenses by Component (in Millions)



Please note that the expenses totaled in Exhibit 40 above exceed the operating budget by \$14.3 million. This is the amount of departmental expenses classified as Capital Planning & Development costs (Capital P&D).

Salaries and Wages – The FY 2021 Salaries and Wages budget is \$256.4 million, a \$15.9 million (5.8%) decrease from the FY 2020 budget.

Exhibit 41, on the following page, shows a comparison of positions between FY 2020 and FY 2021. Total authorized positions have decreased due to projected FY 2021 Service Levels.



Exhibit 41 Budgeted Positions

FY 2021 Budgeted Full Time Employees		
FY 2020 Approved (FTE)	Department	FY 2021 Budgeted (FTE)
3	Total Executive Admin	3
16	Total Safety Office	16
14	Total Government Relations	14
13	Total Chief of Staff	13
16	Total Diversity	14
62	Total Executive	60
99	Total Finance	90
3	Total EVP Admin	3
3	Total Business Innovation	3
40	Total Human Resources	38
52	Total Marketing & Communications	52
35	Total Procurement	34
78	Total Technology	73
211	Total EVP Administration	203
15	Total Commuter Rail & RRMgmt	15
29	Total Planning & Development	26
10	Total Rail Planning	10
39	Total Rail Prog. Dev.	35
93	Total EVP Growth	86
9	Total EVP CC/SD	8
30	Total Materials Mgmt	30
429	Total DART Police	429
57	Total Mobility Mgmt Svcs	57
197	Total Light Rail Operations	197
192	Total Bus Operations	192
64	Total Engineering	58
978	Total Customer Care/Service Delivery	971
5	Total Board Support	5
9	Total Internal Audit	9
20	Total General Counsel	20
34	Total Board Direct	34
1,477	Total Salaried	1,444
	Agency Hourly	
18	Finance	18
46	Marketing	35
422	Light Rail	401
384	Bus Operations	353
49	Materials Management	49
919	Hourly Non-Operator	856
214	Light Rail Operators	210
1,363	Bus Operators	1,238
1,577	Total Bus & Rail Operators	1,448
2,496	Total Hourly	2,304
3,973	Grand Total Departments	3,748



Benefits – The Benefits line includes all statutory benefits such as FICA and Workers' Compensation, and the agency discretionary benefits such as Health Insurance, Life Insurance, Retirement Plans (Defined Benefit, Defined Contribution, and 401k), etc.

The FY 2021 Benefits budget is \$122.0 million, a \$2.5 million (2.0%) decrease from the FY 2020 budget, as shown below in Exhibit 42.

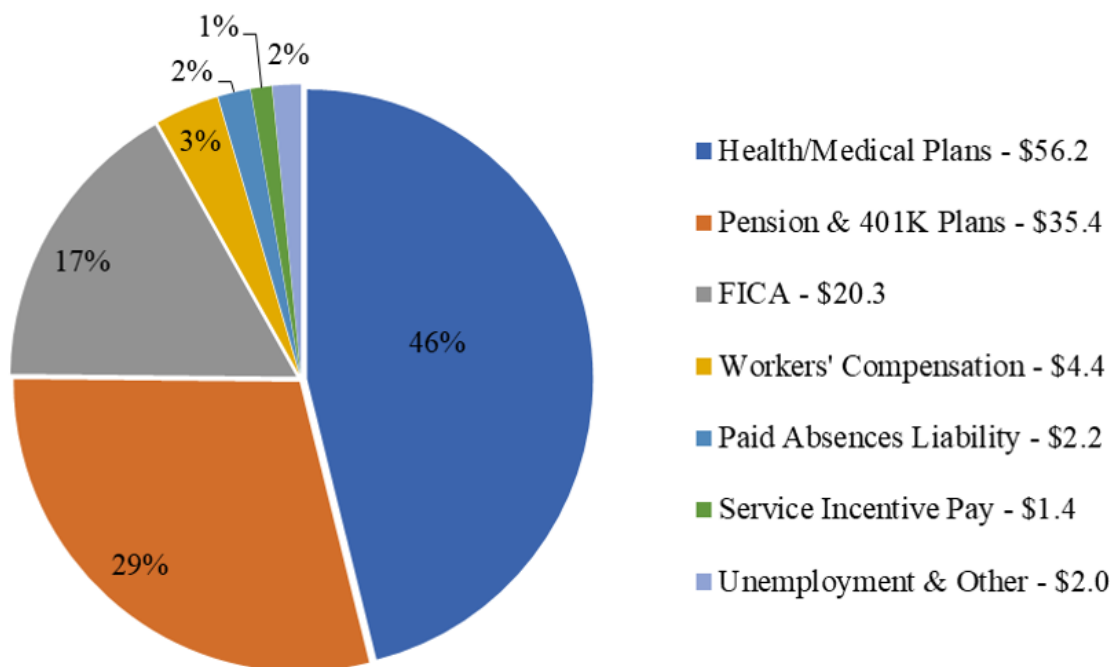
Exhibit 42
Benefits Expenses by Type
(in Thousands)

Object Classification	FY20 Budget	FY21 Budget	\$ Variance	% Variance
Health/Medical Plans ^[1]	\$58,792	\$56,209	(\$2,583)	(4.4%)
Pension & 401K Plans	35,614	35,448	(165)	(0.5%)
FICA	19,859	20,270	411	2.1%
Workers' Compensation	4,473	4,394	(79)	(1.8%)
Paid Absences Liability	2,506	2,237	(269)	(10.7%)
Service Incentive Pay	1,526	1,446	(80)	(5.3%)
Unemployment & Other	1,703	1,958	255	15.0%
Total Benefits	\$124,472	\$121,962	(\$2,510)	(2.0%)

[1] Medical plans include medical, vision, dental claims and employee contributions for active and retirees

Exhibit 43 is an overview of the percentage of expenditure to major components within the Benefits category for the FY 2021 budget.

Exhibit 43
Benefits Budget by Component
(in Millions)



- *Health, Life, and Disability* insurance remains the major cost driver of all DART benefits. The decrease year-over-year is approximately \$2.5 million (2.0%).
- DART has seen success in controlling the rate of increase of the Workers' Compensation program over the past few years.

Services – The FY 2021 Services budget of \$51.1 million represents 1.6% of the total agency budget. This is an increase of \$0.8 million (1.6%) more than the FY 2020 budget.

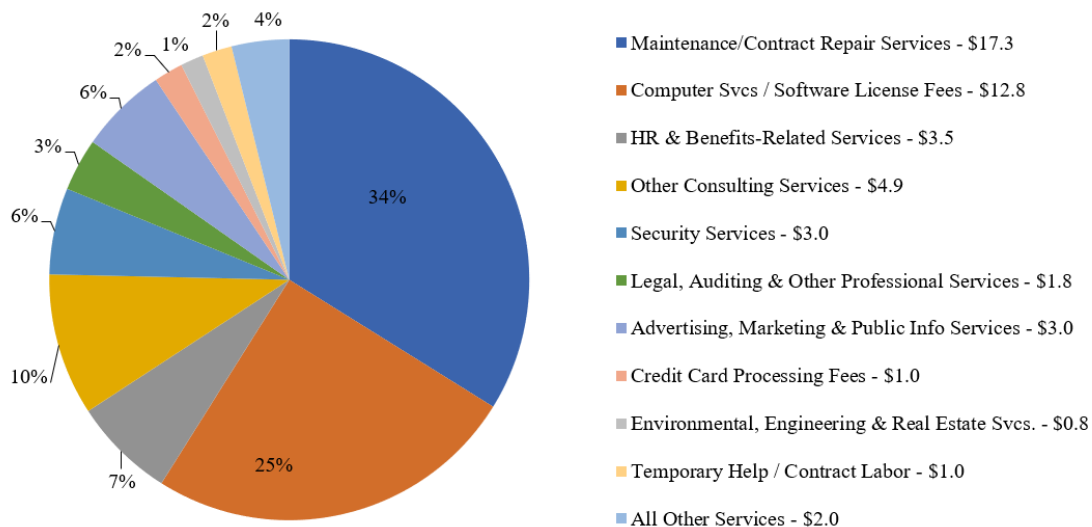
Exhibit 44 details the Services component of the budget.

Exhibit 44 Services Expenses by Type (in Thousands)

Object Classification	FY20 Budget	FY21 Proposed	\$ Variance	% Variance
Maintenance/Contract Repair Services	\$16,524	\$17,286	\$762	4.6%
Computer Svcs / Software License Fees	11,277	12,813	1,536	13.6%
HR & Benefits-Related Services	3,589	3,506	(83)	(2.3%)
Other Consulting Services	5,788	4,876	(912)	(15.8%)
Security Services	2,971	2,971	0	0.0%
Legal, Auditing & Other Professional Services	2,013	1,806	(207)	(10.3%)
Advertising, Marketing & Public Info Services	2,816	3,014	197	7.0%
Credit Card Processing Fees	1,001	1,001	0	0.0%
Environmental, Engineering & Real Estate Svcs.	872	790	(82)	(9.4%)
Temporary Help / Contract Labor	1,141	1,023	(118)	(10.4%)
All Other Services	2,282	1,979	(303)	(13.3%)
Total Services	\$50,275	\$51,065	\$790	1.6%

Exhibit 45 illustrates the composition of the Services line item of the budget.

Exhibit 45 FY 2021 Services Budget by Component (in Millions)



Materials and Supplies – The budget for *Materials and Supplies* decreased year-over-year by \$3.8 million (9.2%).

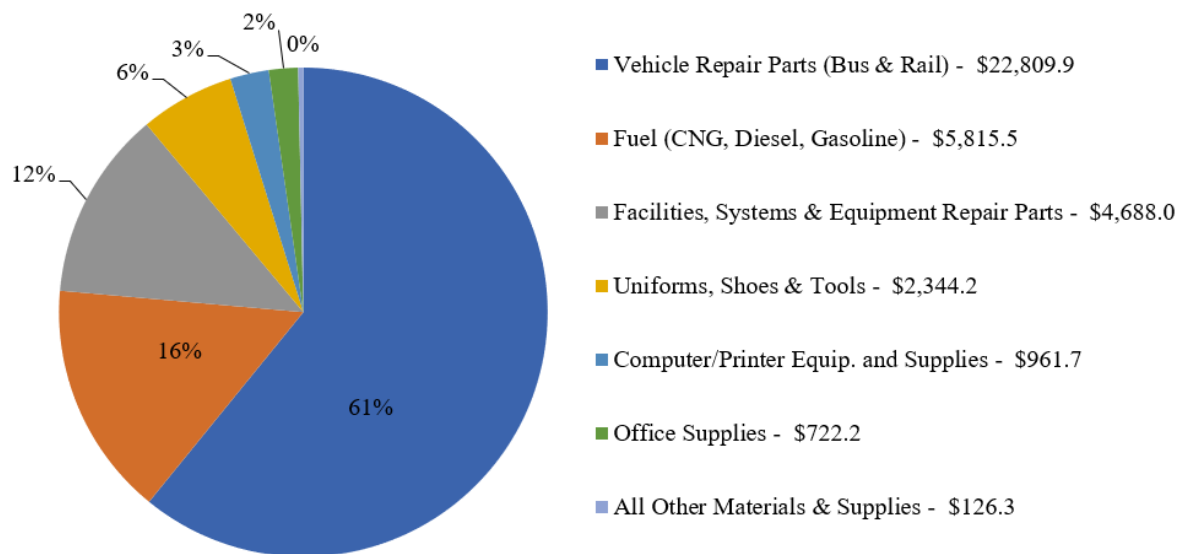
- Vehicle Repair Parts have increased by \$1.5 million (6.8%).
- The Vehicle Repair Parts increase was offset by year-over-year decreases in Fuel.

Exhibits 46 and 47 provide details about the Materials & Supplies component of the budget.

Exhibit 46
Materials & Supplies Expenses by Type
(in Thousands)

Object Classification	FY20 Budget	FY21 Budget	\$ Variance	% Variance
Vehicle Repair Parts (Bus & Rail)	\$21,351	\$22,810	\$1,459	6.8%
Fuel (CNG, Diesel, Gasoline)	10,759	5,816	(4,943)	(45.9%)
Facilities, Systems & Equipment Repair Parts	4,576	4,688	112	2.4%
Uniforms, Shoes & Tools	2,534	2,344	(190)	(7.5%)
Computer/Printer Equip. and Supplies	1,223	962	(262)	(21.4%)
Office Supplies	655	722	67	10.2%
All Other Materials & Supplies	180	126	(54)	(30.0%)
Total Materials & Supplies	\$41,279	\$37,468	(\$3,811)	(9.2%)

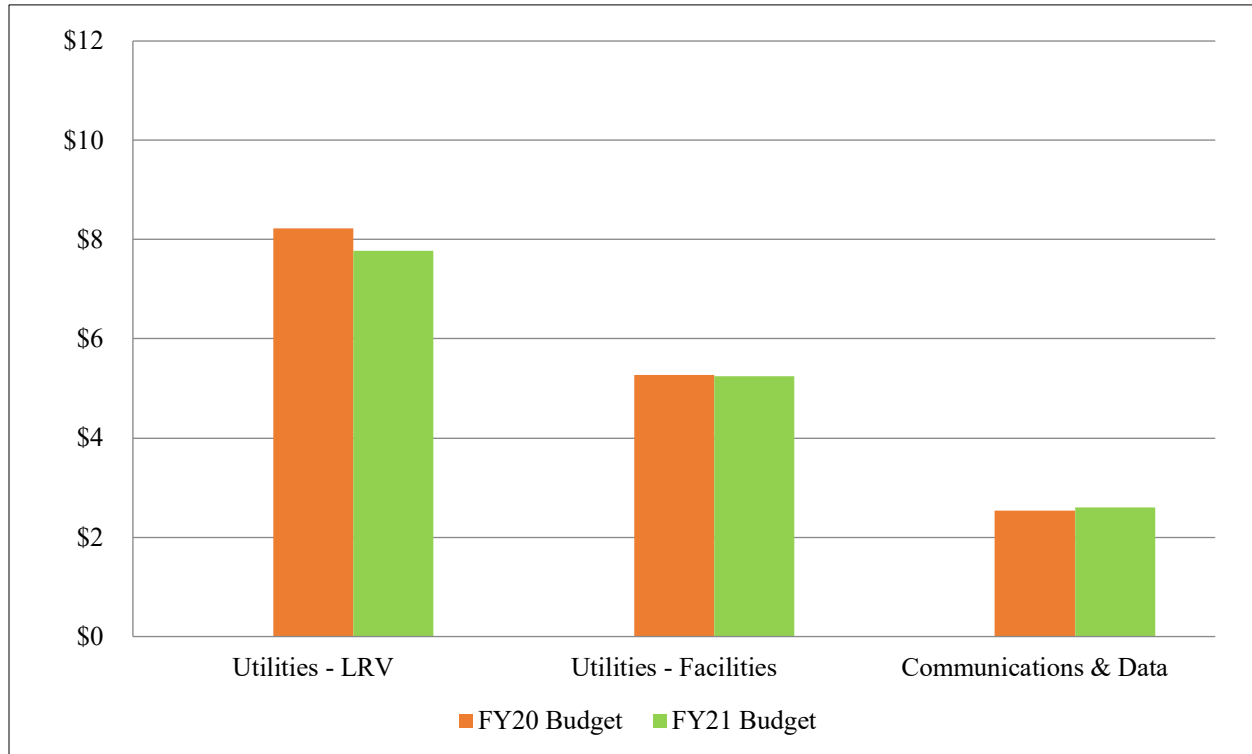
Exhibit 47
FY 2021 Materials & Supplies Budget by Component
(in Thousands)



Utilities and Communications – This category includes electricity for the Light Rail system and DART facilities, as well as phone and data services for the agency. The budget for FY 2021 is \$15.6 million, a 2.6% decrease year over year. This category represents 2.8% of the total Agency's operating budget.

Exhibit 48 compares the Utilities & Communications expenses over the two three years.

Exhibit 48
FY 2021 Utilities & Communications Expense Comparison
(in Millions)



Claims and Insurance – This category includes DART’s liability claims and property insurance costs. DART is 100% self-insured for liability claims relating to bus accidents and other operations. On rail operations liability, DART is self-insured for the initial \$3 million per occurrence. DART also carries insurance for Errors and Omissions Liability and other coverage. DART carries property insurance with a \$250,000 deductible per occurrence.

Purchased Transportation – These services are purchased through a third party to provide transportation services for DART. The budget for this category decreased by \$2.0 million (3.1%) in the FY 2021 budget due to decreases in service levels.

Exhibit 49 compares Purchased Transportation expenses between FY 2020 and FY 2021.

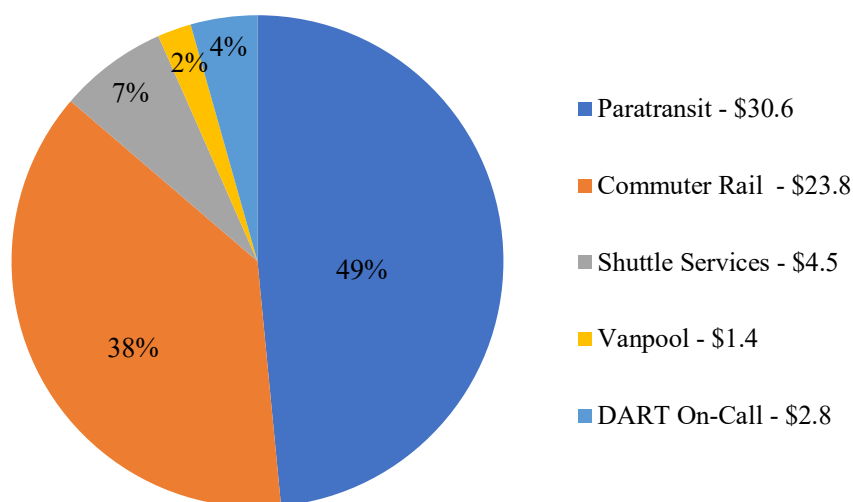
Exhibit 49
Purchased Transportation Expenses by Type
(in Thousands)

Object Classification	FY20 Budget	FY21 Budget	\$ Variance	% Variance
Paratransit	\$31,017	\$30,563	(\$454)	(1.5%)
Commuter Rail	25,206	23,839	(1,367)	(5.4%)
Shuttle Services	4,249	4,489	240	5.6%
Vanpool	2,109	1,400	(709)	(33.6%)
DART On-Call	2,458	2,764	306	12.4%
Total Purchased Transportation	\$65,039	\$63,054	(\$1,985)	(3.1%)

- Paratransit contract costs decreased by \$0.5 million (1.5%) because of COVID-19 reduction in service level trips.
- Trinity Railway Express costs decreased \$1.4 million (5.4%) due to service level reduction.
- Shuttle Services increased slightly 5.6% primarily due to new Mobility as a Service (MaaS) service.

Exhibit 50 highlights the components of the Purchased Transportation category.

Exhibit 50
FY 2021 Purchased Budget by Component
(in Millions)





Capital and Non-Operating Budget

Exhibit 51 is a summary of the Capital and Non-Operating Project Expenditures from FY 2020-FY 2021, which includes: Light Rail Transit (LRT) expansion; TRE track work; vehicle and facility capital maintenance programs; scheduled replacement of vehicles, facilities, infrastructure; etc. A comprehensive list showing all capital and non-operating projects (and associated reserves) is shown in Exhibit 18, in the *Financial Plan Section*.

Exhibit 51 Capital & Non-Operating Project Expenditure Comparison (in Millions)

Category	FY20 Budget	FY21 Budget	\$ Variance
Total Capital Projects	563.5	609.7	46.1
Capital Planning & Development & Startup cost	14.0	14.3	0.3
Non-Operating	5.0	12.6	7.6
Sub-Total Capital / Non-Operating	582.5	636.5	54.0
Road Improvements			
PASS/TSM (General & Street Repair Program)	10.6	6.4	(4.2)
Transit Related Improvement Program	4.3	4.1	(0.2)
Sub-total Road Improvements	14.9	10.5	(4.4)
Total Capital & Non-Op./Road Imp.	597.3	647.0	49.7

Debt Service Budget

The FY 2021 Debt Service Budget is shown below in Exhibit 52. Additional information on DART's Debt Program can be found in the *Financial Plan Section*.

Exhibit 52 Debt Service Expense Comparison (in Millions)

Description	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Variance
Long-Term Debt Interest Expense*	\$137.9	\$131.9	\$137.1	(\$0.8)
Commercial Paper Program Expenses	4.1	1.7	2.2	(1.9)
Financial Advisor and Other Fees	0.5	0.5	0.5	0.0
Total Expenses	\$142.5	\$134.1	\$139.8	(\$2.7)
Principal Repayments - Bonds**	\$60.0	\$60.0	\$64.2	\$4.2
Total Debt Service Budget	\$202.5	\$194.1	\$204.0	\$1.5

* Includes Build-America Bonds (BABs) interest expense net of 32% federal subsidy.

** Refunding bonds replace existing debt with an equal amount of new debt and are counted here as zero net new debt issued.



DART Buses Deliver Meals for DISD Students.



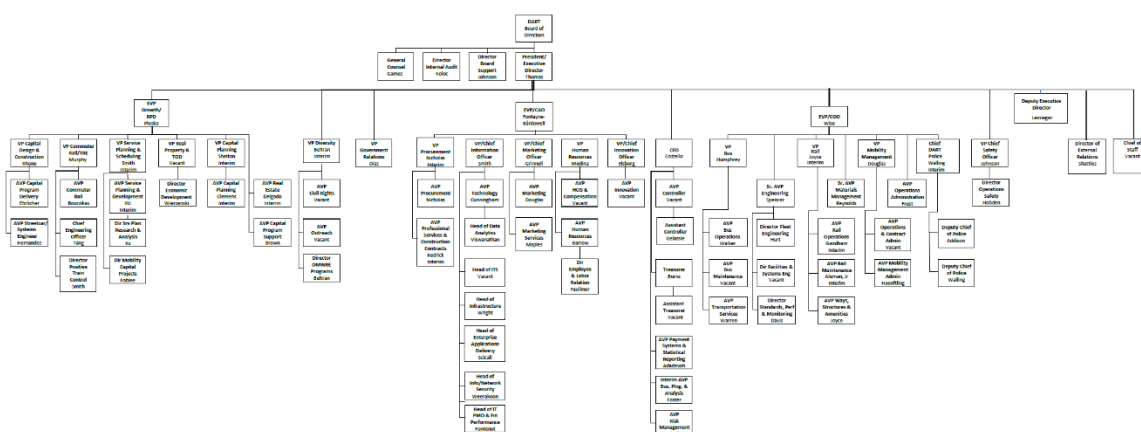
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Organizational Units

This section contains key performance indicators and budget details by mode, as well as goals and functions by organizational unit.

Overview

DART is organized broadly along the following functional lines (“organizational units”).



Customer Care & Service Delivery

Charged with providing effective, efficient, safe, and secure transportation service.

- 5 Star Service Program
- Bus Operations Division
- Light Rail Operations Division
- Engineering
- Training and Technology
- Materials Management
- Mobility Management
- System Police and Security

Workforce & Customer Safety

Providing a structure for a safe transportation network for customers and citizens of the DART Service Area, and the safest work environment for employees, customers, and people on DART property and construction sites.

- Operations
- Customers

Growth/Regional Development

Planning & Development of the overall system.

- Planning & Development
- Capital Planning
- Capital Design & Construction
- Commuter Rail and Railroad Management
- Real Property and Transit Oriented Development (TOD)

Business & Innovative Solutions

Maximizing Agency resources through innovative technology, dynamic marketing, effective procurement, and engaging talent management.

- Technology
- Marketing & Communications
- Procurement
- Human Capital
- Innovation

Workforce Leadership & Development

Providing effective leadership.

- Diversity & Labor Services
- Government and Community Relations
- Office of Policy & Strategy

Finance

Providing astute fiscal management.

- Accounting
- Business Planning & Analysis
- Revenue
- Risk Management
- Treasury

External Relations

Serves as the voice of the agency. The varied activities of this group reach customers, prospective customers, and stakeholders. Staff are responsible for ongoing media relations support as well as public meetings required by statute. Transit Education staff are in the field almost daily reaching "students" of all ages with DART information as well as teaching them about the value of public transit in North Texas.

- Media Relations
- Social & Digital Media
- Community Relations
- Transit Education

Functional Units Reporting Directly to the Board of Directors

The **Office of the General Counsel** represents the Agency in all judicial and administrative proceedings, including Equal Employment Opportunity Commission, employee grievance, and procurement and construction disputes. The Office also provides advice, guidance, and counsel to the Board of Directors and Agency staff on ethics, transactional, real estate, procurement, labor/employment, and regulatory matters. The Office manages the Open Records function in coordination with representatives of the various agency departments.

In accordance with DART's Audit Committee Charter and the Internal Audit Department Charter, the **Office of Internal Audit** operates as an independent appraisal function within DART, reporting to the Board of Directors through the Audit Committee of the Board. The Internal Audit Department conducts audits of operational functions, including technology, to assess the control of the risks to business objectives, and audits of contracts for compliance.

The **Office of Board Support** provides administrative support to the Board of Directors. The primary functions of this office are to disseminate information in a variety of formats to each

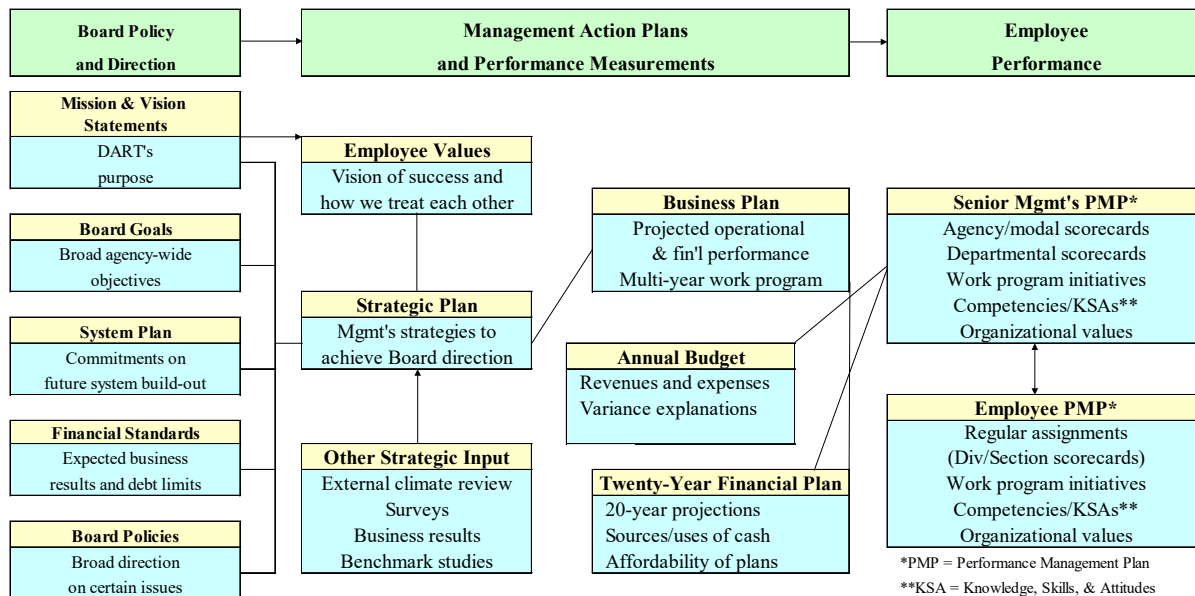
Board member, to assist in handling Board member requests, coordination of Board/Committee meeting materials, coordination of meeting schedules for Board members, and maintaining official documents of all Board/Committee meetings as well as confidential Board personnel files. The Director of Board Support is also responsible for serving as Secretary to the Trial Board and as Administrative Law Secretary. Administrative support is provided to the Trial Board members, who hear and render decisions on the final appeal on employee grievances, and the Administrative Law Judges, who hear and render decisions on DART contract disputes.

The FY 2021 Operating Budget and Positions by Department are shown in the *FY 2021 Annual Budget* section, in Exhibits 39, 40 and 41.

Development of Unit Goals

DART's leadership uses a framework of aligned strategic planning tools to ensure DART employees understand how their jobs and performance are linked to the Agency's mission statement, direction, and strategic priorities. DART's Strategic Alignment Structure is shown in Exhibit 53. Performance measurements are incorporated into tracking and reporting processes at all levels of the Agency. The major components of the leadership system are described in more detail in the remainder of this section.

Exhibit 53
DART's Strategic Alignment Structure



Mission Statement – DART’s mission statement defines the purpose for which the Agency was created:

To benefit the region by providing a sustainable system of innovative, affordable, reliable and safe mobility options for our riders that enhances the quality of life and stimulates economic development.

Vision Statement – To help achieve the Board’s mission and strategic priorities, the Board has approved a vision statement to address DART’s customers and stakeholders.

Transforming our region with mobility options that connect people, communities and destinations

Board Strategic Priorities – To achieve this mission and ensure Agency alignment, in February 2020 the Board adopted the following five Strategic Priorities for FY 2021 through FY 2025:

1. Enhance the safety and service experience through customer focused initiatives
2. Provide stewardship of the transit system, agency assets and financial obligations
3. Innovate to enhance mobility options, business processes and funding
4. Pursue excellence through employee engagement, diversity, development and well-being
5. Enhance DART’s role as a recognized local, regional and national transportation leader

DART Organizational Values – The Agency’s values statement is:

DART employees value being:

- Focused on Our Customers
 - ✓ We are dedicated to meeting our customers’ needs.
 - ✓ We strive for continuous improvement.
 - ✓ We deliver quality.
- Committed to Safety and Security
 - ✓ We require safety and security to be the responsibility of every employee.
 - ✓ We are committed to ensuring the safety and security of our passengers and employees.
- Dedicated to Excellence
 - ✓ We demonstrate a high regard for each other.
 - ✓ We are committed to innovation and learning from our experiences.
 - ✓ We hold ourselves accountable.
 - ✓ We coach, reinforce, and recognize employees.

- ✓ We foster an environment promoting diversity of people and ideas.
- Good Stewards of the Public Trust
 - ✓ We responsibly use public funds and property.
 - ✓ We maintain open communication with customers and stakeholders.
 - ✓ We respect the environment.
 - ✓ We strive to mitigate risk.
 - ✓ We demand integrity and honesty.

Strategic Plan

DART's Strategic Plan identifies, integrates, and aligns DART's priorities, goals, and tactical objectives. The Plan provides a dynamic structure for staying on track with long-term financial, development, and operational commitments within a rapidly changing political and economic context.

The Strategic Plan identifies what needs to be accomplished; the Business Plan defines how management intends to achieve it. Management's Goals, Department Objectives, and Department Performance Measures indicate progress on the Strategic Plan's priorities.

The Strategic Plan and the events and initiatives contained in the Business Plan are the basis for the FY 2021 Annual Budget and Twenty-Year Financial Plan and for measuring management and employee performance. Executive management monitors key scorecard elements and work program initiatives on a monthly and quarterly basis. Exception reporting for key scorecard elements is provided to the Board on a quarterly basis in a green/yellow/red format. For more information on performance reporting, readers should review a copy of DART's Quarterly Operating and Financial Performance Report, which is available on DART's website, DART.org.

DART's Strategic Measurements – Exhibit 55 highlights DART's strategic measurements. The leading indicators are the key financial, operational, and employee performance drivers that, if achieved, will yield improved Agency-wide performance. Measurement definitions are included in the Glossary, which starts on page 364 and is located in the *Reference Section* of this document.

The measurements in Exhibit 54 as well as other measurements are used by the DART organizational units to assess progress towards performance that supports the achievement of DART strategic goals. These measurements ("key performance indicators" or KPIs) can be found in more than one organizational unit – as many agency activities support each strategic priority.



Exhibit 54
DART's Strategic Measurements

Strategic Priority	Examples of Key Leading Indicators	Examples of Key Lagging Indicators
<ul style="list-style-type: none"> Enhance the safety and service experience through customer-focused initiatives 	<ul style="list-style-type: none"> On-time performance Accidents per 100k miles Complaints per 100k passengers Call Center service levels 	<ul style="list-style-type: none"> Ridership Passengers per mile/hour Customer satisfaction surveys Passenger revenues Passengers per mile/hour
<ul style="list-style-type: none"> Provide stewardship of the transit system, agency assets and financial obligations 	<ul style="list-style-type: none"> Revenue miles/hours Average system speed Timely replacement of assets Mean distance between service calls 	<ul style="list-style-type: none"> Ridership Customer satisfaction surveys
<ul style="list-style-type: none"> Innovate to enhance mobility options, business processes, and funding 	<ul style="list-style-type: none"> Passenger revenues Advertising and other revenues Federal Funding Cycle time/process measurements Project implementation vs. plan Benchmark comparisons Deadhead ratio Pay-to-platform ratio 	<ul style="list-style-type: none"> Ridership Subsidy per passenger Administrative ratio Sales taxes for operations Unused financing capacity

<ul style="list-style-type: none"> • Pursue excellence through employee engagement, diversity, development and well-being 	<ul style="list-style-type: none"> • Employee verbal feedback • Number of grievances • Corrective disciplinary actions • Retention/Absenteeism • Operator lost-time claims • Unscheduled absences • 	<ul style="list-style-type: none"> • Employee satisfaction survey
<ul style="list-style-type: none"> • Enhance DART's role as a recognized local, regional and national transportation leader 	<ul style="list-style-type: none"> • News clippings and other media • Actual schedule vs. plan for system expansion • Complaints/Commendations 	<ul style="list-style-type: none"> • Completion of Transportation System Plan commitments • Joint development created • Regional funding

DART Key Performance Indicators

DART's Scorecard of Key Performance Indicators (KPIs) is shown in Exhibit 55. Fiscal Years 2018 and 2019 indicate actual values. Fiscal Year 2020 Third Quarter represents the period ending June 30, 2020. FY 2021 are budgeted numbers.

Exhibit 55 DART Scorecard of Key Performance Indicators (KPIs)

Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Ridership Performance					
Total Agency Ridership (M)	62.7	70.8	41.7	53.4	47.9
Fixed-Route Ridership (M)	61.3	69.3	40.9	52.2	46.4
Ridership - Bus (M)	30.3	38.7	23.1	28.8	25.8
Ridership - LRT/Streetcar (M)	29.0	28.6	16.7	21.9	19.2
Ridership - TRE (M)	2.0	2.0	1.1	1.6	1.3
Ridership - Paratransit (000s)	771.0	906.2	523.9	627.9	939.5
Ridership - Vanpool (000s)	596.0	611.5	299.2	499.6	645.0
Efficiency Measures					
Subsidy Per Passenger - Total System	\$6.94	\$6.41	\$8.48	\$6.59	\$9.95
Subsidy Per Passenger - Fixed-Route	\$6.52	\$5.97	\$7.88	\$6.14	\$9.45
Subsidy Per Passenger - Bus	\$7.50	\$6.37	\$8.38	\$6.84	\$9.93
Subsidy Per Passenger - LRT/Streetcar	\$5.13	\$5.14	\$6.83	\$4.93	\$8.23
Subsidy Per Passenger - TRE	\$11.73	\$10.11	\$13.49	\$10.30	\$16.96
Subsidy Per Passenger - Paratransit	\$44.97	\$42.87	\$58.77	\$47.48	\$40.84
Subsidy Per Passenger - Vanpool	\$0.61	\$2.34	\$1.91	\$1.82	\$1.97
Farebox Recovery Ratio - Fixed-Route	13.1%	12.3%	8.8%	13.1%	9.7%
Farebox Recovery Ratio - Bus	11.6%	8.8%	6.1%	9.2%	8.6%
Farebox Recovery Ratio - LRT/Streetcar	15.1%	15.5%	11.2%	17.4%	10.9%
Farebox Recovery Ratio - TRE	14.9%	23.7%	18.2%	24.2%	13.3%
Administrative Ratio	10.2%	9.8%	8.3%	9.3%	8.7%
Service Quality					
On-Time Performance - Fixed Route	90.7%	89.6%	90.5%	91.0%	91.0%
On-Time Performance - Bus	82.5%	82.4%	83.6%	83.0%	83.0%
On-Time Performance - LRT/Streetcar	92.3%	92.2%	92.1%	93.0%	93.0%
On-Time Performance - TRE	97.4%	94.3%	95.9%	97.0%	97.0%
Customer Satisfaction					
Complaints Per 100,000 Passengers - Fixed-Route	34.6	28.9	35.0	37.7	36.0
Complaints Per 100,000 Passengers - Bus	54.0	42.3	49.4	57.0	50.0
Complaints Per 100,000 Passengers - LRT/Streetcar	16.6	12.3	17.2	19.5	19.5
Complaints Per 100,000 Passengers - TRE	3.7	6.0	5.8	5.5	5.5
Complaints Per 1,000 Trips - Paratransit	3.4	4.2	3.7	3.0	3.0
Safety					
Accidents Per 100,000 Miles - Fixed-Route	1.89	1.89	1.61	1.97	1.97
Accidents Per 100,000 Miles - Bus	2.23	2.20	1.91	2.30	2.30
Accidents Per 100,000 Train Miles - LRT	0.82	0.83	0.25	0.35	0.35
Accidents Per 100,000 Miles - TRE ^[1]	0.09	0.40	0.84	1.00	1.00

[1] The measure has been restated from Accidents/Car Mile to Accidents/Train Mile; therefore, will not tie to previous reports.



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Customer Care & Service Delivery

Customer Care & Service Delivery (CCSD) is charged with providing effective, efficient, safe, and secure transportation service. The Executive Vice President reports to DART's President/Executive Director and is the management liaison for the Board's Customer Service, Safety and Mobility Committee. The Executive Vice President, Chief Operations Officer has oversight for the following Departments: Bus Operations, Light Rail Operations, Mobility Management Services, Materials Management, Police and Emergency Management, and Engineering. Customer Care and Service Delivery is comprised of 3000+ employees dedicated to the goal of providing safe, convenient, and reliable transportation with 5 Star Service to internal employees and to external customers. The organization operates 24/7, 365 days a year. Bus and rail service operate 22 hours a day across 700 square miles of the DART Service Area. Several years ago, CCSD reorganized to improve performance, organizational alignment, and transparency. As the division continues its transformation to build new competencies, methods, and frameworks in FY 2021, several priorities emerge: culture change, leadership behaviors, quality assurance standards and practices, designs for a pandemic environment, skilled communication, establishing the baseline for the transit operations academy, new technology, innovation and on-going efficiencies.

5 Star Service Program



This program is a major cultural transition for DART. Fiscal Year 2021 will be the ninth year of moving the agency towards a customer-oriented culture that significantly changes how we approach customer service internally and externally. In addition, the program emphasizes a change in employee behavior, high performance teams, and greater accountability. Employee engagement, culture change surveys, and 5 Star Suggestions provide an opportunity to hear from employees regarding ideas for improvement, innovation, and creativity. Employees at every level of the organization have a role in facilitating the change and demonstrating the ownership needed for making true progress, both for the individual and department.

FY 2021 Initiatives:

- 5 Star Advisory Board Program Plan: Moving to Spectacular
- Establish Transit Operation Academy
- 5 Star Suggestion Revive

Ongoing 5 Star Service Program Projects:

- Customer Experience Officer (CEO) new recruits completed year one of a two-year program in 2020 and will complete year two in December 2021 with a graduation ceremony.

- Continuous Improvement Teams (CIT) are problem-solving groups that include approximately 10-20 employees at any given time, selected by departments to solve technical problems, improve processes, or create new ways to improve working relationships within the agency or with the agency's customers. Twenty-one teams have implemented their projects to date.
- The Practicing, Leading and Serving (PLS) Toolbox course implemented last year will be completed in 2021.
- The Culture Change Management Series invites guest speakers each year to discuss a wide range of culture related topics. FY 2021 topics will include race and equity.
- Customer Service Events are a scheduled series of direct interaction activities at rail stations, transit centers, divisions, departments, and special occasions.
- 5 Star Program training is held bi-monthly for new employees.
- 5 Star Suggestions provides an avenue for employees to submit their ideas to management for review.

The 5 Star Service Program has five components:

- ✓ Culture Change
- ✓ Center of Excellence
- ✓ Improved Services
- ✓ High Performance and Recognition
- ✓ Image and Brand



Bus Operations

Overview

The Bus Operations Department is responsible for the delivery of safe, reliable and courteous service to DART customers. This team directs the daily operation of a fleet of 681 vehicles that serve 128 bus routes throughout a 700 square mile service area and transports on average 138,300 passengers each weekday.

The Department operates three garages located strategically across the service area. We endeavor to improve the customer experience, quality, reliability, and safety of our system daily. In 2021, identifying efficiencies throughout the Department are important tasks for the future.

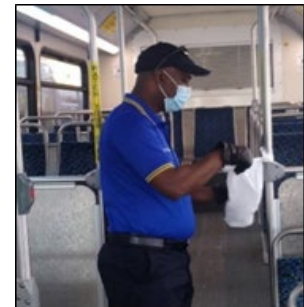


Key Initiatives

- Develop labor management strategies and training
- Upgrade Transit Master, a bus scheduling software, to improve real-time service monitoring
- Implement work instructions, productivity, and equipment reliability
- Improve quality assurance monitoring of equipment, facilities, and standards
- Restructure Bus Operations Training's operator hiring, recruitment, and training programs
- Develop Transit Operation Academy (formerly Career Link) curriculum and management training for operations positions and job responsibilities
- Increase Transit Center Services staff visibility and update branding for Ask DART

FY 2021 COVID-19 Changes to Bus Operations

Due to the COVID-19 pandemic, Bus Operations has worked in conjunction with the entire organization to provide employees and customers a safe environment in DART vehicles, facilities, and property in accordance with state mandates and recommended industry guidance. Bus Operations communicates to employees on a daily/weekly basis regarding healthy hygiene practices, social distancing measures, and symptoms of COVID-19. Personal protective equipment is distributed to staff, daily temperature checks are performed for all employees, and priority testing locations are available for DART operators.



In addition, the maintenance department added temporary personnel to clean vehicles during the midday and evening using CDC approved sanitizer, disinfectants, sprayers, and foggers for the interior of DART buses. Social distancing placards are being placed on passenger seats. DART's Engineering Department designed plexiglass barrier shields for the operator driver area.

Employee Recognition

In Bus Operations, we are proud of recognizing employees through the 5 Star Service Program – “5 Star Friday Messages” which honors employees for acts of kindness, courtesy, customer service, and heroism.



Bus Operations Support

Bus Operations Support is responsible for support operations that include: Bus Operator Training; the Bus Dispatch Control Center, the nerve center of bus communication; and Transit Center Services, who provide concierge services to DART customers. This operation ensures the availability of qualified and trained operators to meet daily service requirements, operator performance management, customer relations, on-time performance, service disruption restoration, emergency response, and safety compliance.

Bus Operations Training

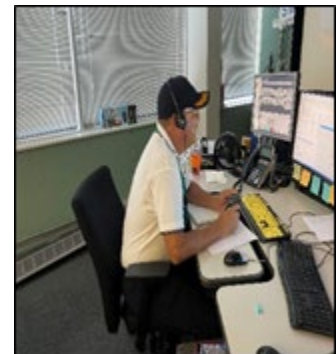
Bus Operations Training is responsible for providing technical, behavioral, and customer service skill training for 1,408 bus operators. There are eight training supervisors, two temporary training supervisors, and 37 bus operator instructors. Below is a list of the courses and the average number of operators taught annually.



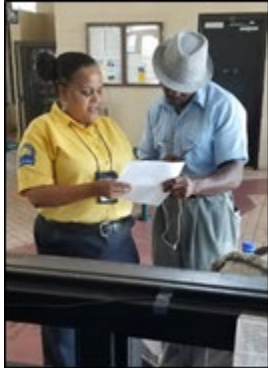
- New Operator Training – initial, 7-week program for Big Bus & Smart Bus Operators.
 - Average number of operators trained annually: 250
- Collision Avoidance Courses – provided to operators involved in preventable accidents.
 - Average number of operators trained annually: 150
- Return to Work Training – provided to operators classified as absent for 30 or more days.
 - Average number of operators trained: 160
- Advance Customer Service Training – two-day training for operators who accumulate three verified conduct complaints.
 - Average number of operators trained annually: 25
- Refresher Operator Training Courses (Refresher Training) - classes review basic knowledge of bus operations policies and regulations. Topics include: 5-Star Customer Service, defensive driving, fatigue awareness, de-escalation, disability awareness sensitivity training, and dispatch. All Bus Operators are required to attend Refresher Training at least once every two years.
 - Average number of operators trained annually: 500

Bus Dispatch Control Center

The Bus Control Center operates 24 hours a day, 365 days a year with 14 dispatchers who oversee, coordinate, and communicate the on-street bus service operation. The Center's primary responsibility is to provides two-way radio communication support to bus operators, field supervisors, and maintenance service trucks. This includes notification to field personnel of situations impacting scheduled service, assisting with accident information, bus delays, service disruptions, maintenance road calls, and street closures.



The team also coordinates responses to internal and external agencies regarding incidents and accidents by notifying EMS for medical support, DART Police for traffic control, DART's media liaison as appropriate, and safety and operations management team members via alpha page. They monitor bus headway/schedule adherence to ensure on time performance and assist operators with on-time arrivals and departures at key time points. All incidents/accidents, service delays, and vehicle problems are tracked and reported through the Bus Control Center.



Transit Center Services

Transit Center Services' (TCS) primary responsibility is proactively managing a transit center and/or rail station while actively engaging and providing an extraordinary customer experience to the public. This includes attending to patrons of DART bus and rail services as well as any individual that traverses a DART facility. TCS has a staff of 39 station concierges, five field supervisors, and two customer support representatives. Station concierges and supervisors are located at 19 transit centers and rail stations seven days a week.

TCS participates in several special events and service changes including but not limited to the State Fair of Texas, Texas vs. OU, all service disruptions for DART rail and TRE, Back to School events at Fair Park, plus various marketing and other community affairs events as needed. Staff is part of the Agency "Ask DART" initiative to create better staff visibility for customers who may have questions at some point in their DART journey.

TCS is responsible for the creation and implementation of an incident response team for DART bus operations. This team will be responsible for investigating bus accidents and creating protocols for service interruptions that will have a profound impact on DART customers.



Bus Maintenance



The bus maintenance team is comprised of 342 hourly personnel and 48 supervisors. Bus maintenance is responsible for the repair, maintenance, and upkeep of all operating facilities, approximately 681 fixed-route buses, and 740 support vehicles and equipment. Bus service facilities are in all three bus garages and operate 24/7. The non-revenue vehicle maintenance shop is in a stand-alone facility.

Bus Maintenance's primary functions are performing preventive maintenance, corrective maintenance, campaigns, fleet modifications, and the servicing, fueling, and cleaning of the DART-operated bus fleet. Additionally, each bus fleet service section is responsible for the repair and maintenance of its operating facility, including all associated buildings and equipment such as air compressors, vehicle lifts, pumps, vehicle washers, service stations, and other structures.



The use of Zonar, a maintenance tracking system installed in 2018, is being used to improve operator compliance in the reporting of vehicle defects to ensure timely maintenance and better vehicle reliability.



Central Support

This section is responsible for scheduled bus maintenance, rebuilding major and small vehicle components, major campaign modification support, and capital program support for the DART-operated bus fleet. This unit ensures new buses are ready for revenue service and determines when buses are to be retired from service. Bus Body Support is responsible for the preventive maintenance, accident repair (minor and major), and upholstery rebuilding for the bus fleet.



Non-Revenue Vehicle (NRV) Service

This section is responsible for preventive maintenance, corrective maintenance, campaigns, fleet modifications, servicing, new vehicle make ready, retired vehicle disposal, and cleaning of the DART-operated support vehicle fleet. Additionally, NRV Services is responsible for the repair and maintenance of its operating facility including all associated buildings and equipment, which includes air compressors, vehicle lifts, pumps, and other structures.

FY 2021 Key Performance Indicators (KPIs)

Bus Operations Key Performance Indicators (KPIs) are presented in scorecard format in Exhibit 56. These KPIs measure our success towards achieving the goal of providing effective, efficient, safe, and secure transportation service. Fiscal years 2018 and 2019 indicate actual values. Fiscal Year 2020 Third Quarter represents the period ending June 30, 2020. The numbers in the column for fiscal year 2021 are the target values for the year.

Exhibit 56 Bus Scorecard – Key Performance Indicators

Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Customer Quality					
Ridership (M)	30.3	38.7	23.1	28.8	25.8
Revenue Miles (M)	25.2	25.8	18.8	20.2	22.9
Passengers per Mile	1.20	1.50	1.23	1.43	1.12
Farebox Recovery Ratio	11.6%	8.8%	6.1%	9.2%	8.6%
Complaints per 100K Passengers	54.0	42.3	49.4	57.0	50.0
On Time Performance	82.5%	82.4%	83.6%	83.0%	83.0%
Mean Distance Between Service Calls	9,696	6,944	6,994	7,000	7,000
Veh. Accidents Per 100K Miles	2.23	2.20	1.91	2.30	2.30
Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Financial Efficiency					
Expenses - Fully Allocated (M)	\$262.5	\$280.1	\$211.1	\$220.8	\$284.1
Revenues (M)	\$35.4	\$30.0	\$17.9	\$23.7	\$28.2
Net Subsidy (M)	\$227.0	\$250.0	\$193.1	\$197.1	\$255.9
Subsidy Per Passenger	\$7.50	\$6.37	\$8.38	\$6.84	\$9.93
Cost Per Revenue Mile	\$10.42	\$10.86	\$11.24	\$10.93	\$12.40

On-Time Performance Initiatives – Bus Operations will use the data provided by the radio system to improve the reliability of connections for bus customers.

Fatigue Management – In 2021, Bus Operations will continue to focus on increased safety by reducing operator fatigue through improvements to scheduling operator work hours and rest time between one workday and the next.

Exhibit 57 is an overview of the uses of the funds and allocated operating positions for the bus mode.

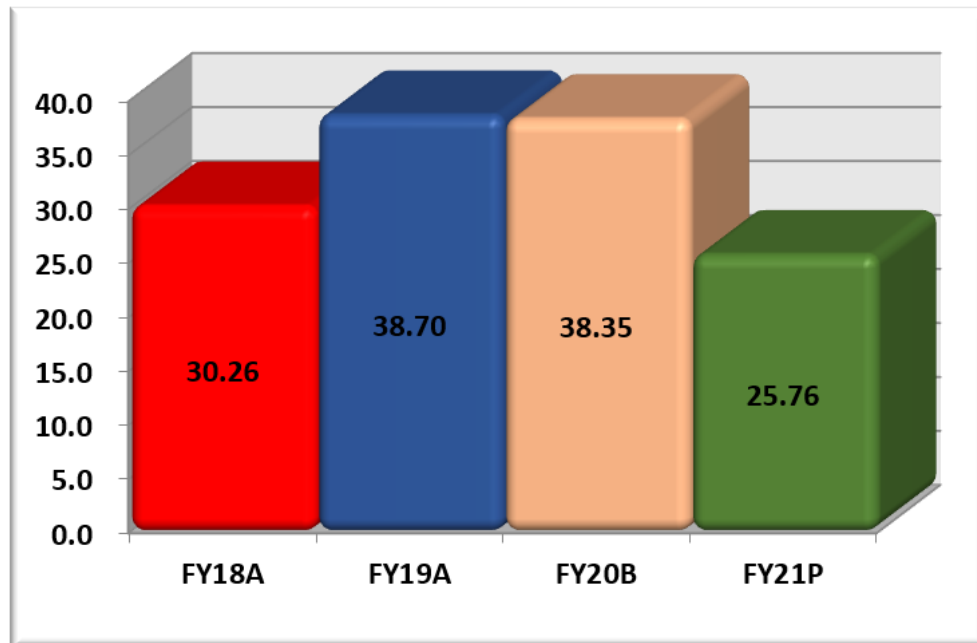
Exhibit 57 Bus Overview

Overview	FY18A	FY19A	FY20B	FY21B
Allocated Operating Expenses (M)	\$262.5	\$275.8	\$297.0	\$284.1
Capital Expenditures (M)*	\$26.3	\$35.4	\$23.5	\$17.7

** These amounts are the actual or budgeted capital for this mode only and do NOT include an allocation of Agency-wide capital.*

Exhibit 58 highlights Bus Ridership. Fiscal Years 2018 and 2019 indicate actual values, Fiscal Years 2020 and 2021 are the target values for those years.

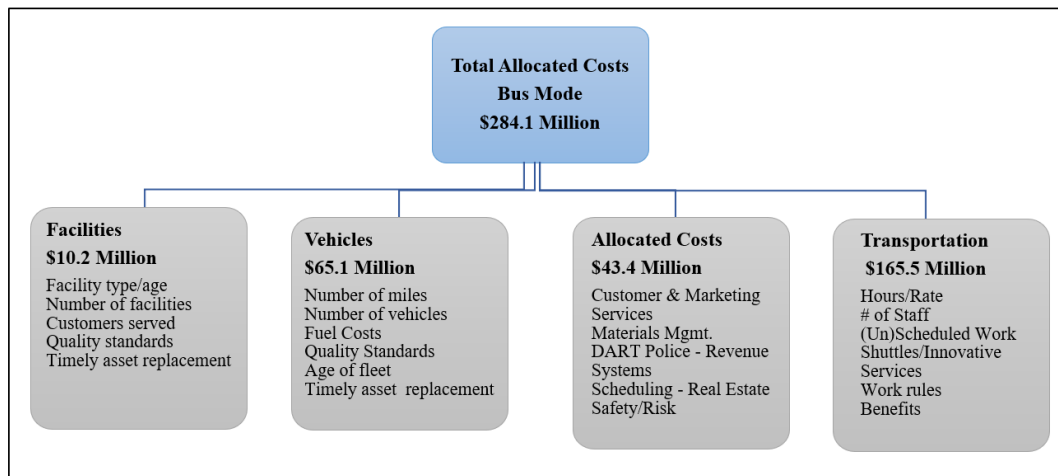
Exhibit 58
Bus Ridership (in Millions)



Please see page 330 in the *Reference Section* for discussion of ridership trends.

Exhibit 59 is the cost model for the bus system. The cost of transportation (the operator and related costs) is the largest cost element of the bus mode accounting for \$165.5 million (58%).

Exhibit 59
FY 2021 Bust Cost Model



Light Rail Operations

Overview

Light Rail Operations includes Rail Operations, Rail Operations Training, Rail Control Center, Rail Fleet Maintenance, Rail Central Support, and Ways, Structures and Amenities. In FY 2021, DART will operate and maintain 93 miles of light rail, including 64 stations, 163 modern light rail vehicles, 2.5 miles of the Dallas Streetcar rail system, and 4 modern streetcars. There are also two rail operating facilities, the Central Rail Operating Facility (CROF) and the Northwest Rail Operating Facility (NWROF); the CROF location houses streetcar's operation and maintenance.

Key Initiatives:

- Deliver quality light rail service
- Provide 5 Star customer service
- Improve department performance
- Enhance employee training

Rail Operations

Rail Operations has a team of salaried and hourly personnel. The management team oversees service delivery, personnel scheduling and assignments, operator training, service monitoring, performance analysis and evaluation, and staff compliance with rules and procedures.

The department is focused on improving the customer experience in 2021 and adjusted its KPI goals, which now consist of On Time Performance 93%, Mean Distance Between Failures 21,000 miles, and customer complaints, 19.5 complaints per 100,000 customers.

Initiatives to increase customer satisfaction include:

- Enhance data analysis and evaluation of rail service and personnel success measures, deviations, failures and trends by using tools such as the Survey 123 data collection program. This program collects data from Field Supervisors in real time on operator performance, efficiency testing, and customer interactions at stations.
- Improve on time performance tracking and monitoring by supervisors, especially in locations where trains run early/late.
- Expand the field supervisor's role to become the point of contact for customer feedback and complaints. Monitor Supervisor engagement with customers at the stations using Survey 123.
- Provide accurate data for on time performance via weekly reports utilizing the Vehicle Business System (VBS).
- Improve vehicle reliability and performance through weekly Light Rail Vehicle Performance and Reliability meetings with stakeholders; identify trends and repetitive mechanical defects and causes. Improve business rules related to uncontrollable incidents that adversely affect on time performance.

- Communicate on time performance updates to all divisions weekly; recognize high performers monthly.
- Improve communication on Light Rail Vehicles via the PAID announcement system. The Operator will provide service information to passengers during service disruptions and include alternative travel options when applicable.
- Review customer service complaints weekly; use video and audio recordings to validate customer complaints and/or incidents.
- Re-evaluate KPI categories to determine if the established metrics and goals are accurate.
- Maintain CCTV cameras in all 163 Light Rail Vehicles.
- Upgrade Supervisory Control and Data Acquisition (SCADA) train control system.
- Improve lighting at all rail stations and park-and-ride lots to increase passenger safety and security.



Rail Operations will also concentrate on providing a 5 Star Service culture for employees by enhancing employee training and programs, implementing Succession DART and career ladder programs, and adding maintenance employee recognition as a part of the existing Efficiency Awards Program.

Rail Operations Support

This section employs hourly and salaried personnel, to include a manager and rail supervisors. In 2021 the senior management team will be utilizing Practice, Leading and Serving training to improve employee PMP performance evaluations, work practices and processes of the department to improve performance and accountability internally and externally.

To assist with improving accountability all supervisors are attending the Practicing, Leading and Serving class to ensure they receive and understand the expected standards for the future. Staff has responsibility for scheduling, monitoring, and evaluating operator performance in compliance with all applicable rules and procedures.

Emergency management will focus on standard operating procedures, communication with key stakeholders, and emergency coordination protocols. Rail technical support reviews and tracks signal safety operations for compliance and coordination. Operations Support also directs and manages train movement between the two rail yards.

Rail Operations Training

This unit was part of an Operations' decentralization initiative in January 2019. The reorganization realigned the Rail Operators' training program under Rail Operations. This section serves to ensure the adequate training for all rail operators, yard office and field supervisors. Responsibilities include training and certifying new employees and retraining and recertifying active employees. In addition, the unit focuses on all areas of service delivery, safety, collision avoidance, and customer service.

Rail Fleet Maintenance

Rail fleet maintenance has a team of employees that include skilled/non-skilled hourly personnel, senior managers, technical professionals, and support staff. This section is responsible for maintaining a state of good repair of approximately \$6.0 billion in assets, including rail operating facilities. Rail fleet maintenance also provides preventive and corrective maintenance services for all rail equipment and systems.

Light Rail Maintenance

The primary functions of Light Rail Maintenance are to perform preventive maintenance, corrective maintenance, campaigns, fleet modifications, and servicing of the DART-operated rail fleet. Additionally, each rail service section is responsible for the repair and maintenance of its operating facility including all associated buildings and equipment, which includes air compressors, vehicle lifts, pumps, vehicle washers, service stations, and other structures. This team strives for continuous improvement with a specific focus on vehicle reliability as measured through the Mean Distance Between Service Calls.

Light Rail Central Support

The Central Support section is responsible for the scheduled maintenance of the rail fleet, rebuilding major and small vehicle components, structural and electronic support, upholstery rebuilding, and capital program support for the Light Rail and Dallas Streetcar fleets. Rail support groups will continue light rail and streetcar campaigns through 2021.

Rail Train Control Center

The Train Control Center controls train and streetcar movement along the alignment and responds to Traction Electrification System issues. Train Control provides an integrated environment for coordinating and communicating travel alerts and important DART announcements at rail stations, onboard light rail vehicles, and with other internal departments.

Train Control Center initiatives for FY 2021 include:

- Revise and update the Rail Controller training program.
- Evaluate and revise the certification and re-certification process.
- Improve business practices and standards.
- Continue to develop a professional environment and improve the culture and behaviors of the work unit.

Ways, Structures, & Amenities

The Ways, Structures, & Amenities Division provides maintenance for DART's 211.16 miles of light rail train (LRT) right-of-way and systems, including the Dallas Streetcar, Bus/LRT/Commuter Rail passenger facilities, major administrative facilities, and agency-wide radio communications systems. The Division consists of the following five sections:

Track and Right-of-Way

This section inspects, maintains, and repairs all light rail and Dallas Streetcar track. Time-based, corrective, and condition-based maintenance and repairs are performed on all track turnouts/switches, 183 road crossings, various right-of-way track-related structures, culverts, and other rail related facilities along the right-of-way. Additionally, this section is responsible for maintaining a zero tolerance graffiti program for DART property.



Passenger Amenities/Facility Services

This section inspects, maintains, and repairs passenger facilities for DART's Bus, Rail, Dallas Streetcar, and Commuter Rail services. Time-based, corrective, and condition-based maintenance and repairs are performed on nine transit centers, 54 LRT at-grade rail platforms, nine LRT aerial platforms, one LRT subsurface platform, six commuter rail platforms, six Dallas Streetcar sheltered stations, two park & rides, two passenger transfer locations, two transfer centers, 20 enhanced shelters, 19 crew quarters, 1,200 bus shelters, 1,000 benches, 14,000 bus stops/trail blazers, multiple information pylons, guide-a-rides, and tunnel equipment maintenance including fire life safety equipment. The section is also responsible for the property management of DART Headquarters, DART Police Administrative Facilities and Police sub-stations (building maintenance and repair), Agency moving services, coffee services, cubicle reconfigurations, furniture procurement, space planning, vending services and the parking garage management at Headquarters.

Traction Electrification Systems

This section maintains the traction electrification system for DART's light rail train system. Time-based, corrective, and condition-based maintenance and repairs are performed on 208 miles of overhead catenary (including 3.6 miles for the Dallas Streetcar), support structures, conductors, cable, hardware, 78 DC-traction power substations (including two substations for the Dallas Streetcar) providing power to the light rail trains and electrical power to the communication and signal systems, nine AC power substations for the tunnel system and facilities maintenance, and 3,040 station canopy and tunnel lights.

Signal Systems

This section performs inspections, tests, and conducts preventive maintenance for DART's signal systems to ensure safe, scheduled train operations. The section will also maintain the switches, signals, Train-to-Wayside Control System, and traffic pre-emption along the Dallas Streetcar segment. Time-based, corrective, and condition-based maintenance and repairs are performed on 266 main line switches, 136 automatic highway grade crossing warning signals, 639 wayside signals/indicators, train coming signals and green bands, 134 yard switches, 40 signal power distribution centers, 102 TWC interrogators, and approximately 10,000 relays, cab signaling equipment, and other electromagnetic apparatus, cables, and train stop apparatus.

Communication & Control Systems

This section provides two-way radio and data communications to support the Bus Operations, Light Rail Operations, and DART Police departments. Communications support is also provided to DART Marketing, Technology, and City of Dallas emergency services. This section maintains real-time data communication links from field units such as traction power substations and signal houses via a Supervisory Control and Data Acquisition (SCADA) system to the Train Control Center (TCC) and real-time data via the Trapeze Transit Master CAD/AVL system to Bus Dispatch. The section also maintains SCADA, the Communications Transmission System, and all communication devices along the right-of-way for the Dallas Streetcar line segment. Time-based, corrective, and condition-based maintenance and repairs are performed on all communications-related hardware including 52 communication houses, 147 communication interface cabinets, 7 remote radio sites, and a fiber optic communications network. Other systems supported include the digital voice recording system, approximately 1,700 CCTV cameras, 156 public address/visual message boards, Harris Open Sky Radio System (including 1,900 portable radios, 334 LRV radios, 330 NRV radios and 649 bus radios), and 186 passenger emergency call phones. Control System Programmers provide system administration and programming on all software applications, databases, and operating systems used to support Train Control and Bus Dispatch operations.

Light Rail Scorecard – Key Performance Indicators

Exhibit 60 highlights LRT's Key Performance Indicators (KPIs) presented in scorecard format. These KPIs measure our success towards achieving the goal of providing effective, efficient, safe, secure transportation service. The numbers in the columns for fiscal years 2018 and 2019 indicate actual values. Fiscal Year 2020 Third Quarter represents period ending June 30, 2020. The numbers in column 2021 are the target values for the year.

Exhibit 60 Light Rail Scorecard – Key Performance Indicators

Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Customer Quality					
Ridership (M) ^[1]	29.0	28.6	16.7	21.9	19.2
Revenue Miles (M)	10.5	10.4	7.5	7.8	9.8
Passengers per Mile	2.75	2.75	2.25	2.81	1.96
Farebox Recovery Ratio	15.1%	15.5%	11.2%	17.4%	10.9%
Complaints per 100K Passengers	16.6	12.3	17.2	19.5	19.5
On Time Performance	92.3%	92.2%	92.1%	93.0%	93.0%
Mean Distance Between Service Calls	20,776	18,247	23,388	21,000	21,000
Veh. Accidents Per 100K Train Miles	0.09	0.83	0.25	0.35	0.35
Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Financial Efficiency					
Expenses - Fully Allocated (M)	\$178.0	\$183.6	\$134.6	\$135.9	\$180.8
Revenues (M)	\$29.0	\$35.3	\$20.3	\$28.1	\$22.3
Net Subsidy (M)	\$149.0	\$148.3	\$114.3	\$107.8	\$158.5
Subsidy Per Passenger	\$5.13	\$5.14	\$6.83	\$4.93	\$8.23
Cost Per Revenue Mile	\$16.88	\$17.69	\$18.05	\$17.43	\$13.67

Fatigue Management

The department will continue to focus on strategies to mitigate operator fatigue. One element of Fatigue Management has been the reconfiguration of the Extra Board (those operators who work fill-in assignments to cover vacations or sick time) into an AM and PM Board, providing operators with improved consistency in the span of their work hours and providing greater assurance of adequate rest time between one work day and the next. These modifications have enhanced safety, as well as employee health and quality of life.

Exhibit 61 is an overview of the uses of the funds and allocated operating positions for Light Rail. To determine allocations, each department identifies the percentage of time and money spent on each mode to determine how the expenses and positions are allocated.

Exhibit 61 LRT Overview

Overview	FY18A	FY19A	FY20B	FY21B
Allocated Operating Expenses (M)	\$178.0	\$181.5	\$186.2	\$180.8
Capital Expenditures (M)*	\$35.3	\$53.1	\$177.9	\$122.6

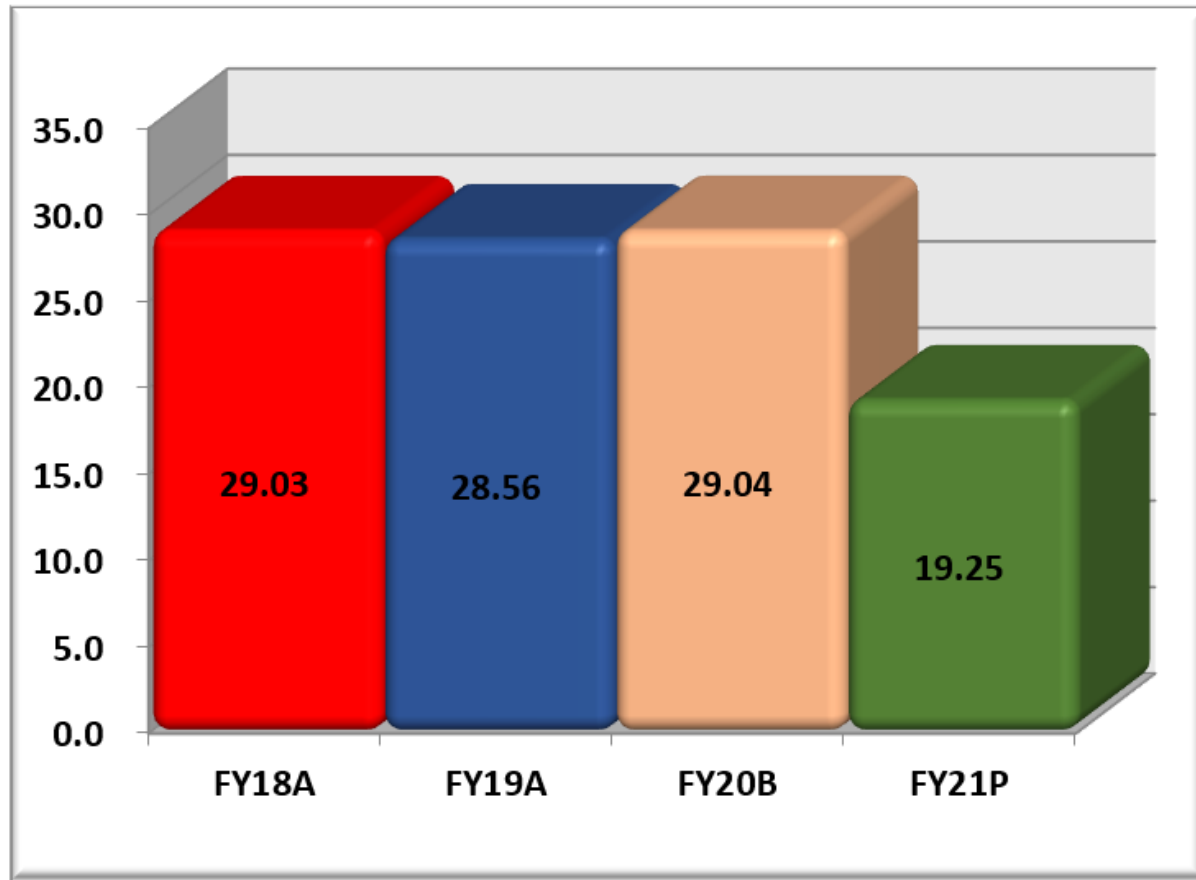
* These amounts are the actual or budgeted capital for this mode only and do NOT include an allocation of Agency-wide capital.

** Allocated positions are based on budgeted position counts.

LRT Ridership

Exhibit 62 highlights LRT Ridership. Fiscal years 2018 and 2019 indicate actual values. Fiscal years 2020 and 2021 indicate budgeted and projected values, respectively. Fiscal Years 2020 and 2021 are the target values for those years.

Exhibit 62
LRT Ridership
(in Millions)



Please see page 330 in the *Reference Section* for a discussion of ridership trends.

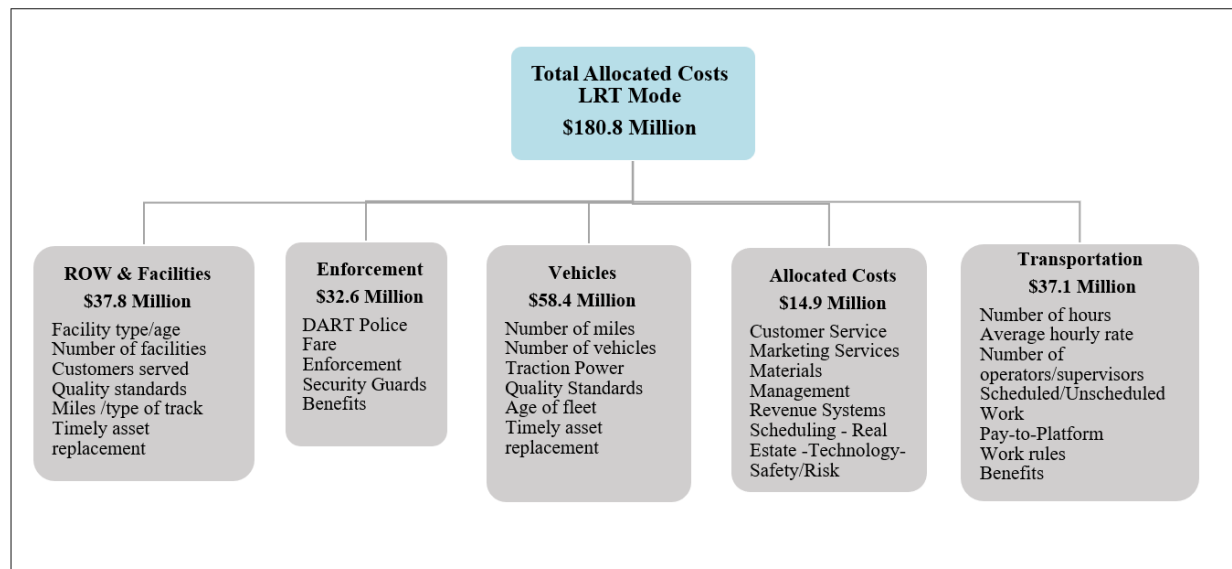
In September 2016, DART entered into an arrangement with the Texas General Land Office fixing the price of DART's electricity from FY 2019 through FY 2023. The average price over those five years is \$0.692/kwh. This is below our current price of electricity and well within the Parameters Resolution approved by the Board on May 24, 2016, which established a maximum price of \$0.085/kwh. This price lock represents a \$14.8 million savings versus the cost contained in the FY 2016 Financial Plan.

LRT Cost Model

Exhibit 63 highlights the cost structure for LRT (including Streetcar). Although LRT and Bus have very different cost structures, the drivers for each cost category (transportation, vehicle maintenance, and facility maintenance) are similar. LRT is more expensive per mile due to higher fixed costs for facilities and vehicle maintenance, but less expensive per passenger due to the higher capacity of LRT vehicles versus buses. On a relative basis, LRT vehicle maintenance costs are more significant than buses, while LRT transportation costs are less significant than for buses. Additionally, right-of-way and facility maintenance is a major cost driver for light rail but relatively small for the bus mode.

Vehicle-related costs (number of vehicles, number of miles, traction power, etc.) is the largest element of the LRT Mode budget, accounting for \$58.4 million, or 31.7% of the cost.

Exhibit 63
FY 2021 Light Rail Cost Model



Engineering Department

This department provides engineering, equipment, technical support and on-call construction management services to all Operations divisions. Engineering also provides liaison and oversight project management support for all systems integration changes for bus, rail, facility, passenger amenities, vehicle, track right of way and equipment. Engineering's resource allocation is directed toward five areas: asset availability, asset management, regulatory compliance, customer initiatives and safe workplace.

Key initiatives in 2021 are the following:

- Complete Arboc Bus Replacement Analysis
- Execute Task Order for LRV Technical Specification Consultant Scope

- Review and confirm new business processes to support implementation of the Enterprise Asset Management System
- Explore Light Rail Vehicle Electronic LED Destination Sign Replacement
- Award Energy Savings Performance Contract
- Implement Mystery Rider Quality Assurance Program Refinement
- Evaluate 3D Animation Training Tool: LRV Master Controller Rebuild/Calibration

Functional Engineering Divisions and Sections are:

- Fleet Engineering (FE) Division
 - Bus Fleet Engineering Section
 - Rail Fleet Engineering Section
- Facilities & Systems Engineering (FSE) Division
 - Bridges & Tunnels Section
 - Facilities Design Section
 - On-Call Construction Services Section
- Maintenance Training (MT) Division
- Standards, Performance & Monitoring (SPM) Division
 - Asset Management (AM) Section
 - Operations Document Control (ODC) Section
 - Operations Services Support (OSS) Section
 - Warranty & Maintenance Services (WMS) Section

Fleet Engineering (FE) Division



This section provides electrical and mechanical engineering support to Bus and Rail Fleet Maintenance Divisions and various Operations Departments, along with other agency departments as projects dictate. Additionally, the section helps troubleshoot all vehicle systems and components to isolate causes of failure and develop and document equipment configuration changes when required. Specifications, procedures, and requirements for the purchase, maintenance, and

improvement of vehicles and equipment are developed by the section, as well. In addition, the team develops, reviews, and approves all technical information related to rolling stock assets to ensure they are maintained in accordance with the manufacturer's and/or industry recommended procedures.

Facilities & Systems Engineering (FSE) Division

This Division provides civil, electrical, and mechanical engineering support to various Operations Departments and other agency departments as projects dictate. The design section assists Operations teams in troubleshooting facility, structural, electrical, and mechanical systems to isolate cause of failure analysis. The construction section performs smaller projects directly through the On-Call Construction Services (OCCS) contract. This group houses the FSE Bridge & Tunnel Inspection program, which follows the National Bridge Inspection & TxDOT Standards



for infrastructure assets State of Good Repair.



Maintenance Training Division (MTD)



This Division provides training to all employees who maintain the systems, equipment, facilities, vehicles, and infrastructure used within the Operations Department. Responsibilities include ensuring adequate training for all bus, rail, and hourly maintenance employees on the systems and vehicles they use and/or service; providing training and certification of new employees; retraining and recertifying active employees; delivers training services for maintenance skills in accordance with the established Maintenance Training Program (MTP)

and federal and state mandated licensure/certification training; and training on the proper use of HaloFogger and Electrostatic Sprayer disinfection equipment.

Standards, Performance & Monitoring (SPM)

The SPM team establishes uniform standards for DART's fleet and facilities state-of-good-repair, ensures operational consistency for on-time performance standards, and conducts quality assurance audits. This includes: Transit Asset Management Program, warranty administration, the Fluids Analysis Program, and the Mystery Rider & Quality Assurance Program.



This group is responsible for document management and maintains and processes documents to support a Configuration Management System. They develop and maintain the online equipment manual system and the Operations Document Control Workflow used to review and approve all Operations key documents. The team also manages department contracts for tire leasing, CNG fuel, NRV fuel management, uniforms, pest control, janitorial / custodial services, bus towing and LRV cleaning services.

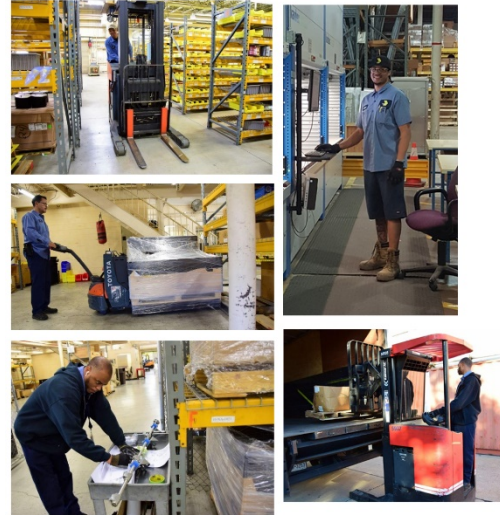
Materials Management Department

The Materials Management department has the primary responsibility of managing the ordering, receiving, distribution, and disposal of materials and equipment for the agency. Materials Management manages an inventory of over 15,707 various parts valued at more than \$41 million.

Materials Management is organized into four sections: Administrative, Materials Management and Planning, Receiving and Distribution, and Warehousing and Distribution. The inventory is maintained at the main distribution center located in Irving, Texas and in seven satellite locations and one rail yard. The AVP of Materials Management directs the overall activities of the department and reports directly to the Executive Vice President/Chief Operations Officer.

The key initiatives for 2021 are:

- Install the new Enterprise Asset Management (EAM) computer system as the system of record.
- Continue to automate warehouses to increase inventory accuracy, improve the efficiency of storing and retrieving inventory and increase warehouse storage capacity.
- Prepare to bar code and serialize all parts in the warehouse.
- Achieve our KPIs and improve the availability of parts for the agency.
- Improve vendor relationships to better understand how they are set up and conduct business. Ensure vendors understand DART processes as well.
- Prioritize the acquisition of personal protection equipment (PPE) for the Agency as part of the COVID-19 initiative.



FY 2021 Key Performance Indicators (KPIs)

Materials Management Key Performance Indicators (KPIs) are presented in scorecard format in Exhibit 64.

These KPIs measure our success towards achieving the goal of providing effective, efficient, safe and secure transportation service. Fiscal years 2016, 2017, 2018 and 2019 indicate actual values. Fiscal Year 2020 First and Second Quarter Average represents the periods ending December 31, 2020 and March 31, 2020.

Exhibit 64 Materials Management Scorecard – Key Performance Indicators

Key Performance Indicators	FY16	FY17	FY18	FY19	FY20 Qtr 1 & 2 Avg
Buses Down for Parts (Stocked) - Average Per Day	78.40%	100.00%	96.70%	89.57%	97.67%
LRVs Down for Parts (Stocked) - Average Per Day	100.00%	100.00%	74.30%	83.38%	100.00%
Parts Availability %	100.00%	100.00%	99.90%	99.88%	99.65%
<i>Inventory Accuracy %</i>	99.90%	99.70%	99.70%	99.64%	99.30%

DART Police & Emergency Management

The DART Police Department is charged with implementing strategies addressing crime, fare enforcement, emergency preparedness, and video surveillance for DART employees, customers, facilities, and vehicles throughout the 700 square mile service area. The Vice President/Chief of Police and Emergency Management reports directly to the Executive Vice President/Chief Operations Officer. The department is comprised of 429 police and civilian personnel with an operating budget of \$45.7M.

Key Initiatives for 2021:

- Increase visibility through deployment and scheduling of available resources (e.g. Police Officers, Fare Enforcement Officers (FEO) and Security Officers) in a COVID-19 environment.
- Reduce police, FEO, and telecommunicator vacancies by evaluating and improving the hiring and recruiting process.
- Replace, optimize, and improve Closed Circuit Television (CCTV) coverage of DART assets.
- Implement staffing to cover the entire TRE system as well as to establish radio communication from Centreport to Forth Worth & Pacific (T&P) railway.
- Improve and reduce customer vulnerability and exposure to crime through enhanced facility environmental designs, emergency preparedness and technology on DART Vehicles and at DART Facilities.
- Establish and implement a training protocol allowing Police Officers and Telecommunicators to complete as much State-mandated training virtually as possible.
- Maintain competitive employee salaries, quality of life and work life balance.
- Seek Transit Security Grant Program funding for Emergency Preparedness full-scale and tabletop exercises, Counter Terrorist Team/Special Operations Team equipment and overtime funding for special events.



The DART Police Department is comprised of three major bureaus: Administrative Services, Field Operations, and Operations Support.

Administrative Services Bureau

The Administrative Services Bureau provides day-to-day services for employees, internal and external customers. These services are provided through the following areas:

- *Budget* – In FY 2020, our budget for police services was \$45,675,239. This budget reflected our authorized strength of 429. In FY 2021, the police department budget is \$45,669,838.
- *Records* – The Records section perform duties related to the storage and dissemination of police information while also focusing on providing excellent customer service. Staff enters and retrieves various types of data from files and automated law enforcement records management systems. The team compiles data for monthly statistical reports and State and Federal reporting, to include the racial profiling report. Also, this section maintains and processes all offense reports, accident reports, and citations with the respective State and Justice of Peace Courts on a weekly basis.

Exhibit 65 Police Records Section Transactions

	Offense Reports	Accidents Reports	Open Records & Internal Requests	Citations
CY 2013	6,743	642	1,196	42,417
CY 2014	6,049	467	1,336	53,440
CY 2015	5,661	486	1,334	47,250
CY 2016	5,738	462	1,300	41,752
CY 2017	6,688	442	1,499	49,386
CY 2018	6,236	443	1,376	31,759
CY 2019	6,346	495	1,355	43,021
CY 2020				
<i>*YTD Totals</i>	2,378	193	501	8,859

*CY 2020: Year to Date (YTD) totals represent January – June 2020

Field Operations Bureau

The Field Operations Bureau provides police services for DART Light Rail, Trinity Metro, Mobility Management Services, Dallas Streetcar and DART Facilities encompassing 700 square miles; officers cover 93 miles of light rail, 64 light rail stations, 30 miles of commuter rail, six (6) commuter rail stations, one (1) commuter rail operating facility, over 12,000 bus stops, three (3) bus divisions and two (2) light rail operating facilities. Field Operations is comprised of the following divisions:

- Rail Operations** – Police and Fare Enforcement Officers (FEO) inspect fares aboard DART Light Rail and TRE commuter trains for fare compliance with DART’s Comprehensive Fare Payment System, issuing citations, criminal trespass citations and providing customer service to passengers. The primary duty of Fare Enforcement Officers is to inspect passengers for proper fare throughout the rail system. Fare Enforcement Officers (FEO) issue fare evasion citations when necessary and report disruptive behavior to DART Police Officers for police action. While fare enforcement officers possess no police power, they provide a uniformed presence on DART light rail and TRE trains while providing the highest level of customer service to patrons following our 5-Star Service Program training.



Police Officers provide police visibility, protection, and security on the light rail trains, at rail stations, and light rail platforms in addition to fare enforcement. They issue fare evasion citations, trespass warnings and take police actions for criminal and DART Code of Conduct violations.

In addition, there are armed Security Guards on DART trains providing a uniformed presence and the capability of immediate notification for a police response if needed.

- Patrol Operations** – Patrol Officers provide police services to bus and light rail operations, mobility



management services, Trinity Metro and DART facilities. Officers board buses, patrol bus routes, conduct visits of bus stops, transit centers, passenger transfer locations, and park and ride facilities, as well as DART Administrative and Operations facilities. Patrol officers also respond to calls for service at rail facilities and provide support to rail officers, fare enforcement officers and contract security guards performing rail operation duties on light rail trains and Trinity Metro throughout our rail operating area.



Calls for Service

FY	Number
2016	111,595
2017	150,022
2018	149,669
2019	162,533
2020 YTD	44,550

- *Special Operations* consist of two categories: the Special Operations Team and Canine Handlers (K-9 Unit).
 - Special Operations Team (SOT) – The Department of Homeland Security funded a four-person team for antiterrorism and domestic terrorism detection and prevention. DART expanded the team to include four other team members to reduce crime at identified hotspots and apprehension of felons for DART warrants. The team also coordinates enhanced security presence at DART light rail stations, transfer centers, and on DART buses with Transportation Security Administration (TSA) Visible Intermodal Protection Response (VIPER) teams from Dallas/Fort Worth International Airport and Dallas Love Field Airport.
 - Canine Handlers (K-9 Unit) – Through a Transportation Security Administration (TSA) cooperative agreement, the department has four explosives-detection canines, along with four Ford Expeditions to facilitate K-9 deployment. Explosive detection canine teams greatly increased the Agency’s response and timely assessment of bomb threats against DART Assets, decreasing out-of-service time and service disruptions.



Due to COVID-19, the police department’s deployment plan has been modified to still provide as much coverage on trains yet prevent unnecessary close contact with patrons. In the Dallas Central Business District we have continued our deployment levels from our previous increase in FY 2019.

Operations Support Bureau

The Operations Support Bureau is comprised of criminal investigations, emergency preparedness, quartermaster, hiring and recruiting, special services, and public safety technology. In addition to operating many of the support functions of the police department, Operations Support is the lead bureau in maintaining our “recognized” status by the Texas Police Chiefs Association Best Practices Recognition Program.

- *Quartermaster Division* This section was realigned to the Operations Support Bureau at the beginning of FY 2020 with a new section manager. This division manages the DART Police vehicle fleet consisting of patrol, administrative, and specialized vehicles (vans, pick-up trucks, T-3’s and motorcycles). They also manage and maintain a “bench stock” of supplies and equipment for department personnel.
- *Criminal Investigations Division (CID)* is responsible for processing crime scenes, conducting criminal investigations, interacting with the medical examiners’ offices; gathering, preparing and distributing intelligence information, and preparing cases for court presentation.

Cases filed with the District Attorney(s)

FY	Misdemeanors	Felonies
2016	685	220
2017	630	225
2018	849	275
2019	740	202
2020 YTD	140	88

- *Emergency Preparedness Division* is responsible for planning and preparing for emergencies, to include developing security actions in response to National Terrorism Advisory System threat alerts; applying for and overseeing Homeland Security grants;



conducting multi-jurisdictional, tabletop and full scale exercises; performing needs and threat analyses; conducting Crime Prevention through Environmental Design (CPTED) studies at DART facilities; and providing security awareness training for all DART employees. The section also manages community relations, the security guard contract, DART employee identification cards, and facility access programs. In FY 2020, most of the team's time

was devoted to DART's response to the COVID-19 virus. Also, DART partnered with the Brain Institute from the University of North Texas and secured a grant to provide "mindfulness" training for our first responders. This training was made possible through the efforts of our manager for Emergency Preparedness.

- *Hiring & Recruiting Division* coordinates all hiring and recruiting for the department. This team is responsible for complying with all State requirements in the hiring of department personnel, as well as recruiting to fill vacant positions. In 2020, the Hiring and Recruiting section was able to fill the newly funded police officer and FEO positions, but challenges from the COVID-19 pandemic prohibited them from filling positions vacated by attrition. This section's goal for 2021 is to fill all budgeted vacancies within FY 2021.
- *Special Services Division* is a newly aligned unit that consist of training and police dispatch.

- The Training Unit provides state-mandated and specialized police training to all officers, including firearms, use of force, de-escalation, mental health officer training, community policing and problem solving, etc. In 2020, our training unit supported the safety and security goals by ensuring all new police cadets were aligned with the first available training academy. This section's goal for 2021 is to continue preparing new officers, fare enforcement officer, and civilians for the ever-changing policing environment. The training simulator, pictured, is one tool that provides scenario-based training in a controlled environment to provide immediate feedback on officers' actions to build confidence in stressful scenarios.



- The Police Telecommunications (Police Dispatch) section has fourteen Telecommunicators is responsible for receiving police calls for service (CFS), dispatching CFS's to DART Police Officers, monitoring police radio transmissions, and processing requests for National Criminal Information Center (NCIC) and Texas Criminal Information Center (TCIC) reports through the Texas Law Enforcement Telecommunications System. The section also reports service disruptions, domestic and foreign terrorist incidents to the State of Texas, Transportation Security Administration and Department of Homeland Security. The camera monitors are an essential element of telecommunications for transmitting visual video of incidents in-progress, previously committed, or review for violation of DART's Code of Conduct.



- Nine camera monitors assist Police dispatchers by providing video footage for transmittal of information to responding police, fare enforcement officers and other DART employees during an event impacting DART customers, services and continuity of operation. They also respond to customers using our ELERTs app to request CFS or to report incidents on DART trains, buses, and facilities. Because of the large area, DART covers both camera monitors and dispatchers work closely with outside agencies to ensure the safety of our customers and assets.



- *Public Safety Technology Division* is responsible for soliciting, evaluating and implementing procurement actions for all DART Police technology projects and Agency closed circuit television (CCTV) projects for DART trains, facilities and park and rides. The section is comprised of eight public safety technicians who maintain the computer aided dispatch, records management system, body-worn cameras, mobile data computers and in-car camera systems as well as the hand-held electronic citation devices used by police and fare enforcement officers. Officers use multiple types of technology to complete their daily duties because DART Police embraces technology to support its operation and achievement of strategic goals.



- By the beginning of FY 2021, we expect to complete the installation of video monitors throughout the transit way mall and Convention Center. By the end of FY 2021, we expect to have video monitors at all LRV clearing stations.

Mobility Management Services Department

The Mobility Management Services (MMS) Department provides a broad range of transportation choices, innovative solutions to enhance the customer experience, vehicle communication, and equipment enhancements geared toward mobility options for persons with disabilities, older adults,

veterans, and those with limited incomes. Mobility Management Services provides accessible, origin-to-destination and door-to-door public transportation services within the DART Service Area in accordance with the Board-approved Accessible Services Policy and the Americans with Disabilities Act of 1990 (ADA). The department is responsible for managing GoLink, Rider Assistance Program (RAP), Parkland and UTD Shuttle services for the agency. The department also manages the fixed route Reduced Fare Program for Persons with Disabilities.



The Vice President of Mobility Management Services directs the overall activities of the department and reports directly to the Executive Vice President/Chief Operations Officer. This department has a budget of \$40 million and is separated into two divisions: Administration and Operations/Contract Compliance. DART's new contract with MV Transportation, Inc. sets forth for the provision, operation, and maintenance of a fleet of 229 vehicles, operating on ADA Paratransit, GoLink and RAP. In Fiscal Year 2021, the key initiatives of the department are:

- Continuation of a new business model aimed at increasing efficiency, customer satisfaction, and good stewardship over our budget. Changing from a Traditional Contractor model to a Broker model creates the opportunity to increase or decrease the number of service providers on our platform as needed.
- Rollout of Routematch, a new software platform that connects all department run services/programs.
- Maintaining responsibility for field supervision, contract compliance, eligibility, outreach, travel orientation and training, coordinated transportation services, administration of the Fixed-Route Reduced Fare Program for Persons with Disabilities, and management of DART's RAP, GoLink, Parkland and UTD Shuttle services.
- Renewed emphasis on providing 5 Star Customer Service to DART customers. DART MMS staff holds training sessions for contracted employees to improve the commitment to 5 Star Service and to our customers.

Administration Division

Mobility Management Services Administration is comprised of 28 salaried exempt and non-exempt positions. The management team has responsibility for the oversight of Rider Assistance Programs, Reduced Fare Program for Persons with Disabilities, Certification and Eligibility, the Mobility Ambassador Program, Travel Training, Customer Relations, and Budget Planning and Spending Oversight. The major initiatives of this section are:

Rider Assistance Programs

Collin County Rides is a rider assistance program for registered residents of Wylie, Allen, and the Town of Fairview. This service is for qualified residents that are age 65 or over or have a qualifying disability.



DART Rides is an on-demand rider assistance program for registered residents of qualified cities or ZIP codes who are age 65 or over or have a qualifying disability. These programs provide customers with the ability to request a ride via sedan or an accessible vehicle and allows the customer to pay with a pre-loaded debit card using funds supplied by the customer (25%) and matched (75%) by either the local government or by DART.



For those individuals who do not qualify for ADA Paratransit services due to ability or proximity to fixed-route services, DART offers the Reduced Fare Program. Persons that have qualifying disabilities can apply to receive a Reduced Fare ID that will allow them to travel through the DART fixed-route system at a discounted rate.

Mobility Ambassador Program and Other Community Training Options – The goals of the Mobility Ambassador Program are to: 1) increase the familiarity and comfort level of older adults, persons with disabilities, and the general public with DART's fixed-route system; and 2) encourage Health and Human Services caseworkers, non-profit transportation providers, and the public seeking transportation for persons with disabilities to consider the fixed-route system as their first choice.

For customers: The service includes travel orientation for individuals as well as groups. Mobility Ambassadors work with customers to help them become familiar, and comfortable, with using the fixed-route service through group trips and/or accompanying first-time users on customized transit trips. Customers that have gone through the



Mobility Ambassador Program but require more than a few trips to feel comfortable using fixed-route services, are referred to the Travel Training Program. The Travel Trainers continue to work with customers with disabilities requiring more intensive and detailed assistance.

For caseworkers and agencies: Mobility Management Services Planning personnel conduct training to increase awareness of alternatives to DART Paratransit services, the ease of using fixed-route services, and the goals of service coordination between transportation providers and the Health and Human Services community. The Mobility Ambassador Program also offers group training for human service agencies and other trainers through a train-the-trainer program.



The Mobility Ambassador Program was implemented for those riders transitioning to fixed-route services. Mobility Ambassadors perform route checks to ensure there are no environmental barriers that would impede the rider's travel. They have been successful at educating groups and individuals on using DART's fixed-route

services. The Mobility Ambassador Program is open to the general public, not just Paratransit riders, and can educate the public on fixed-route services as well as services offered by Mobility Management, including Paratransit.

As of April 2020, 722 individuals and 208 groups have been trained through since the start of this program. Due to COVID-19, training was suspended in March 2020 to allow for social distancing. MMS is hopeful that the Mobility Ambassador Program will resume training during FY 2021.

Regional Transportation Information/Database – DART has worked with various regional entities to create a searchable, comprehensive, accurate, and current database of transportation resources in North Texas for persons with disabilities, older adults, and other disadvantaged populations. This effort was the first step to a regional one-call/one-click service where individuals, caregivers, and caseworkers can find, and, ultimately, book trips by accessing one centralized source. This project, called “My Rides North Texas,” went live to the public in 2017 and is used by individuals across the 16 North Central Texas Council of Government counties. In the future, this project will be assumed by the North Central Texas Council of Governments with additional features added to create My Rides North Texas 2.0.



Paratransit Eligibility and Travel Training – Per the ADA, passengers must be certified by DART to use Paratransit services, and passengers' certifications are updated every one-to-three years. DART certifies passengers in person, thereby providing the most accurate assessment of an

applicant's ability to use fixed-route buses and trains. The eligibility process determines whether a person is capable of using fixed-route services, or if a disability prevents that passenger, unconditionally or under certain circumstances, from using fixed-route service.

The number of certified riders for FY 2021 is projected to be approximately 13,100. This represents a 2% increase from the number of certified riders at the end of FY 2019. This increase reflects the overall population growth and general aging in the DART Service Area. As of May 2020, approximately 12,682 riders are eligible to use Paratransit services.

Eligibility and Training Specialists assess applicants' ability to use fixed-route services and provide travel training. Travel Training enables DART to transition eligible individuals to less costly fixed-route services. The Travel Training Program includes specialized instructions tailored to meet specific needs and skill levels for people with disabilities to successfully transition to fixed-route services. Travel Training requires daily and repetitive instruction until riders feel confident in their ability and can demonstrate competency for complete independence in the use of public transit.

Orientation and Mobility Training – Orientation and mobility training by a certified instructor became available for Paratransit riders with vision disabilities in the fourth quarter of FY 2013. The Orientation and Mobility Specialist provides instruction to people with vision disabilities on how to utilize DART's bus and rail services. This service is provided through a contract.

Operations/Contract Compliance Division

Mobility Management Services Operations/Contract Compliance is comprised of 29 salaried exempt and non-exempt positions. The management team has responsibility for the oversight of the Purchased Transportation Contract that includes ADA Paratransit, GoLink, Rider Assistance Program, Parkland and UTD Shuttle Services and Technology. This division is also responsible for Field Supervision and Quality Assurance. The major initiatives of this section are:

Purchased Transportation Contract – The current purchased transportation contract with MV Transportation began on July 1, 2019 and runs through September 30, 2022. The contract includes two, two-year option periods. This new contract strives to harness the power of updated technology and will provide a single, integrated technology platform built on Routematch software from which all services will work. This model utilizes a broker, MV Transportation, that operates on the software platform to bring on transportation providers, using a variety of vehicle types, to operate the Paratransit, RAP and GoLink services, as well as connect and integrate with other contracted services. MV Transportation also provides reservations, scheduling and dispatching functions. In the future, the



entire platform will connect through DART's GoPass Mobile Application to enable mobile payments, as well as other functionality.

Fleet-wide DriveCam Installation – Starting with the new MV Transportation contract in FY 2019, every dedicated vehicle operating ADA Paratransit service under the contract, has the Lytx DriveCam system installed. These camera systems identify unsafe and inefficient driving behaviors among operators, provide a reference point to coach drivers, and reduce risk, thereby enhancing customer safety and security. The non-dedicated service vehicles, such as Uber, Lyft and some taxicabs, do not have the DriveCam system installed.

Lyft Pilot Program/Incorporating TNCs – Mobility Management Services, in partnership with MV Transportation, began a pilot program in May 2017 to explore the use of a Transportation Network Company (TNC), Lyft, to perform certain trips for eligible ADA customers, in an effort to provide a more flexible and personalized service. MMS identifies and vets the candidates for the Lyft service. As of the end of April 2020, over 150,000 trips have been taken by over 100 participants on the pilot program.

Parkland Paratransit Shuttle – Mobility Management Services operates a shuttle for Paratransit customers from Parkland Hospital through the contract with MV Transportation. The on-demand service is available with a staff member present Monday through Friday, from 10:00 a.m. to 6:00 p.m., and provides Paratransit customers at Parkland hospital a ride home within an hour.

UTD Shuttle – The MMS Operations/Contract Compliance Division oversees the contract for the University of Texas at Dallas shuttle. The shuttle operates seven days a week between the Cityline/Bush Station and UT Dallas campus, with service to surrounding neighborhood areas.

Routematch Mobile – A Routematch Mobile platform, accessible via tablet or connected through the iCabbi taxicab interface, will be provided under the contract with MV Transportation. The wireless communication system allows optimal utilization of revenue vehicles through GPS-based vehicle tracking and improved communications. Customers should experience improved ride times and will be able to take advantage of a new mobile application and web portal that will enable them to schedule and track their trips and rate their driver in the future.



Productivity – KPIs for productivity include on-time performance, excessive trip lengths, and call center service levels. Compliance with the ADA's zero denial mandate impacts efficiency and lowers productivity by requiring all legitimate trip requests (trips requested by certified riders during applicable service hours) be accommodated. While productivity has improved over the years, constrained resources resulted in an increase in longer and late trips. The business/contract model implemented in FY 2019 continues to aim at reducing the strain on resources by utilizing technology to bolster productivity.

Manage No-Shows and Cancellations – The difference between scheduled and actual trips is attributed to no-shows (when a customer fails to show for a trip), and customer cancellations (which can happen any time up until the vehicle arrives for a passenger). In FY 2021, Management estimates the ratio for no-shows will remain at or below the 4% range, and the ratio for cancellations will remain in the 15-20% range. These ratios are consistent throughout the transit industry for paratransit services.

FY 2021 COVID-19 Process and Procedure Changes

Due to the COVID-19 pandemic, DART Mobility Management Services has worked to provide a clean and safe environment for customers and drivers. New cleaning and protection procedures were implemented using CDC approved guidelines, including wiping down high contact surfaces, cleaning seats between customer use, and requiring all drivers to wear face masks as well as gloves when directly assisting customers. Additionally, all vehicles are cleaned nightly. Mobility Management Services is following all state and local requirements as they apply to customers wearing face coverings. Masks are made available to customers as needed.

Since March 2020, the MMS department has incorporated procedures to minimize DART staff contact in the office environment and has taken steps to practice social distancing, including having staff work remotely and conducting all meetings via video chat connections. The department will follow agency guidelines and procedures in FY 2020 - FY 2021 that detail returning staff to the office and continuing attempts to prevent spread of COVID-19.

Mobility Management Services Scorecard – Key Performance Indicators

Exhibit 66 highlights the Key Performance Indicators (KPIs) for Mobility Management Services. These KPIs measure our success towards achieving the goal of providing effective, efficient, safe, secure, and customer friendly transportation service. Fiscal Years 2018 and 2019 indicate actual values. Fiscal Year 2020 Third Quarter represents the period ending June 30, 2020. The numbers in the columns for Fiscal Years 2020 and 2021 are the target values for those years.

Exhibit 66

MMS Scorecard – Key Performance Indicators

Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Customer Quality					
Actual Ridership (000)	771	906	524	628	940
Actual Trips (000)	762	758	431	586	797
On Time Performance	88.7%	88.0%	93.0%	93.0%	92.0%
Preventable Accidents Per 100K Miles	0.5	0.3	0.8	2.0	2.0
Percentage of Trips Completed	99.7%	99.6%	99.8%	99.0%	99.0%
Passenger Canceled Trips Ratio	23.1%	25.4%	29.0%	20.0%	20.0%
Passenger No Shows Ratio	3.3%	4.7%	4.2%	4.0%	4.0%
Complaints Per 1K Trips	3.38	4.15	3.71	3.00	3.00
Service Level - Scheduling (3 minutes)	87.0%	95.4%	94.9%	93.0%	93.0%
Service Level - Scheduling (5 minutes)	92.3%	94.6%	98.7%	97.0%	97.0%
Service Level - Where's My Ride (3 minutes)	92.1%	93.9%	90.1%	93.0%	93.0%
Service Level - Where's My Ride (5 minutes)	97.2%	93.1%	95.7%	95.0%	97.0%
Certified Riders	11,004	12,493	12,666	12,780	13,100
Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Financial Efficiency					
Expenses - Fully Allocated (M)	\$36.84	\$42.37	\$32.08	\$31.57	\$41.48
Revenues (M)	\$2.17	\$2.33	\$1.29	\$1.75	\$3.11
Net Subsidy (M)	\$34.67	\$40.03	\$30.79	\$29.82	\$38.37
Subsidy Per Trip	\$45.49	\$44.17	\$71.40	\$50.87	\$48.13
Subsidy Per Passenger	\$44.97	\$42.87	\$58.77	\$47.48	\$40.84

KPIs for Reservations and *Where's My Ride?* are referred to as Service Levels and represent the percentage of calls handled within the established time. The contract with MV that began in FY 2019 requires 93% of calls to be answered within 3 minutes, 97% of calls to be answered within 5 minutes, and offers an incentive once 95% of calls are answered within 3 minutes and 99% of calls are answered within 5 minutes. MV is also required to meet an On-Time Performance target of 92% and is offered an incentive at 95%. MV has committed to meeting all minimum thresholds for these goals and aims to surpass the incentive targets.

Exhibit 67 is an overview of the uses of funds and allocated operating positions for the Mobility Management Services mode. Each department identifies the percentage of time spent on each mode of service to determine the expenses and positions allocated to the mode of service.

Exhibit 67 Mobility Management Overview

Overview	FY18A	FY19A	FY20B	FY21B
Allocated Operating Expenses (M)	\$36.8	\$41.1	\$42.8	\$41.5
Capital Expenditures (M)*	\$0.3	\$0.1	\$0.4	\$0.3

* These amounts are the actual or budgeted capital for this mode only and do NOT include an allocation of Agency-wide capital.

** Allocated positions are based on budgeted position counts.

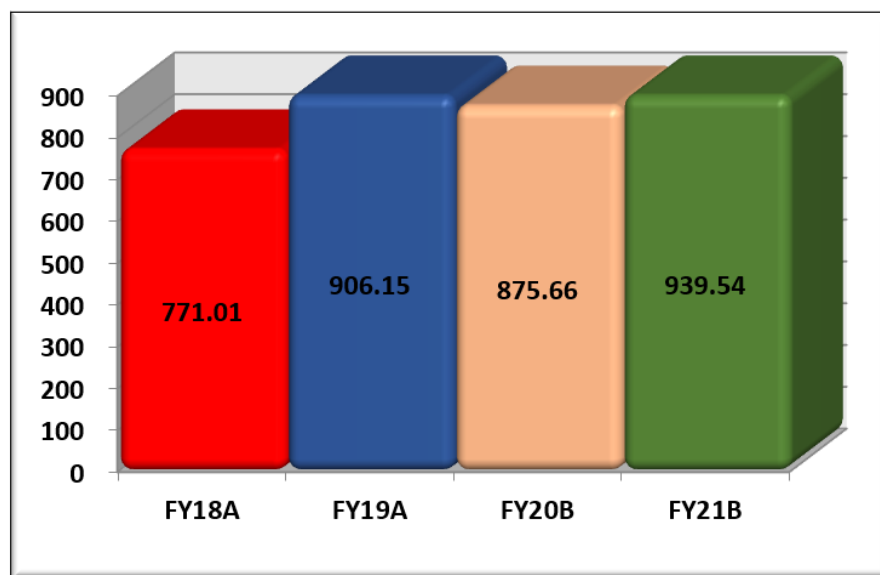
Paratransit Ridership

One of Mobility Management Services' goals is to increase efficiency while delivering excellent customer service. The service delivery model implemented in FY 2013, consists of both dedicated and non-dedicated vehicles as well as a diverse fleet mix. The dedicated variety of vehicles in the fleet will continue into the current contract, which began July 1, 2019.

The increase in vehicles and flexibility that accompanied the MV contract has helped to ease the strain on available resources and has decreased customer ride times that had been increasing over several years prior to the change. Ultimately, this change has improved productivity and efficiency. Ridership continued to trend higher in the first half of FY 2020 before the effects of COVID-19. Once the ridership effects of COVID-19 subside, it is expected that demand for Paratransit will continue to be positive.

Exhibit 68 highlights Paratransit ridership. Fiscal Years 2018 and 2019 indicate actual values. Fiscal Years 2020 and 2021 are the target values for those years.

Exhibit 68 Paratransit Ridership (in Thousands)



Paratransit Costs and Subsidy Per Passenger

Exhibit 69 compares Paratransit cost and net subsidy actual results for FY 2018 through FY 2025 with budget and projections for FY 2020 through FY 2025. Net Subsidy represents the total cost of the service not covered by passenger fares. The calculation for Subsidy per Passenger takes this number and divides it by actual ridership.

Exhibit 69
Paratransit Net Subsidy Comparison

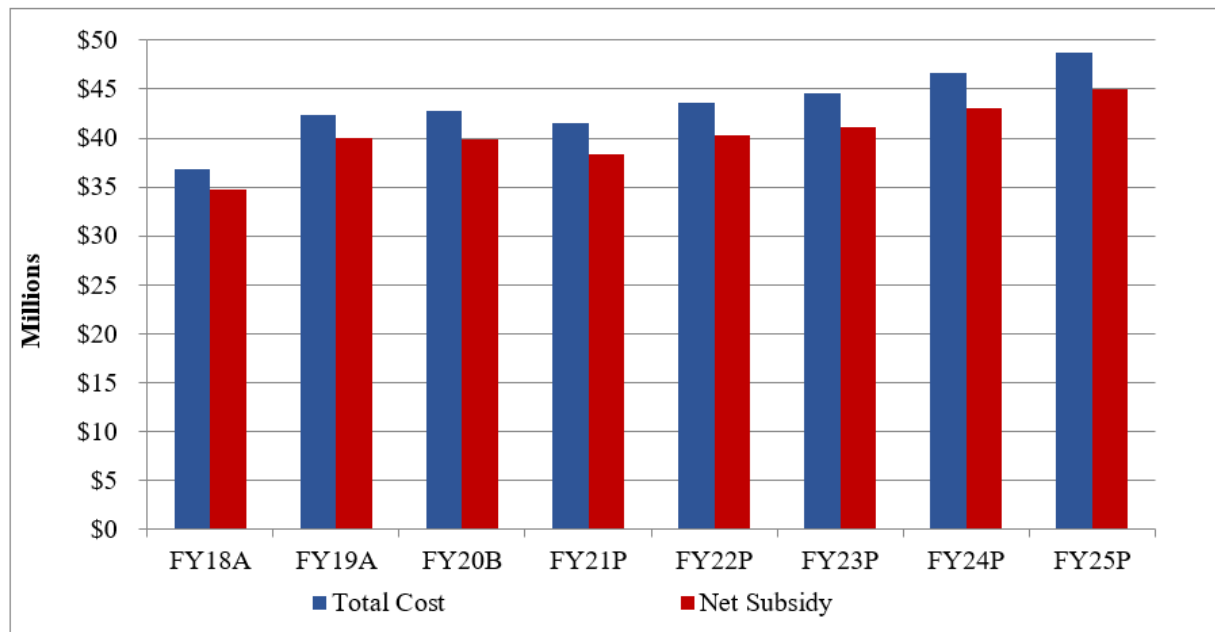
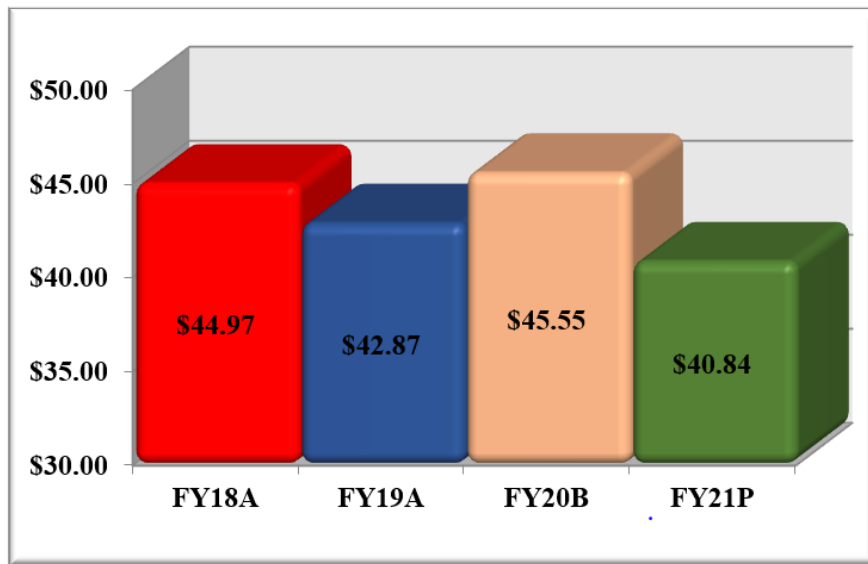


Exhibit 70 highlights Paratransit Subsidy per Passenger. Fiscal Years 2018 and 2019 indicate actual values. Fiscal Year 2020 and FY 2021 are budgeted numbers.

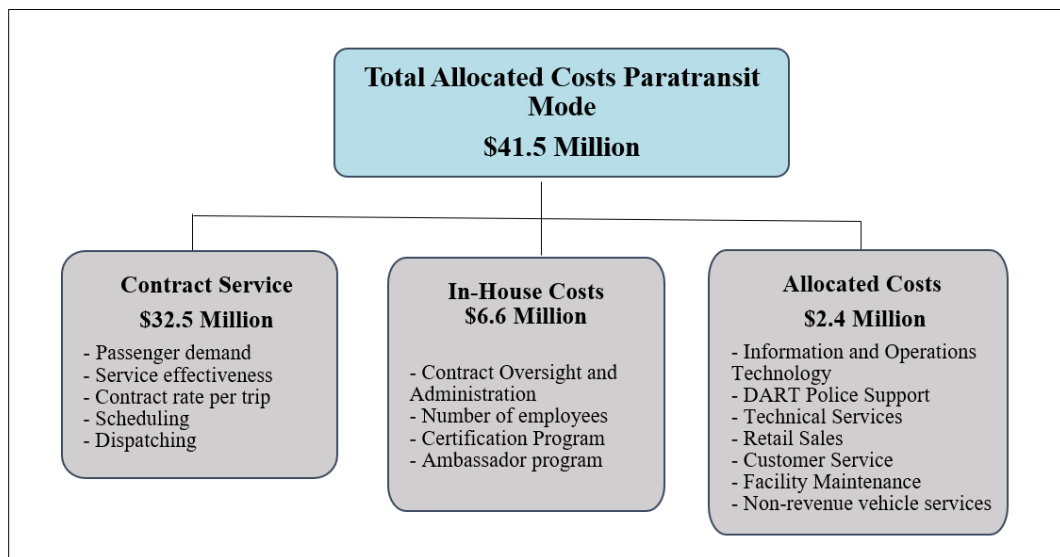
Exhibit 70 Paratransit Subsidy per Passenger



Paratransit Cost Model

Exhibit 71 is the Paratransit Cost Model. Contract services accounts for 78.3% (\$32.5 million) of modal costs.

Exhibit 71 FY 2021 Mobility Management Cost Model





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Workforce & Customer Safety

DART has always considered the safety of our customers, employees, and contractors to be the top priority. We have developed and implemented a System Safety Program Plan (SSPP) designed to provide the safest transportation network for customers and citizens of the DART Service Area, and the safest work environment for employees. A series of unfortunate public transit and commuter rail incidents around the country over the past ten years has prompted Congress to adopt new compliance regulations, which require DART to further enhance and emphasize safety throughout the organization. Under the Federal Transit Administration's adopted principles of a Safety Management System (SMS), DART can anticipate more safety oversight auditing and reporting obligations to both the State of Texas and the Federal Transit Administration. In addition, with the implementation of Positive Train Control on our Commuter Rail system, there will be a companion set of new compliance and reporting obligations. Under an Interlocal Agreement (ILA) with the City of Dallas we have also agreed to operate the Dallas Streetcar as a contractor. We have experienced an increase in the involvement of DART's Safety Department with the Dallas Streetcar and expect this to continue throughout the term of the agreement. DART serves in a technical advisory capacity supporting the McKinney Avenue Transit Authority streetcar.

The Vice President, Chief Safety Officer, reports to DART's President/Executive Director. The location of this position within the Agency's reporting structure emphasizes the importance safety should and does play in our daily operations.

Each DART department is directed and empowered to administer the SSPP and its specific activities for the prevention, control, and resolution of unsafe conditions and actions. DART's successful safety record results from the use of this plan, as well as from the regular review and revision process in place to keep the SSPP current. It is fully expected that once the Safety Management System (SMS) is fully implemented, the SSPP will be incorporated intact.

DART Safe Work Practices Policy

DART's safety policy is guided by the following principles:

- Injuries and occupational illness are preventable.
- Preventing injuries and incidents is good business and saves money.
- Operating exposures can be safeguarded.
- Management will train all employees to work safely.
- Appropriate safety equipment will be available to all employees.
- Safety is the responsibility of every employee.

DART's senior management is responsible for providing leadership in promoting safety and ensuring employees are committed to the safety of DART's customers, employees, property, and the general public who come into contact with the DART system.

The DART Safe Work Practices Policy voluntarily adopts the Occupational Safety and Health Administration (OSHA) standard as the minimum standard for safe work practice. Audits

covering all the safety related Standard Operating Procedures, as well as System Safety Program elements, are conducted each year to measure and record improvement with respect to prior audit findings and mitigation implementations.

To further support safe work practices, DART provides safety-specific training for DART operations. Safety rules and techniques are integrated into the task-specific training associated with each departmental discipline. DART's safety professionals provide safety specific training to ensure the delivery maintains continuity of the safety message. DART's Operational Safety Training Program includes the following:

- Light Railway Worker Protection Program (LRWPP)
- DART Police
- Quarterly Safety Training
- Industrial Health and Safety Training

Mandatory quarterly safety training meetings are held each year for Operations departments personnel. The topics and curriculum are based upon current events, recurrent training required by law, or training required by changes in safety-related laws, regulations, guidelines, DART policy, standard operating procedures, and work instructions. Over 6,000 individuals are trained annually.

Operations Safety Functions

DART's safety program includes the following:

- Audits of various components of the system regularly based on safety rules, operating practices, and regulations for the Maintenance and Transportation departments, and other audits as requested.
- Light rail safety audits as mandated by the Federal Transit Administration (FTA) and State Safety Oversight.
- Job safety analyses to recommend mitigation strategies for the risks inherent in performing specific tasks. This, in turn, may affect the safety requirements within the Standard Operating Procedures and Work Instructions.
- Investigation of all collision accidents to determine preventability as well as an appeal process associated with preventability decisions.
- Involvement in integrated testing prior to the opening of new light rail sections.
- Leadership of the activities of the Rail and Bus Safety Committees, which report to the DART Safety Committee (DSC). The DSC is composed of DART executive management and is responsible for safety policymaking, performance accountability, oversight of the subordinate safety committees, and assignment of safety responsibilities throughout the agency.
- Oversight of changes in configuration to bus, rail, and other systems, ensuring adherence to change management principles and processes.
- Oversight and documentation of test results for lead and hexavalent chromium.
- Primary contact for all state safety oversight issues such as compliance with federal and state regulations and serious accident investigation and reporting.
- Primary contact to the National Transportation Safety Board.

- Development and implementation of accident reduction initiatives and implementation of operational policies and procedures.
- Coordination of the National Safety Council's safe-driver recognition program and Rail Safe Operator program.
- Participation in the development and implementation of the safety initiatives of the American Public Transportation Association.

Bus and Light Rail Accidents per 100,000 Miles

Exhibit 72 shows the results of Bus Accidents per 100,000 miles for FY 2018 through September 2020.

Exhibit 72
Bus Accidents per 100,000 Miles

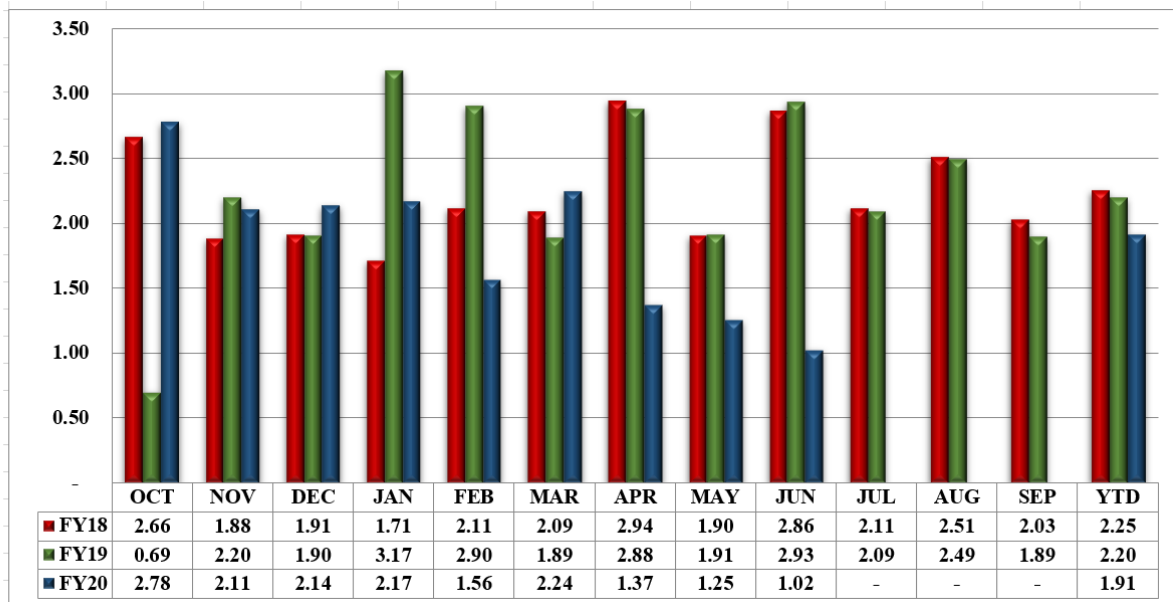
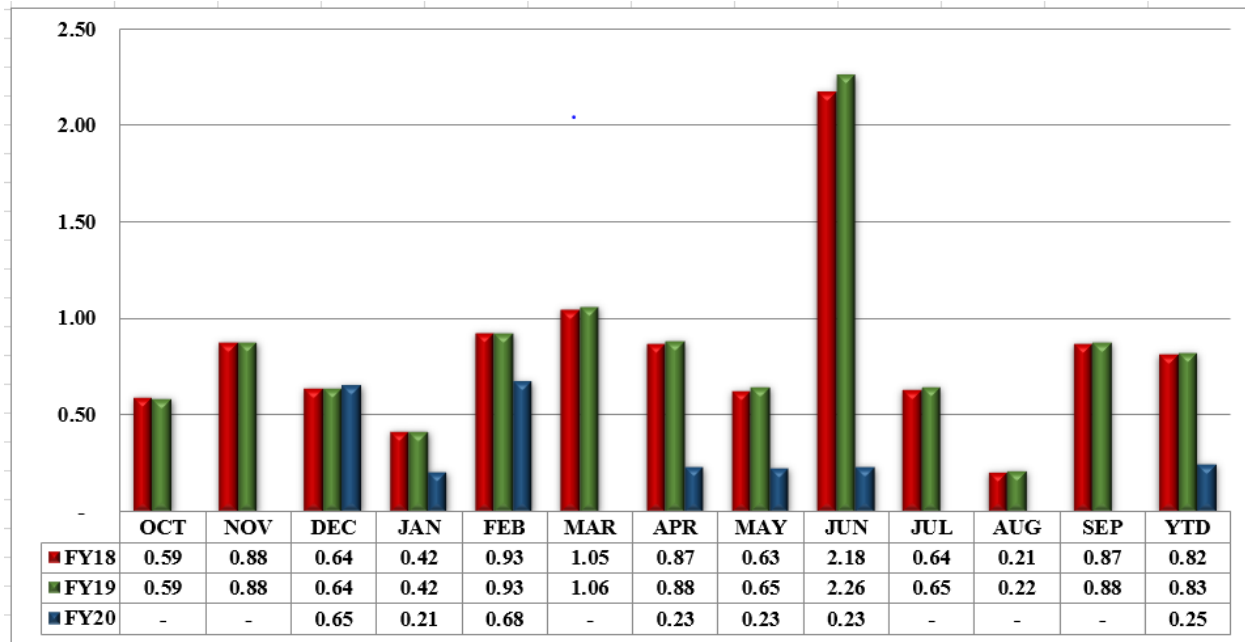


Exhibit 73 shows the history of Rail Accidents per 100,000 Train Miles for FY 2018 through September 2020.

Exhibit 73
Rail Accidents per 100,000 Train Miles



Rail Program Development – Safety Program(s)

Safety and security are primary concerns that encompass all aspects of planning, design, construction, and subsequent operations of the DART Light Rail (LRT), Commuter Rail, Bus, Paratransit, Transportation, Maintenance, Dallas Streetcar System, and management facilities and assets. DART's Engineering and Construction staff, support staff, and rail consultants are charged with the responsibility of ensuring the safety and security of patrons, employees, and the general public who come into contact either directly or indirectly with DART transportation systems and facilities. Systems Safety elements are introduced into Authority designs for DART's transportation systems and management infrastructure for projects executed by the Capital Program Delivery department.

The Capital Program Support department independently supports development, deployment, and validation of the Systems Safety Program. The Systems Safety Program consists of three separate, but integrated, safety disciplines: Construction Safety, Systems Integration and Start-up, and Safety and Security Certification.

The following elements represent critical components of each safety discipline:

The **Construction Safety and Security Program (CSSP)** was established by DART to promote safety and security and to mitigate and control hazards and risks associated with construction, repair, maintenance, and related services for DART LRT, Commuter Rail, and Dallas Streetcar Systems.

Construction Safety provides oversight of all active GRD construction contracts to ensure contractor's compliance to DART's safety and security requirements and plans. Oversight includes but is not limited to field surveillance activities and contractor record documentation audits.

The Construction Safety team manages and coordinates Construction Safety Orientation (CSO) and Roadway Worker Protection (RWP) training programs for capital projects. They also support DART's Risk Management and the Owner Controlled Insurance Program (OCIP), as well as coordinate with DART Operations Safety when required by capital projects. Safety management activities include but are not limited to the following:

- Management, contractual, and contractor compliance, design integration, enforcement of federal regulations and statutes (OSHA, FRA, FTA), state regulations (TxDOT), National/Industry Consensus Standards (NFPA, IFC, IBC, NEC, ANSI, AREMA, ASTM, etc.), and agency safety requirements, policies, and procedures.
- The Comprehensive Inspection/Assessment and Inspection Program focuses on jobsite construction safety, workforce (personnel) safety, and environmental health. Detailed/specific safety element audits and validation of contractual compliance are conducted, and written reports with supporting photographic documentation are prepared for record-keeping requirements.
- Investigations of accidents/incidents and property damage claims. Identifying causal factors, determining abatement, and follow-on actions. Develops and implements accident reduction initiatives and implementation of operational policies and procedures.
- Management of comprehensive bilingual safety education and training programs; i.e., Construction, Systems Safety, Storm water Protection Awareness, and the Federal Railroad Administration (FRA) Roadway Worker Protection (RWP).
- Establishment and participation in Safety Committees; Construction Safety and Security Advisory Committee (CSSAC); DART Safety Committee (DSC); and several subordinate safety committees; e.g., Bus, Rail, Commuter Rail (TRE), Fire Life Safety Committee (FLSC), and System Safety Certification Readiness Team (SSCRT) as required.

As a result of these construction safety processes, DART has achieved an unprecedented low worker injury rate. Since the mid-1990s, DART's construction projects have now exceeded 33+ million man-hours. The team of seasoned construction professionals has created a culture that promotes a high level of safety awareness that permeates every aspect/element of work being performed.

Exhibit 74 depicts scope increases and cost successes of the Construction Safety Program since the initial introduction of the LRT system, from the earliest phases (Starter System) to the currently active construction projects of Silver Line, RBPE, and Hidden Ridge.

Exhibit 74 Construction Safety

DART Construction Safety Program						
	LRT Starter System	LRT Phase I	LRT Phase II & III (to date)	Cotton Belt	RBPE	Hidden Ridge
Total Man-Hours Worked	8,115,525	6,372,080	18,165,223	440,295	270,009	33,357
Total "Recordable" Accidents	982	321	144	1	4	0
Total "Lost Time" Accidents	271	46	37	0	1	0
Total "Cost" per Man-Hour	\$1.31	\$0.58	\$0.34	\$0.00	\$0.64	\$0.00
Program Costs	\$900 M	\$900 M	\$1.9 B			
Construction Costs	\$500-\$600 M	\$500-\$600 M	\$1.5 B			

The **Systems Integration and Startup Program** is responsible for start-up and integrated testing activities that include interface management, operations and maintenance planning, system safety, and integrated testing and startup coordination of GRD capital projects. The Systems Integration Group (SIG) ensures through the Integrated Test Plan that systems elements are properly integrated into the existing operating transit system according to design, specification, and other applicable project requirements. Interface management includes coordination with DART Operations on design and construction issues, in addition to all turnover activities for revenue service. The SIG works concurrently with Safety and Security Certification activities to ensure compliance with DART, SSO and FTA program requirements for turnover of capital projects to revenue service. SIG activities vary by project and include but are not limited to the following:

- Identifies and conducts integrated testing activities prior to the start of revenue service. Testing includes safety functions of major system elements: traction power, overhead catenary system, communications, signals, fare collection, and the interoperability of these systems. The published Integrated Test Plan (ITP) includes descriptions of each system's elements test, personnel required to perform the test, and criteria for determining successful completion of the test.
- Supports development, implementation, evaluation, and revision of policies, procedures, standards, and publications relative to system integration testing (Integrated Test Plan) programs. Supports development of hazard analysis processes, programs, and methodologies as defined in PHA, OHA, FMEA, TVA, MIL-STD-882
- Develops technical reports, formal presentations, etc. Interfaces with Federal (FTA and FRA) and State of Texas Safety Oversight (SSO), and Project Management Oversight Committee (PMOC) representatives and officials as needed.
- Management of the agency's Capital Start-Up, and Integrated Testing programs. Establishes processes and methodologies for formalized testing, evaluation, and acceptance for transportation, subsystems, i.e., Traction Power Substations (TPSS), Overhead Catenary System (OCS), Communications, Signals, and Fare Collection, in conjunction with other critical rail related systems.
- Collaborates on development and implementation of plans and procedures to efficiently transfer completed capital projects to the DART Bus, Light Rail, Commuter Rail, and Streetcar projects. Coordinates with capital rail program management during rail-related projects and design development.

System Safety Certification Program (SSCP) is the process of verifying compliance with a predetermined and approved set of formal safety and security requirements. The Systems Safety and Security Certifications team ensures compliance with DART, Federal Transit Administration (FTA), Texas State Safety Oversight (SSO) Program Standard requirement and other local, state, and federal Fire Life Safety code requirements for GRD capital projects. This includes coordination with State Safety Oversight in the delivery and certification of design and construction of the capital projects for turnover to revenue service.

The Systems Safety and Security Certification (SSC) team coordinates with project stakeholders throughout the life cycle of the projects. Coordination with DART stakeholders and Authorities Having Jurisdiction (AHJ) is accomplished through the DART Safety and Security Certification Review Team (SSCRT) and the Fire Life Safety Committee (FLSC) throughout the life cycle of GRD capital projects. The team also coordinates with DART Operations Safety to support DART Operations safety program requirements. SSC team activities vary by project and include but are not limited to the following:

- Identifies processes whereby projects will be formally certified as being safe to operate in revenue service. Safety and Security Certification verifies that DART systems, as designed and constructed, meet or exceed the stated requirements (Federal, State, and Local codes, specifications, manufacturers' criteria, design documents, etc.) for safe operation, security, and maintenance prior to entering revenue service.
- Emphasizes security requirements through a collaborative effort with the DART Police. Accordingly, the SSCP addresses safety and security as the project progresses from planning, to design, through construction, installation, testing, and finally revenue service. The primary objective is to achieve a state of acceptable risk parameters that achieve a major system security obligation that helps to minimize or eliminate threats and vulnerabilities to the most practical levels.
- Validates that safety and security design criteria and standards are properly incorporated into appropriate design drawings and contract specifications. Project elements are reviewed for safety and security certification upon completion of design, construction/installation, and development of operating procedures when applicable. During design and final construction/installation, final verification activities are performed, which include inspections and integrated testing. Upon successful completion of the verification process, the project element is certified as being safe and secure for revenue service.
- Collaborates with Authority's Having Jurisdiction (AHJ), DART Bus and Rail and Police to conduct First Responder system familiarization training. Conducts federally mandated Readiness Drill program by developing exercise criteria and jointly stages and conducts simulated rail vehicle emergency situations.

Collaboration and teamwork with DART personnel, contractors, subcontractors, and consultants has institutionally and effectively achieved a demonstrably high level of success in the workforce and systems safety environments. This collaborative effort has improved the overall integrated effectiveness of the agency's System Safety programs.



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Growth/Regional Development

The Executive Vice President of Growth/Regional Development has oversight of the Service Planning & Scheduling, Commuter Rail & Railroad Management, Capital Planning, and Rail Program Development Departments. The Executive Vice President reports to DART's President/Executive Director and is the management liaison for the Board's Planning and Capital Programs Committee for departmental matters.

Service Planning & Scheduling Department

The work plan for the Service Planning & Scheduling Department consists of a broad range of service planning and project development activities. These include refinement of the current bus system and developing concepts for future services and advancing them to implementation. Planning & Development Department activities also include planning, designing, and constructing various service-related capital projects.

The Vice President of Service Planning & Scheduling directs the overall activities of the department. The strategic workplan for FY 2021 includes the following programs and projects.

Integrated Corridor Management (ICM)

Developed by the US DOT, Integrated Corridor Management (ICM) concepts may be applied in corridors with multiple transportation networks that are owned and operated by various providers. ICM requires technical, operational, and institutional integration of activities so that for the benefit of the commuter and the traveling public, the entire corridor is managed as one system rather than individual networks. A corridor is defined as an entire geographical area that may consist of highways, arterials, toll roads, parking systems, managed lanes, local bus, express bus, and light rail systems. The program includes freeway management, arterial street monitoring, responsive traffic signal system, parking management, real-time transit vehicle and park-and-ride lot information, regional trip planner, weather information, and the 511DFW, which is the State's first multi-modal Traveler Information System. The federally funded ICM Program is a joint effort of DART, TxDOT, North Central Texas Council of Governments (NCTCOG), North Texas Tollway Authority (NTTA), and the cities of Dallas, Highland Park, University Park, Richardson, and Plano.

Transit Signal Priority (TSP)

TSP reduces or eliminates unnecessary stops at signalized intersections when a transit vehicle runs behind schedule. Reduction of unnecessary stops allows for travel time savings; and eliminates the need to add additional buses. It is proposed to implement TSP in the Hampton, Buckner/Peavy, and Parker Road/Legacy corridors. Implementation of this program will require implementation of software and preemption from impacted traffic signals in Dallas and Plano. TSP will be implemented in two phases: Phase I-initiation of contract with TSP provider in FY 2021. Phase II-Implementation of TSP in FY 2022.

Reserved Parking Program

Out of concern for the ability of service area residents to find close-in parking at Parker Road Station, DART established a follow-up Reserved Parking Program at Parker Road.

A total of 828 parking spaces were reserved for service area residents with a valid DART resident permit. Another 1,231 spaces at Parker Road are open to all users. Eligibility for the program requires verification of service area residency and verification of vehicle ownership, and residence permits issued under the former Paid Parking program are accepted. Station Concierges at Parker Road issue the reserved parking permits, and DART Police provide enforcement.

During FY 2016 through FY 2018, the program was evaluated to measure compliance. Compliance was found to be good, but the evaluation also found that fewer reserved spaces were needed. During FY 2016, the number of spaces reserved for residents of DART cities was reduced to 628. This change provided unused spaces to be available for non-service area customers unable to find space at Parker Road. The reserved resident program will continue in FY 2021.

During FY 2018 a concern for the ability of service area residents to find close-in parking at Rowlett Station led to a similar Reserved Parking Program at the Parker Road Station for the 750 spaces in Rowlett. Initially DART staff verified and registered residents for stickers, with the City of Rowlett assuming registration responsibility after the program began. Enforcement is done by the Volunteers in Patrol (VIP) group which is under the direction of the Rowlett Police Department, with DART's financial assistance to purchase VIP uniforms and supplies.

After an initial adjustment to re-balance the number of spaces dedicated to reserved parking, and an informational campaign and outreach before and after rebalancing, parking allocations were efficiently distributed with very few complaints after the summer of 2018.

Regional Service Policies and Operations

DART continues to work on the provision of transit services outside of the DART Service Area under Board Policy III.07 (Fixed Route Service Beyond Service Area Boundary). DART currently works through a Local Government Corporation (LGC) to manage out-of-service area contracts: agreements with Wylie, Allen, and Fairview to provide services for seniors and disabled persons; and jointly-operated services for the Inland Port Transportation Management Association (IPTMA).

On November 2, 2020, DART and STAR Transit started joint operation of expanded Inland Port services for IPTMA. The goal is to find cost effective strategies to connect DART residents with available jobs in the portions of the Inland Port outside the DART Service Area. These strategies will include dynamic carpooling, vanpooling, and microtransit service.

During FY 2016, DART was asked to provide senior and disabled demand-responsive service to parts of Collin County left without transportation following the collapse of the Texoma Area Paratransit System. The NCTCOG contracted with the DART Bus Service, LGC to provide services in Allen, Wylie, and Fairview. This NCTCOG-funded service began in February 2016

and ended 90 days later in May 2016. This emergency service allowed DART to negotiate funding with Allen, Wylie, and Fairview along with NCTCOG to provide a similar service through FY 2017. DART was able to obtain a major grant from Toyota Motor North America, Inc., as well as NCTCOG, for funding to permit the cities to have a longer time to evaluate their needs for public transportation. In FY 2017, DART implemented a program for Collin County similar to the Plano Ride Program to service seniors and disabled persons. In addition, during FY 2017 and FY 2018, DART collaborated with the cities in Collin County to complete a countywide public transportation plan to guide future investments in transit. DART anticipates that the municipalities of Wylie, Fairview, and Allen will continue to contract with the DART LGC to extend the Collin County Rides program.

Plano Ride Program

For many years, DART has partnered with the City of Plano to support the Plano Senior Rides program, a program providing taxi vouchers to help fund transportation for seniors who are unable to use DART fixed route or Paratransit services. DART made a key program change that replaced paper vouchers with debit cards, which simplified record-keeping and administrative burdens. The program has been expanded to include the addition of Plano residents who are former customers of the now-defunct Collin County Area Rural Transit (CCART) system, but do not qualify or are unable to use DART fixed-route or Paratransit services.

In 2017, the City of Plano requested that DART take the program administration over. This transition took place in January 2018. This program now falls under the DART Rides umbrella of service. The change has allowed customers to apply and add funds to their accounts online. By DART staff administering the program, we have gained insight to trip information and have been able to provide customers with quality service.

DART Rides Program

Based on the success of both the Collin County Rides and Plano Rides Programs DART created a new family of service called DART Rides. This service currently provides user side subsidy trips to the cities of Carrollton, Rowlett, and Plano as well as identified zip codes in Addison, Dallas, Farmers Branch, and Irving. These programs allow seniors and persons with disabilities that do not qualify for DART Paratransit the option to use another available service. Grants through the Federal Transit Administration (FTA) and North Central Texas Council of Governments (NCTCOG) will allow DART to provide these services.

Service Standards

DART Service Standards govern the planning of DART transit services and the evaluation of route performance. After a year-long discussion, the Board of Directors adopted new Service Standards in October 2019. Significant changes include definition of a new core frequent route network service with higher service frequencies and wider service spans, changes to the route performance measurement system, and a new points-based system for bus stop amenity warrants. The new Standards formed a backbone for a number of other service planning efforts in FY 2019-2021. We

anticipate that Standards will be revised in late FY 2021 or FY 2022 after completion of the Bus Network Redesign.

Bus Network Redesign

DART will continue to work on the Bus Network Redesign project throughout FY 2021, with major service changes planned for January 2022. This Plan will govern future bus service changes throughout the DART Service Area. As a part of the planning effort, DART is evaluating the current system, soliciting public stakeholder, and rider input on potential changes, and developing alternative service strategies for consideration.

In early FY 2021, DART will prepare a Draft Bus Network Plan for Board consideration. This will be followed with specific proposals for January 2022 route and schedule changes later in the year. We anticipate Board action on the FY 2022 service changes before the end of FY 2021. We anticipate that changes will impact all DART bus services.

Pandemic Service Restoration

The COVID-19 pandemic had an immense impact on DART ridership and services in 2020. Following precipitous declines in ridership in March 2020, DART initiated a series of emergency bus and rail service reductions, most taking effect in April 2020. After considerable Board discussion, DART started the process of restoring pre-pandemic services in early FY 2021. In October 2020, bus and rail services were restored to approximately 89% of pre-pandemic levels, with many bus routes restored to full pre-pandemic service. Light rail and core frequent bus routes will operate on standard 20-minute service frequencies, and other routes will continue with reduced service. We anticipate that services will be restored to pre-pandemic levels in January 2022, subject to confirmation by Board actions related to the Bus Network Redesign.

Area Service Reviews and Service Changes

DART conducts periodic detailed service reviews in different sectors of the DART Service Area. However, the Bus Network Redesign will replace all of the normal Service Reviews in FY 2021. When conducted, reviews include a careful analysis of the demographics and performance of services in the respective areas, looking for gaps in coverage and other changes that can be implemented in a three to five-year time horizon.

Bus Stop Consolidation

DART completed the first phase of a bus stop consolidation project on all non-core frequent bus routes by end of FY 2020 and will continue the implementation of the bus stop consolidation plan in FY 2021, including the additional work for the new core frequent routes implemented in August 2019. DART will conduct before-and-after analysis to examine any travel speed changes resulting from the bus stop consolidation.

Ridership Reporting and Performance Measures

DART develops ridership statistics and performance measures by mode at different time and geography levels based on FTA requirement, agency goals, and stakeholder requests. Specifically, DART completes monthly average day of week ridership counts within 15 business days of the end of each month, and quarterly ridership and route performance within one month after the end of the quarter. DART is now using Automatic Passenger Counters (APC) to report bus, streetcar, and TRE ridership. Light rail (LRT) ridership is determined by statistically factoring APC sample data collected monthly. Paratransit ridership is compiled from daily trip manifests.

Mobility On Demand

DART plans and implements the innovative GoLink microtransit services as part of the service planning change or ad hoc special projects. In FY 2021, DART has implemented two new GoLink services in Southeast Garland and South Irving to replace low-performing bus routes as part of the October 19, 2020 service change; has implemented the Inland Port Transportation Management Association (IPTMA) Expanded GoLink to support access to employment in the Southern Dallas County Inland Port Area; is planning for implementation of an on-demand service for the Joppa neighborhood in South Dallas area, as well as developing service proposal for microtransit service in the McKinney Urban Transit District. In FY 2021, the planning of significant expansion of GoLink program via the DARTzoom Bus Network Redesign project will be finalized for implementation in January 2022. During FY 2021, DART will also reevaluate and procure a new mobility management service contract to support the future development of the GoLink program.

Regional Transit Study

DART has been serving in the Project Advisory Committees (PACs) to advise the regional transit studies in Collin County as well as Southern Dallas County by North Central Texas Council of Governments (NCTCOG) since mid FY 2020 and this effort will continue in FY 2021.

On-Time Performance Project

DART completed a comprehensive analysis of bus on-time performance and recovery during FY 2015. This study identified the routes which perform below DART's service standard for on-time performance and identified some of the reasons for that level of performance. A major focus of Service Planning's FY 2019 workplan is an effort to reschedule deficient bus routes to adjust running times to better match field operations, increase recovery time, and improve schedule adherence. In FY 2018, DART implemented revised schedules 14 routes at each of the major service changes in March 2018 and August 2018. With August 2019 service changes, all of the planned service adjustments have been completed, and FY 2021 will be the first year with a full set of peak and off-peak schedules in place. DART will continue to analyze on time



performance and make additional adjustments if needed during service change windows in January, May, and September 2021.

Legacy Area Transportation Study

Due to the explosive employment and residential growth in the Legacy area of northwest Plano, the City of Plano completed a major transportation study to evaluate options to reduce congestion and improve mobility in the area in FY 2016.

DART participated by preparing the transit element of the plan for Plano and adjacent communities as part of our FY 2016 work program. DART implemented several of the recommended route changes from the Legacy Plan in March 2017. The Legacy Study also recommended the implementation of micro transit options supplemented by Transportation Network Companies (Uber/Lyft) and real-time carpooling. A pilot test of this new type of service was implemented in the Plano area during FY 2018. In FY 2019 other changes were implemented to the Legacy GoLink service, including free service midday for certain locations. Other changes are expected in the future after the pandemic.

Vanpool Program

DART and the NCTCOG have worked together to identify strategies for reducing vehicle emissions in the Metroplex. The vanpool program has been identified as a critical component of the State Implementation Plan for improving air quality. Employers in the Metroplex have also discovered that vanpools are a viable transportation alternative for their employees and are subsidizing passenger fares to help with escalating vehicle costs due to the emergence of delivery services such as Amazon, Target, and Walmart.

Regional Vanpool Program

DART in coordination with NCTCOG, DCTA, and Trinity Metro have discussed the prospect of developing a regional vanpool program. The goals of the program are: 1) have one unified pricing schedule to eliminate competition amongst the transit agencies, 2) promote the Try Parking It website (www.tryparkingit.com) a free ride-matching service sponsored by NCTCOG, and 3) develop a marketing strategy to promote the regional vanpool program.

Vanpool Scorecard

Exhibit 75 on the following page highlights Vanpool Key Performance Indicators (KPIs) presented in scorecard format. These KPIs measure our success towards achieving the goal of providing effective, efficient, safe, secure transportation service. The numbers in the columns for fiscal years 2018 and 2019 indicate actual values. Fiscal Year 2020 Third Quarter represents the four-quarter rolling period ending June 30, 2020. The numbers in the columns for fiscal years 2020 and 2021 are the target values for those years.

Exhibit 75 Vanpool Scorecard – Key Performance Indicators

Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Customer Quality					
Ridership (000)	596.0	611.5	299.2	499.6	645.0
Number of Vanpools	168	174	120	225	200

Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Financial Efficiency					
Expenses - Fully Allocated (M)	\$1.84	\$2.99	\$1.45	\$2.36	\$2.21
Revenues (M)	\$1.48	\$1.56	\$0.88	\$1.45	\$0.94
Net Subsidy (M)	\$0.36	\$1.43	\$0.57	\$0.91	\$1.27
Subsidy Per Passenger	\$0.61	\$2.34	\$1.91	\$1.82	\$1.97

DART offers vehicles in a range of capacities (up to 15 passengers) through a third-party contractor, AVR. AVR was awarded the program in FY 2020 and began service in June of 2020.

This program is partially funded by the NCTCOG through a Surface Transportation Block Grant (STBG) program. In past years, NCTCOG has provided funding to DART that covers up to 45% of the total cost of operations. In 2018, this was reduced to 35% of the cost of the operations. Through monthly fees and fuel payments, users pay up to 55% of the program costs. The bulk of DART's expenses are in-kind services such as program management. The vanpool program also allows DART to receive over \$1 million of federal formula funds to support programs other than the vanpool program.

Vanpool funding is expected to be capped at or slightly below current levels for FY 2021. Nevertheless, we expect to be able to continue under the current funding arrangement, with NCTCOG funding remaining at approximately 35% of eligible expenses, and user fees covering up to 65% of program costs.



Vanpool programs in the region, including DART's, experienced a decrease in participation over the past few years, spurred in large part by employee reductions at several employers participating in the program and falling gasoline prices.

Exhibit 76 is an overview of the uses of the funds and allocated operating positions for the Vanpool mode of service.

Exhibit 76 Vanpool Overview

Overview	FY18A	FY19A	FY20B	FY21B
Allocated Operating Expenses (M)	\$1.8	\$3.0	\$2.2	\$2.2
Capital Expenditures (M)*	\$0.0	\$0.0	\$0.0	\$0.0

* These amounts are the actual or budgeted capital for this mode only and do NOT include an allocation of Agency-wide capital.

Road Improvement Programs

The Road Improvement Programs shown in Exhibit 77 represent all of the Board approved road programs with cities in the service area and state agencies. Road improvement programs are recorded as non-operating expenses in the Budget and Twenty-Year Financial Plan because DART does not take an ownership interest in most of these mobility improvements.

Exhibit 77 General Mobility & Road Improvement Programs (in Millions)

Program	FY16	FY17	FY18	FY19	FY20	FY21
LAP/CMS	\$ 0.6	\$ 0.6	\$ 0.1	\$ -	\$ -	\$ -
Transit PASS	\$ -	\$ -	\$ -	\$ 5.0	\$ 3.0	\$ -
TSM (includes street repair)	\$ -	\$ 0.5	\$ -	\$ 7.3	\$ 4.8	\$ -
Transit Related Improvement (TRIP)	\$ -	\$ -	\$ 3.7	\$ 3.8	\$ 3.9	\$ 4.0
Total	\$ 0.6	\$ 1.1	\$ 3.8	\$ 16.1	\$ 11.7	\$ 4.0

Local Assistance Program/Congestion Management System (LAP/CMS)

This agreement returned 15% of DART sales taxes collected in a city within the service area to that city until a contract was awarded for rail construction in that city. Irving was included at a 7.5% funding level because it was served by commuter rail.

Additional allocations to the program ended for all cities within the service area in FY 2004. Cities with remaining balances may request the programming of LAP/CMS funds, as necessary, for projects that enhance transit.

Exhibit 78 reflects the LAP/CMS payable to each service area city. The timing of the draw-downs are dependent upon the request of the service area cities with remaining balances.

Exhibit 78
LAP/CMS Program – Remaining Balances

Service Area City	12/1/20 LAP/CMS Balance	12/1/20 LAP/CMS Committed Amount
Dallas County	\$23,235	\$23,235
Glenn Heights	\$65	\$65
Total	\$23,300	\$23,300

Transit Principal Arterial Street System (PASS)

The Transit PASS program is funded in the amount of \$150 million by DART, TxDOT (through the Federal Highway Administration), and eligible counties and DART Service Area cities. Several projects in Addison, Carrollton, Dallas, Farmers Branch, Plano, and Richardson have been completed. A total of \$6.5 million in PASS funding is available for the remaining few projects in the cities of Dallas and Garland. A revised funding arrangement between DART, TxDOT, and NCTCOG was approved whereby DART PASS funding would be reallocated to several key projects in Garland and the City of Dallas. The City of Garland will construct the projects, and DART will transfer its funding to Garland to complete DART's responsibility. The City of Dallas requested that the PASS funds be transferred to street repair projects. Like Garland, the City of Dallas has asked DART to transfer its budgeted PASS and street repair funding to the City, which has agreed to construct the projects. It is anticipated that these transfers will be completed by FY 2019.

Transit Related Improvement Program (TRIP)

During FY 2017, DART approved Policy IV.15 Transit Related Improvement Program (TRIP), which is special funding allowable under Texas Transportation Code 452 to fund Complementary Transportation Services for cities where there is no rail in operation or no rail is included within an approved financial plan. As approved by DART, the cities of Glenn Heights, Cockrell Hill, University Park, and Highland Park may request reimbursement for projects like street repair, traffic control and signal systems, public safety systems, sidewalks or other projects which augment and support a public transit system. The maximum funding allowable for each city may not exceed 21% of the sales tax collected for the period of FY 2017 through FY 2025. The program automatically expires after FY 2025. During FY 2018, DART approved interlocal agreements with each city to permit these funds to be provided to support these four non-rail cities for the period of time permitted by the Policy.

Transportation System Management (TSM)

A total of \$16.1 million TSM funding is available for the first and second phases of the Street Repair Program as well as General TSM projects over the next five years. TSM funding is available to repair streets damaged by buses and for minor enhancements such as intersection corner radius modifications, bus pads, and traffic studies/signal modifications. Projects have been

completed in Dallas, Garland, Glenn Heights, Cockrell Hill, Richardson, and Highland Park and the remaining projects are in various stages of design or procurement. The City of Dallas has asked DART to draft an ILA for several high priority street repair projects. As with PASS funding, Dallas has requested that DART transfer the street repair funding to the City of Dallas for construction.

Intelligent Transportation Systems (ITS)

ITS is an element of DART's Transit System Plan, which includes Smart Vehicle, Smart Traveler, and Smart Intermodal Systems. DART is working with other regional transportation providers, cities, counties, airports, and national organizations to develop a *Regional Comprehensive ITS Program for the Dallas/Fort Worth Region*. The program's purpose is to review and, if necessary, update the ITS plans for compliance with the ITS national architecture for interoperability and funding purposes. The program is aimed at prioritized implementation of projects to improve transportation throughout the region. It focuses on providing metropolitan areas ITS elements including: Advanced Traveler Information Systems (ATIS), Advanced Public Transportation Systems (APTS), and Advanced Traffic Management Systems (ATMS). The goal of this project is to facilitate information exchange between the various ITS systems and to create a seamless intermodal transportation infrastructure across jurisdictional boundaries. This effort will lead to the implementation of the Regional ITS system being designed by the regional partners.

As part of the ITS program, DART continues to develop the Vehicle Business System (i.e., Smart Vehicle). This effort will be rolled into the overall DART ITS program, but will continue to be funded by DART and the FTA.

Pathfinder Signage Plan

Pathfinder signs help direct motorists to DART and TRE Park & Ride lots from major regional highways and along frontage and arterial roads in the DART Service Area. To comply with updated US DOT and TxDOT Uniform Standards for highway signage, DART completed a project to replace current pathfinding signs with new, compliant versions. During FY 2017, DART completed the GIS mapping of all pathfinder locations allowing more effective state of good repair maintenance.

Crew Room Projects

In FY 2015, DART completed a planning-design study to construct up to 13 bus operator crew rooms. With the rapid build-out of the rail system and modification of bus service to serve the rail lines, DART has identified locations to provide access to restroom facilities during operator recovery periods. These facilities are essential to help improve on-time performance and improve work conditions for bus operators. The Fiscal Year 2016 work program included completion of the design and bid packages for all 13 crew rooms. The construction package was bid and awarded early in Fiscal Year 2017 and pre-fabricated units were installed during 2017 and FY 2018.

Capital Planning Department

The primary responsibilities for this department are to implement the Transit System Plan, provide policy and capital project coordination with regional partners, develop conceptual and preliminary engineering, and complete environmental clearance documents for a variety of transit projects. Capital Planning provides policy and technical support to all Agency departments for a wide range of activities including state of good repair, bus facilities, special events planning, and other infrastructure improvements that support the DART Mission. The Vice President of Capital Planning directs the overall activities of the department.

Capital Planning consists of three program areas:

- Programming, which focuses on local, state, and federal regulatory and funding programs.
- System Planning, which focuses on development and updates to the Transit System Plan as well as broad policy initiatives both locally and with regional partners.
- Corridor Planning, which focuses on planning and environmental review for a range of transportation projects. This section also provides support for new capital improvements around the system, including state of good repair efforts and bus facilities.

The Modeling team provides support to both System and Corridor Planning efforts.

Project Milestones

DART will advance the Capital Program per Board direction consistent with published schedules for:

- Development of the 2045 Transit System Plan and Streetcar Master Plan
- Downtown Dallas Second Light Rail Alignment (D2 Subway) including completion of Final EIS and Record of Decision to support entry into Engineering in 2021
- Dallas Streetcar Northern Extension to the Convention Center, pending City of Dallas direction
- Central Dallas Streetcar Link, pending City of Dallas direction
- High Speed Rail Coordination including the proposed multimodal transportation facility
- Mitigation monitoring for the Cotton Belt Corridor Regional Rail Project
- Mitigation monitoring for the Red and Blue Line Platform Modifications
- Before and After Studies for FTA Capital Projects

Capital Planning will provide support to construction and system integration efforts prior to revenue service and continue support to Operations and Maintenance teams. Mitigation monitoring programs will be implemented after environmental clearance.

DART 2045 Transit System Plan

DART is in the process of developing a new 20-year Transit System Plan to guide the Agency in its efforts to develop more and broader support for public transportation and support the emphasis on Mobility as a Service (MaaS).

- Phase I of the 2045 Plan Update, including Comprehensive Operations Analysis (COA) and Bus Service Plan recommendations are complete
- Advance Phase 2 of the 2045 Plan update, focusing on a revised bus service element in FY 2020 as a result of the Board Workshop which is being advanced through the DARTzoom bus network redesign
- Phasing and prioritizing of all projects will be developed as part of Phase 2
- Continue public and agency involvement through FY 2021.

Rail Program Development Department

Rail Program Development has the primary responsibility for the design, construction, real property acquisition, testing and acceptance of the following capital projects:

- Light Rail Transit (LRT)
- Commuter Rail
- Real property acquisitions, leases, licenses, easements, relocation, demolition and property management
- Environmental assessment and hazardous material abatement
- Bus operating and maintenance facility capital improvements
- Capital projects including State of Good Repair

Rail Program Development also serves to furnish engineering services and support to DART Operations and other departments upon request. The department comprises of the following four divisions:

- Capital Design & Construction
- Real Estate
- Capital Program Support
- Real Property and Transit Oriented Development (TOD)

Capital Design & Construction Division

The Capital Design & Construction Division has the primary responsibility for the design, construction, testing, and acceptance of capital projects including light rail and streetcar expansions, commuter rail, and other assigned projects, including State of Good Repair. The Vice President of Capital Design & Construction directs the overall activities of the division. This division is also responsible for management and coordination of engineering for facilities and systems designs and construction implementation oversight.

Systems Engineering

Systems Engineering is responsible for preliminary design, management, and coordination of final design. Included are light rail, streetcar and commuter rail vehicles, traction power distribution system, substations, signal system (train protection and highway crossing protection), communications (radio and hard line transmissions, train control center, etc.), and fare vending equipment as well as technical support for DART's radio systems and Operations department engineering requests.

Facilities Engineering

Facilities Engineering is responsible for management and coordination of engineering design, architectural design, and construction document production efforts associated with the development of DART's fixed facilities. This includes stations, rail track guideways, bridges, service areas, and other improvements. Related activities include implementation of the Art & Design Program, Betterments Program, and coordination with public agencies regarding facility design, zoning, permits, and certificates of occupancy.

Construction Management

Construction Management administers a construction program including LRT, streetcar and commuter rail line sections with stations, aerial structures and guideway including track installation, bus and rail operating facilities, transit centers, and renovations of existing facilities.

The major elements of construction management are constructability analysis, construction planning, construction engineering, and safety engineering. Managing construction includes quality control/assurance, materials testing, contract administration, coordination of contracts, conflict resolution, quantity verifications, cost and schedule adherence, and interfaces with outside organizations during construction including the community and jurisdictional authorities.

Contract Administration

Efforts associated with solicitation preparation, contractor and consultant selection, document review for compliance with contract requirements, conflict resolution, dispute processing, claims management, invoice certification, acceptance of the work, and contract close-out.

Real Estate Division

Acquisition and Relocation

The function of the Real Estate Division is to make available, by acquisition, in compliance with Federal rules and regulations, lease, or licensing, land rights and rights-of-way necessary for Capital Projects and the development and operation of the DART bus, LRT and commuter rail systems. The DART Board of Directors approves the value to be offered for real property and land rights (determination of just compensation by an independent State of Texas Certified Appraiser) for acquisition by agreement and administrative settlement; or, seeks approval from the

DART Board of Directors and other governmental entities to proceed with eminent domain proceedings through the courts. Any business or residential owner, occupant and/or their personal property displaced as a result of business or residential property acquisition receive Federal Uniform Act Relocation Assistance as part of the acquisition process handled by the Real Estate Division. For Construction Projects, the Real Estate Division provides Utility Coordination which includes oversight, pre-construction coordination, conflict analysis, QAQC and Buy America compliance for longitudinal and crossing franchise or municipal utilities. The Assistance Vice President of Real Estate directs the overall activities of the Division and reports directly to the EVP GRD.

Property Management

Property management functions include management of leases and licenses of property utilized by DART, securing property prior to demolition and construction, demolition of structures down to the slab, management of licenses and leases of DART-owned property used by others, and sale of property determined surplus to DART's needs. The property management section maintains, in a Central Real Estate Inventory System (CREIS), all electronic records related to DART's real estate assets, and a Geographical Information System (GIS) mapping of all DART- currently owned property inventory as well as property sold from that inventory. The property management section also provides for grounds and vegetation maintenance of all DART-owned property managed by the Real Estate Division.

Environmental Compliance

The Real Estate Division also has the responsibility of providing resources for the agency for Environmental Compliance with various regulatory agencies.

Environmental Compliance activities include: Storm Water Management, Phase I & II Environmental Site Assessments and Investigations, Waste Management, Remediation, Lead Paint and Asbestos Abatements, Underground and Above Ground Storage Tanks, addressing illicitly dumped material and products, indoor air quality, industrial hygiene and arranging for demolition of structures as needed.

Capital Program Support Division

The Capital Program Support Division independently supports GRD capital projects and serves as a check and balance in the following project support functions. Capital Program Support activities include Quality Program Oversight, Engineering Document Control (EDC) and Records Management, Configuration Management, Construction Safety, Safety and Security Certification, Systems Integration and Start-up coordination, Project Controls, and Information Technology support liaison for Growth/Regional Development Department (GRD). The Assistant Vice President of Capital Program Support directs the overall activities of the division reporting directly to the EVP GRD.

Quality and Records

The Quality and Records group is responsible for Quality Program Oversight, Engineering Document Control (EDC) and Records Management for capital projects. This group also serves as the Information Technology support liaison for GRD capital projects. Compliance is measured through audits of each respective program.

Quality ensures compliance with contract quality program requirements as well as Federal Transit Administration (FTA) requirements for capital projects.

Engineering Documents Control (EDC) and Records Management ensure compliance with contract requirements for all capital project activities. The creation of databases and implementation of scanned images for records management (including web development, Raster, EDC, File Room, Real Estate and Environmental) are a significant part of this area. Other activities include the administration, coordination, and preparation of the as-builts for civil construction capital projects as needed. Also, disaster recovery administration and other support is provided for various Rail Program Development groups. The records team supports open records request activities with DART Legal and project stakeholders.

Construction Safety

Construction Safety provides oversight of all active GRD construction contracts to ensure contractor's compliance to DART's safety and security plans. Oversight includes field surveillance activities and contractor record documentation audits.

The Construction Safety team manages and coordinates Construction Safety Orientation (CSO) and Roadway Worker Protection (RWP) training programs for capital projects. They also support DART's Risk Management and the Owner Controlled Insurance Program (OCIP), and coordinates with DART Operations Safety when required by capital projects.

Systems Safety and Security Certifications

The Systems Safety and Security Certifications team ensures compliance with DART, Federal Transit Administration (FTA), Texas State Safety Oversight (SSO) Program Standard requirement and other local, state, and federal Fire Life Safety code requirements for GRD capital projects. This includes coordination with State Safety Oversight in the delivery and certification of design and construction of the capital projects for turnover to revenue service.

The Systems Safety and Security Certification team coordinates with project stakeholders through the DART Safety and Security Certification Review Team (SSCRT) and the Fire Life Safety Committee (FLSC) throughout the life cycle of GRD capital projects. The team also coordinates with DART Operations Safety to support DART Operations safety program requirements.

Systems Integration

The Systems Integration Group (SIG) is responsible for start-up and integrated testing activities that include interface management, operations and maintenance planning, system safety, and integrated testing and startup coordination of GRD capital projects. The SIG ensures through the Integrated Test Plan that systems elements are properly integrated into the existing operating transit system according to design, specification, and other applicable project requirements. Interface management includes coordination with DART Operations on design and construction issues, in addition to all turnover activities for revenue service. The SIG works concurrently with Safety and Security Certification activities to ensure compliance with DART, SSO, and FTA program requirements for turnover of capital projects to revenue service.

Project Controls

The Project Controls Consultant (PCC) is responsible for program level scope, schedule, budget, and cost management, in support of GRD capital projects. The PCC assembles program cost and schedule information of all projects managed by GRD. The PCC additionally provides program reporting to track project cost and schedule baseline adherence and provides independent cost estimates for validation of project and/or change costs. The PCC team ensures compliance with contracts through the established Change Control Procedures. The PCC tracks funding partner requirements as well as FTA requirements for federally funded projects and works with the project management teams in Design and Construction to ensure reporting requirements are met. The PCC also provides support to DART's Finance and Grants Management departments.

Real Property & Transit Oriented Development (TOD) Division

The Vice President of Real Property & Transit Oriented Development directs the overall activities of the division. The division has the primary responsibility for:

- Real property assets
- Leveraging the viability of the Transit System
- Adding value to the Community
- Federal, regional, and local initiatives
- Working in close partnership with service area cities to:
 - Identify and implement TOD opportunities
 - Generate new opportunities to create revenue for DART and environmentally sustainable livable communities that are focused on transit accessibility

Economic Development

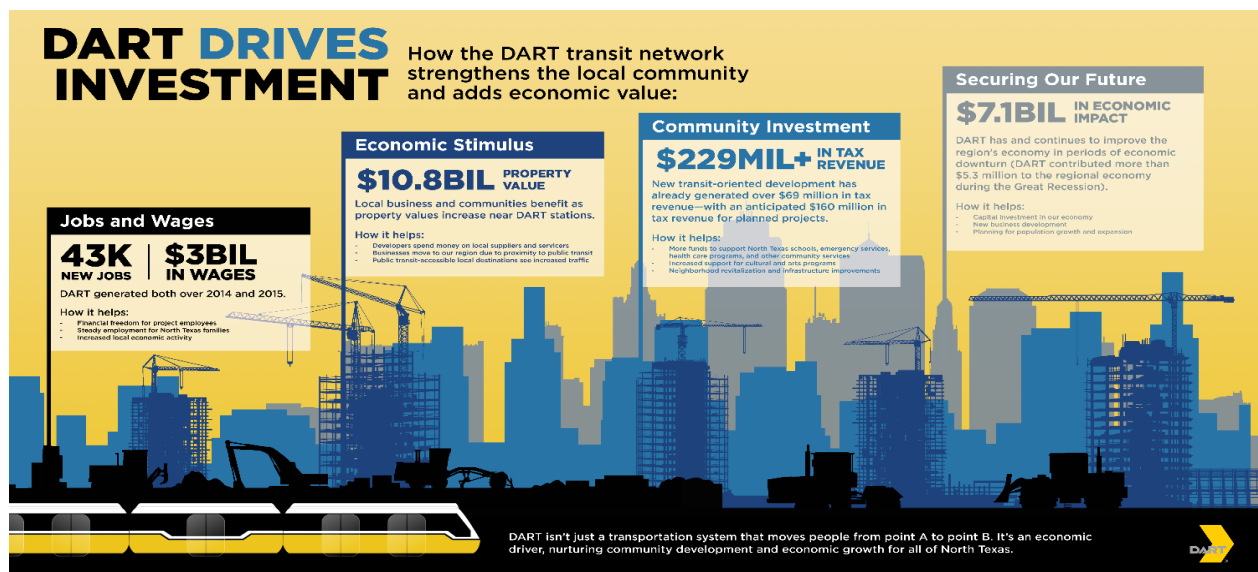
The economic impact of DART on the regional economy has been significant, exceeding \$10.8 billion, according to a study by the University of North Texas (UNT). The study, which was published in May 2020, looked at public and private transit-oriented development along the light rail corridor between 1999 to 2015. A copy of this study is included in Section G of the *Reference Section* of this document as well as on the DART website, www.DART.org.

DART's investment continues to be a catalyst for investment near DART transit facilities to create transit-oriented development opportunities that result in vibrant, livable communities, increasing transit ridership, and generating new sources of revenue.

Two of the objectives of the Agency, as stated in the DART mission statement, are to improve the quality of life and to stimulate economic development through the implementation of the Transit System Plan. It has been both surprising and gratifying to see how quickly transit-oriented developments have been constructed along the rail corridors since the launch of DART Rail in 1996. Management continues to support DART's Economic Development staff and continues to monitor, identify, evaluate, and develop opportunities in partnership with service area cities.

As noted above, DART Economic Development staff periodically engages the UNT Economics Research Group to monitor and assess the impact of all DART assets that have the potential for future transit-oriented development (TOD). The latest study, presented in May 2017, identified the impact of public and private investment (built, under construction, and planned) in TOD within ¼ mile of rail stations to be over \$10.8 billion over the period of 1999-2015. For the first time, the study has included public projects such as hospitals, educational, and governmental construction. The previous study undertaken in 2014 found that over the period from 2003 through 2013, the average premium on office rents located within the same ¼ mile of a DART station was 14%. Economic Development staff is currently working with the UNT Economics Research Group to initiate the next update the 2017 study; a final report should be available in late 2019.

To support efforts such as these and provide information to the public and development community, DART has established a transit-oriented development website which provides an overview of DART's transit-oriented development program including its TOD policy, guidelines, and station area fact sheets for each of the rail stations. (www.DART.org/economicdevelopment).



Commuter Rail & Railroad Management Department

The purpose of this section is to highlight the Commuter Rail (Trinity Railway Express or more simply, TRE) business plan, including key indicators and strategic initiatives. TRE passenger service is provided jointly with Trinity Metro pursuant to an Interlocal Agreement as restated by the two transit authorities in September 2003. The Vice President of Commuter Rail & Railroad Management/Director of TRE, manages all activities on TRE.

Commuter Rail – TRE Scorecard – Key Performance Indicators

Exhibit 79 highlights Commuter Rail – TRE’s Key Performance Indicators (KPIs) presented in scorecard format. The numbers in the columns for fiscal years 2018 and 2019 indicate actual values. Fiscal Year 2020 Third Quarter represents the four-quarter rolling period ending June 30, 2020. The numbers in the columns for fiscal years 2020 and 2021 are the target values for those years..

To more accurately depict the true operating costs of TRE, the data shown includes combined revenues and expenses for both DART and Trinity Metro. By including all revenues and expenses, the information presented will provide the reader with data comparable to all other modes. Ridership is collected and reported for the TRE system. Therefore, KPIs associated with ridership are calculated as TRE totals.

Exhibit 79 Commuter Rail – TRE Scorecard (System wide) Key Performance Indicators

Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Customer Quality					
Ridership (M)	2.0	2.0	1.1	1.6	1.3
Revenue Car Miles (M)	1.6	2.2	1.1	1.3	1.7
Passengers Per Revenue Car Mile	1.25	0.91	1.06	1.21	0.79
Revenue Train Hours (000)	25.6	26.1	17.5	14.3	14.3
Farebox Recovery Ratio	14.9%	23.7%	18.2%	24.2%	13.3%
On Time Performance	97.4%	94.3%	95.9%	97.0%	97.0%
Complaints per 100K Passengers	3.7	6.0	5.8	5.5	5.5
Accidents Per 100K Train Miles - TRE ^[1]	0.09	0.40	0.84	1.00	1.00

[1] The measure has been restated from Accidents/Car Mile to Accidents/Train Mile and therefore will not tie to previous reports

Indicators	FY18A	FY19A	FY20A YTD Q3	FY20B YTD Q3	FY21B
Financial Efficiency					
Expenses - Fully Allocated (M) ^[2]	\$31.31	\$33.70	\$24.96	\$27.12	\$33.66
Revenues (M)	\$7.39	\$13.42	\$9.93	\$11.13	\$10.87
Net Subsidy (M)	\$23.92	\$20.28	\$15.03	\$15.99	\$22.79
Subsidy Per Passenger	\$11.73	\$10.11	\$13.49	\$10.30	\$16.96
Cost Per Revenue Car Mile	\$19.20	\$15.22	\$23.76	\$21.14	\$19.68

[2] Fully allocated expenses and revenues for FY17B and FY18B include overhead from Trinity Metro.

TRE Fuel Hedge

A fuel hedge was put in place starting in May 2015 and ran through the end of FY 2020. Exhibit 80 shows the fuel hedge costs in place from FY 2015 – FY 2020. With the completion of the transition to CNG-fueled buses, DART’s exposure to diesel price fluctuations is limited to TRE and a few non-revenue vehicles. Fuel hedge for FY 2020 and future years is currently being renegotiated.

Exhibit 80
Fuel Hedge Costs by Fiscal Year

Fiscal Year	Fuel Hedge Cost per Gallon
2015	\$1.7625
2016	\$2.0650
2017	\$2.1590
2018	\$1.6590
2019	\$1.7645
2020	\$1.8465

Exhibit 81 is an overview of the uses of the funds and allocated operating positions for the Commuter Rail mode of service. For allocation purposes, each department identifies the percentage of time and money spent on each mode of service to determine the expenses and positions allocated to the mode of service.

Exhibit 81
Commuter Rail Overview

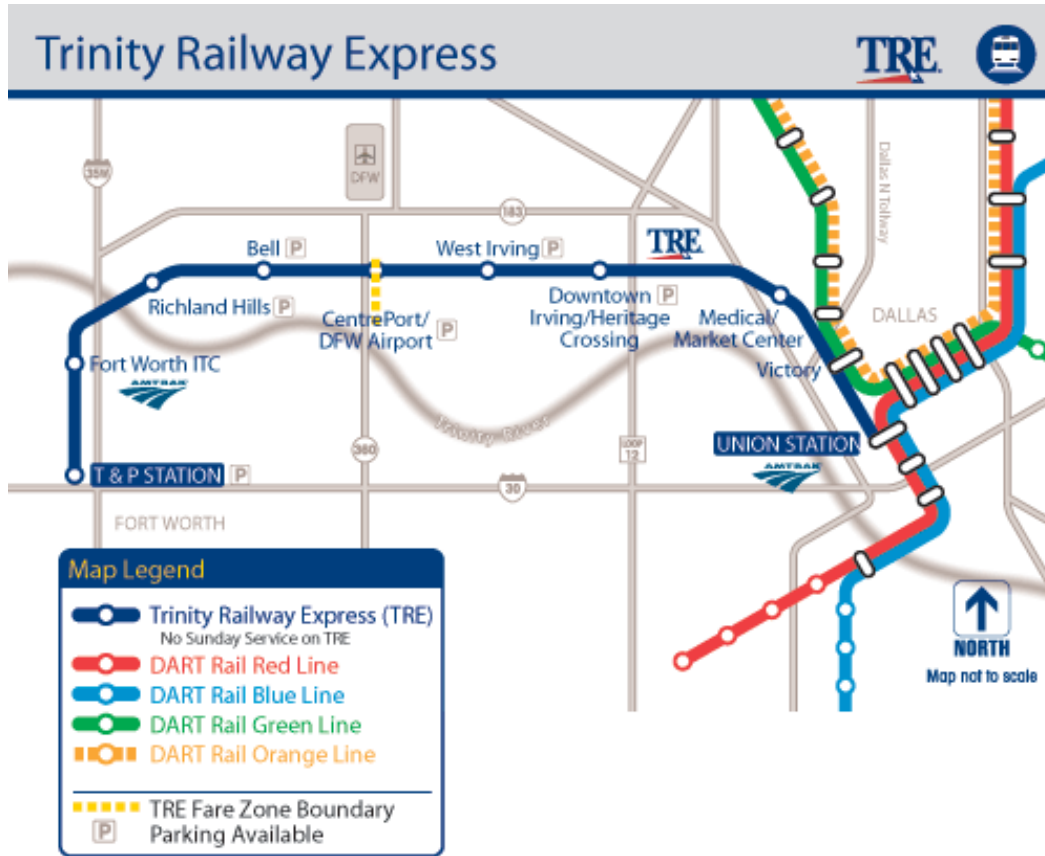
Overview	FY18A	FY19A	FY20B	FY21B
Allocated Operating Expenses (M)	\$31.3	\$30.1	\$34.1	\$33.7
Capital Expenditures (M)*	\$44.9	\$127.1	\$317.3	\$435.2

* These amounts are the actual or budgeted capital for this mode only and do NOT include an allocation of Agency-wide capital.

** Allocated positions are based on budgeted position counts.

Exhibit 82 is a map that includes the TRE Corridor.

Exhibit 82 Trinity Railway Express Corridor



TRE Ridership and Subsidy Per Passenger

Exhibit 83 graphically depicts actual and budgeted TRE ridership and Exhibit 84 depicts TRE subsidy per passenger. In both exhibits, Fiscal Years 2017, and 2018 indicate the actual values, while figures for Fiscal Years 2020 and 2021 represent the target for those years.

Exhibit 83
TRE Ridership
(in Millions)

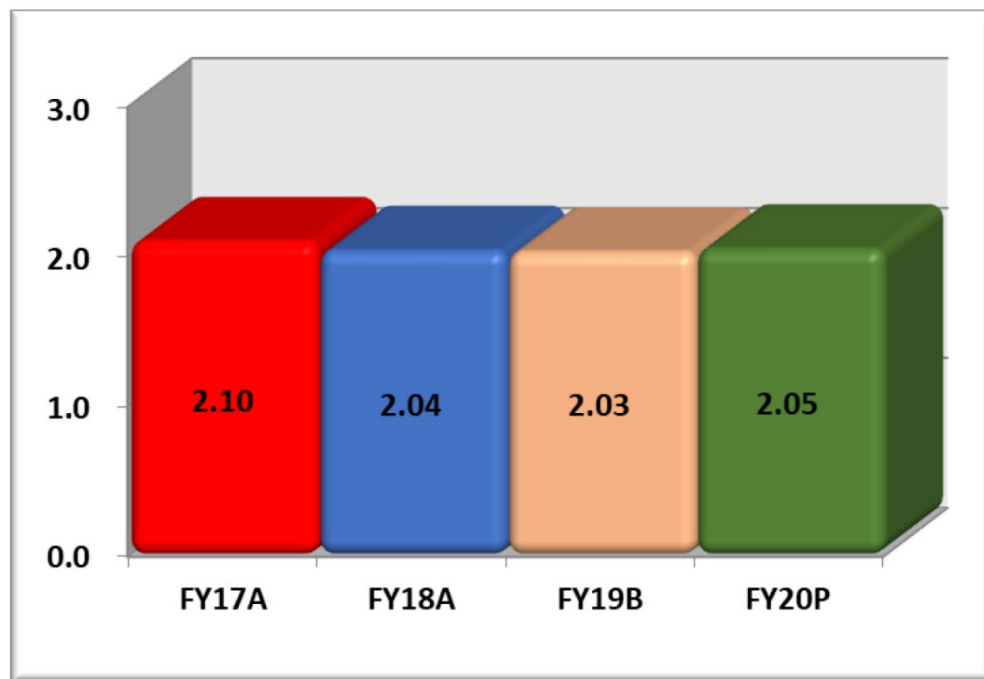
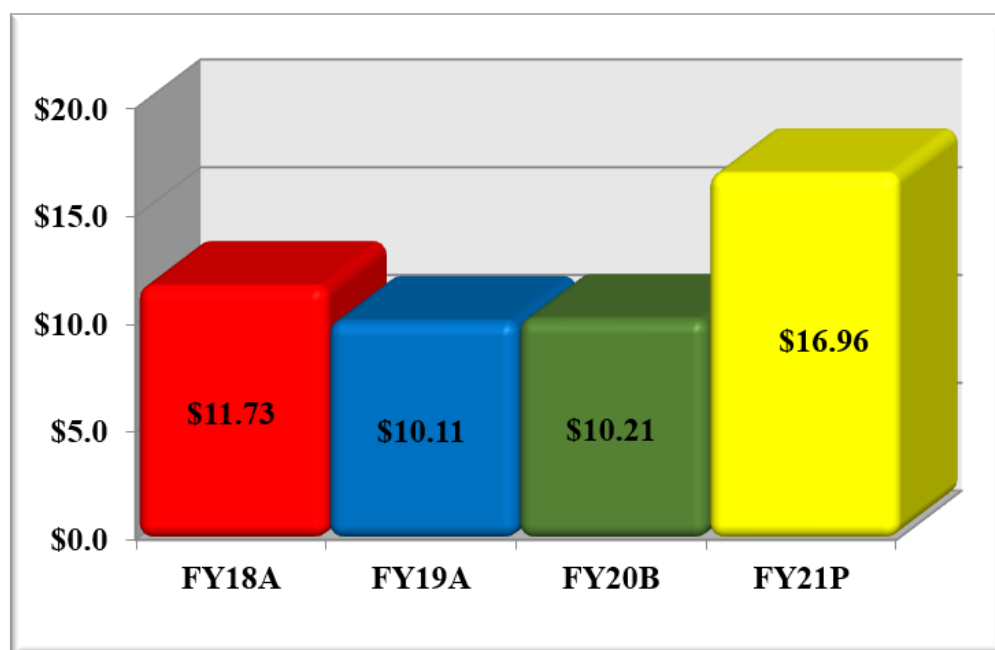


Exhibit 84
TRE Subsidy Per Passenger



Subsidy Per Passenger

While these costs will go down in the subsequent fiscal years, the overall subsidy per passenger will continue to increase in FY 2018 and beyond due to additional operating costs associated with operating contract escalation as well as with the federal mandate for Positive Train Control (PTC). Please see page 59 for more information on this program.

Revenue Contributions from the Mid-Cities

In FY 2002, the cities of Arlington, Bedford, Colleyville, Euless, Grand Prairie, Grapevine, Haltom City, Hurst, and North Richland Hills (the Mid-Cities) agreed through an Interlocal Agreement (ILA) with the North Central Texas Council of Governments (NCTCOG) to contribute to DART and Trinity Metro for TRE services that their citizens utilize. None of the Mid-Cities currently belong to either DART or Trinity Metro. Several additional ILAs have been negotiated over the past few years. NCTCOG, DART, and Trinity Metro secured amendments to extend the 2007 Mid-Cities ILA to the period of October 2011 through September 2016 at the same 2007 funding level. This funding was not allocated by the Mid Cities / NCTCOG in FY 2017; however, NCTCOG has proposed to reinstate the program in FY 2019.

Ensure Service Quality

There are a number of railroads using the TRE (Amtrak, BNSF, DGNO, FW&W, and UP) which presents a challenge to maintaining on-time passenger service. The TRE has consistently maintained this metric between 97% and 98%. Weekday service improvements implemented in October 2016 added an additional 130 trains per week. Enhancements included 30-minute peak and 60-minute off peak headways, and a longer service day. There is a commitment to our freight customers utilizing the corridor to move as much freight traffic safely without disrupting TRE service. There are currently 20-25 freight train movements per day along the corridor despite this being a predominantly single-track railroad. This is accomplished through careful coordination with the freight railroads and the TRE Operations and Maintenance contractor. On-time performance was targeted at 97% for FY 2019. Amtrak's intercity passenger rail service was moved from the Union Pacific corridor to the TRE corridor in December of 2016.

Constant monitoring of the track and signal systems is essential to ensure safe and continued operation of the railroad. Eventually more sidings, double tracking, and bridge refurbishments and replacements will be required to support both current service levels and future service expansion. This project was partially funded from a grant provided to TxDOT via the Federal Railroad Administration, and grants from the CMAQ and STIP programs.

The major capital projects proposed over the next few years to maintain and improve service quality and safety of the TRE are listed under Departmental Emphasis on FY 2021 Strategic Priorities section below. TRE has developed a 20-year capital program that identify both right-of-way and vehicle maintenance projects required to maintain a state of good repair for the service. Reserves are planned within DART's Twenty-Year Financial Plan to provide for both types of expenditures. These reserves will ensure the timely replacement and overhaul of assets, as well as allow for a certain amount of unanticipated future capital requirements.

Departmental Overview

The Commuter Rail Division is responsible for the operations and management of the TRE commuter rail service between Dallas and Fort Worth, the Madill Subdivision, and future commuter rail service on the Cotton Belt corridor.

- Contract operation – DART, on behalf of DART and Trinity Metro, has contracted with Herzog Transit Services, Inc. (Herzog) to maintain the commuter rail rolling stock and railroad right-of-way, provide dispatching services for the corridor, and operate the commuter rail service on the corridor. During 2014, the operation and maintenance contract was resolicited. Herzog was awarded a ten-year contract commencing at the beginning of FY 2016. The contract expires on September 30, 2025.
- Service – TRE service operates Monday through Saturday between downtown Dallas and downtown Fort Worth. This line covers a distance of 34.5 miles and includes a total of 10 stations, 5 of which are maintained by DART and 5 by Trinity Metro.
- Operating Fleet – The operating fleet consists of 9 locomotives, 17 bi-level coaches, and 8 bi-level cab cars (all jointly owned by DART and Trinity Metro). In FY 2017, DART negotiated the sale of 12 of the 13 rail diesel cars (RDCs). The remaining RDC will be held by the Agency with its future to be determined.
- Sharing of Costs – The DART/ Trinity Metro ILA specifies that revenues generated on or by the TRE Corridor are joint revenues and are to be applied against TRE operating costs. After the application of these revenues, the remaining net costs are allocated to DART and Trinity Metro based on revenue service miles operated in each county. DART's share for FY 2015 was 46.25% , FY 2016 was 46.11%, and FY 2017 was 43.22%, as a result of the new train schedule and is projected to remain at this level in FY 2018. Except for employees that are 100% dedicated to TRE, DART and Trinity Metro separately absorb their own staff, administrative, and station maintenance costs.
- Madill Subdivision – The department is also responsible for the maintenance and operation of the Madill Subdivision, which is achieved through the contract with Herzog. This is currently a freight-only corridor. The City of Dallas deeded the northern section of the Madill Subdivision to DART in exchange for easements related to Hike and Bike Trails. The Madill Subdivision located between Irving and Carrollton is owned in its entirety by DART.

Departmental Emphasis on Strategic Priorities

Strategic Priorities that will be the subject of special emphasis during the year are:

- Strategic Priority 1: Enhance the safety and service experience through customer-focused initiatives
- Strategic Priority 2: Provide stewardship of the transit system, agency assets and financial obligations

- Strategic Priority 5: Enhance DART's role as a recognized local, regional and national transportation leader.

Major initiatives that are underway or proposed that are targeted at achieving the Board's Goals and at improving the overall safety, efficiency, and effectiveness of the Commuter Rail & Railroad Management services and operations are as follows:

- Operations and Maintenance Contract – The current Operations and Maintenance (O&M) contract expires on September 30, 2025. The contract provides for a ten-year base contract with an additional ten-year option for providing long-term commuter rail services to the region, including but not limited, to:
 - General management
 - Train operations, including crews
 - Maintenance services for all TRE-owned rolling stock and equipment
 - Train dispatching services
 - Timely and accurate communications to customers, to DART and Trinity Metro, and to tenant railroads
 - Provision of 5 Star Customer Service to all commuter rail customers
 - Maintenance of rights-of-way
 - Maintenance of infrastructure, centralized traffic control (CTC), and voice radio system
 - Maintenance and operations of PTC, including configuration management
 - Provision of Federal Railroad Administration (FRA) required Roadway Worker Protection services for the maintenance of the corridors, capital projects, and other contractors on the corridors



The TRE operations and maintenance (O&M) contract provides O&M services for the TRE DFW Subdivision and the right-of-way maintenance of the Madill Subdivision. The Trinity Metro has separately procured an O&M contract with Herzog to provide O&M services on the TEXRail Corridor that was in service in December 2018. The agencies are sharing position costs for the Director of PTC, Director of Safety and are exploring opportunities for shared positions to by Silver Line and the two existing services.

- Positive Train Control (PTC) – The Rail Safety Improvement Act of 2008 defines PTC and mandated its implementation by December 2015. PTC is defined as a system designed to prevent train-to-train collisions, over-speed derailments, incursions into established work zone limits, and the movement of a train through a switch left in the wrong position. PTC is required for intercity passenger rail or commuter rail passenger main lines and will further enhance safety on the TRE. An implementation plan for TRE was submitted and approved by the FRA. Federal legislation was passed in December 2015 that extended the implementation deadline to December 2018 with an available two-year extension available to agencies showing positive progress in the proposed PTC implementation. TRE and TEXRail jointly implemented the interoperable Electronic Train Management System (I-EMS) version of PTC on both railroads. TRE has completed all phases of the implementation and has been in Extended Revenue Service Demonstration since May 2019. TRE has completed interoperable testing with all their tenants. The PTC Safety Plan was submitted to the FRA in April 2020 and TRE is waiting for FRA's comments and certification.
- State of Good Repair and Capital Investment Plan – In 2016, The TRE performed a State of Good Repair (SGR) review that included the infrastructure, facilities and rolling stock that addressed the capital maintenance and capital improvement needs over the next twenty years through FY 2036. The Condition Assessment and Capital Investment Plan (CIP) are maintained by the Commuter Rail & Railroad Management Department and serve as the basis for budget planning each fiscal year and help to ensure that all operational and business assets are in working order and fulfill their intended use. The SGR analysis serves as the basis for a long-range capital asset replacement program and a 20-year financial forecast for both the TRE and Madill Subdivision. This enables DART and Trinity Metro to plan for adequate funding to maintain TRE service quality.
 - Rail and Tie Replacement Program – As a result of continued operations along the TRE and Madill lines, the rail and track ties have experienced wear and will need to be replaced over time in order to maintain a state of good repair and the desired operating speeds and track class. TRE is replacing 115-pound rail with new 136-pound rail and also replacing wood ties with longer-lasting concrete ties to extend the life of the assets. This helps reduce capital and operating costs in the long term.
 - Bridge Management Plan and Bridge Replacement Program –On the TRE, two bridges in Dallas County (Noble Branch and Inwood) have been designed and may undergo construction beginning FY 2025; the I35/Stemmons freeway was repaired; the Medical Market Street bridge will be replaced in partnership with Dallas County, TxDOT, and the City of Dallas. The Trinity River Bridge construction was completed in May 2020.
- Next Train Customer Communication System – To improve customer communications, the effort to expand the Next Train system to the TRE vehicles and train stations was completed in August 2016. This project includes automatic voice announcements of stops, variable message signs on-board vehicles, and the platforms at TRE stations. An added

operational benefit will come from the installation of automatic passenger counters onboard the TRE vehicles. In FY 2013, Variable Message Boards (VMB) were installed at the ten TRE stations allowing for ad hoc messages to be sent to inform passengers of delays and other TRE-related information.

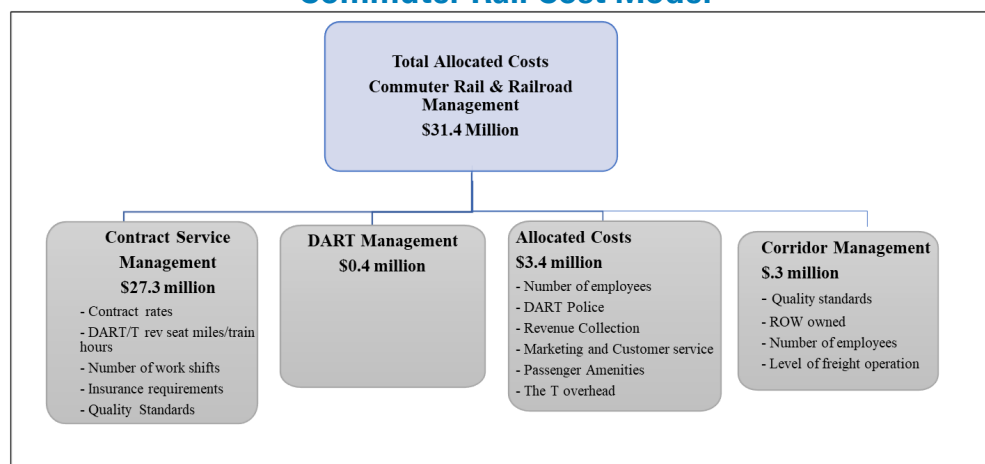
- **Valley View Double-Tracking** – This project upgraded the existing TRE line by double-tracking 1.4 miles between the Dallas/Tarrant County Line and the existing siding west of West Irving Station. A new bridge was constructed over Bear Creek. This project was tied to the TEXRail and Amtrak agreements with DART that were executed in December 2015. The funding and construction agreements between the FRA, TxDOT, and DART were executed in June 2016 to allow for the project activities to commence once the FRA issued a Notice to Proceed which occurred on September 8, 2017.
- **Vehicle Maintenance** – TRE awarded a contract to CAD Railways, Inc., in 2019 for the overhaul of up to six coaches and two cab cars, A contract for the overhaul of TRE’s two F59PHI locomotives was awarded in June 2018 with the Notice to Proceed given in July 2018.

Cotton Belt Corridor

DART owns 54 miles of the Cotton Belt rail corridor from north Fort Worth to downtown Wylie. In 2016, Trinity Metro negotiated and signed a Full Funding Grant Agreement with FTA for the TEXRail project, which proposes to use the segment of the Cotton Belt west of DFW Airport, and continue south into downtown Fort Worth to the existing TRE Fort Worth Central Station and the Fort Worth T&P Station. The project initiated service December 2018. Plans include a future extension into southwest Fort Worth.

Exhibit 85 is the Commuter Rail and Railroad Management Cost Model. Costs are divided between Commuter Rail and Railroad Management divisions of the Department.

Exhibit 85 **Commuter Rail Cost Model**





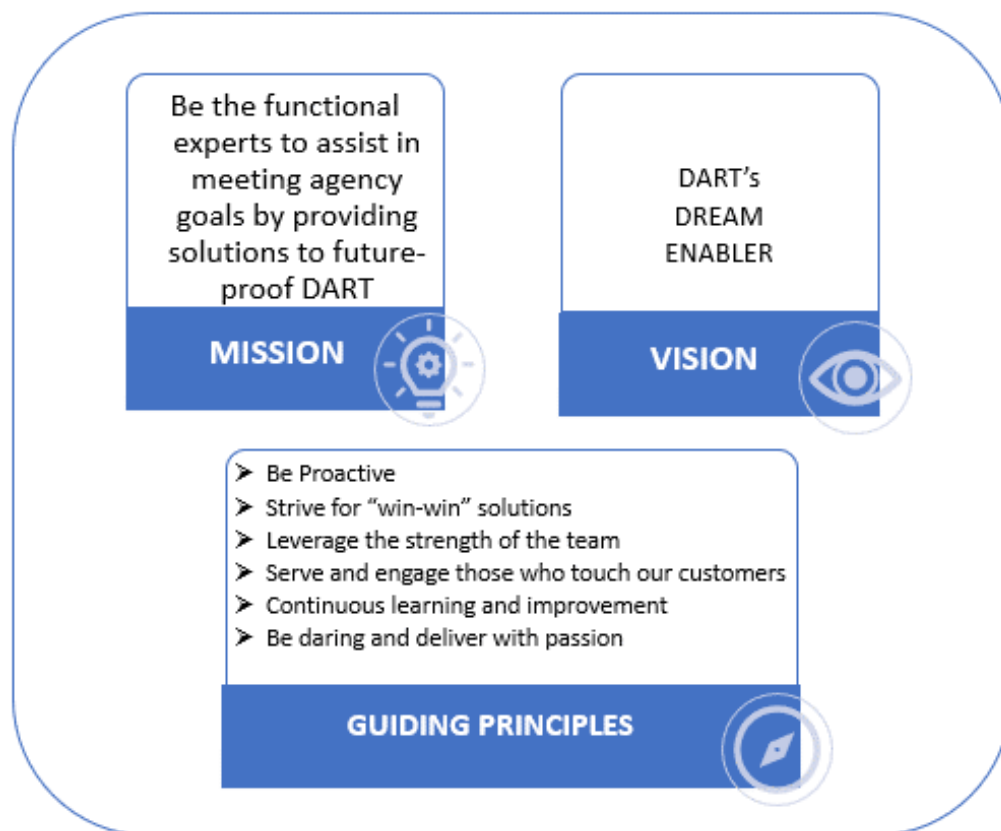
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BUSINESS & INNOVATIVE SOLUTIONS

Human Resources • Marketing & Communications
Innovation • Procurement • Technology




The Business & Innovative Solutions organizational unit maximizes Agency resources through dynamic marketing, enhanced innovation, advanced technology, effective procurement, and engaging talent management. The Executive Vice President/Chief Administrative Officer has oversight of the Human Resources, Office of Innovation, Marketing & Communications, Procurement, and Technology Departments. The Executive Vice President/Chief Administrative Officer reports to DART's President/Executive Director.



Human Resources Department

The Human Resources department responds to operational demands and programs by working to ensure the right person is in the right job at the right time. Human Resources strives to provide best-in-class human resource services and will utilize contemporary business practices to provide efficient and timely services and programs to the employees of DART. The department has implemented new initiatives such as a Virtual Summer Experience, digitized processes, and will continue to connect with employees through virtual interactions and activities.

Human Resources takes ownership for the resolution of people issues, assesses situations, and creates change models to help facilitate and guide relevant human resource programming. Human Resources will also guide performance management and eliminate barriers to success by providing services and resources that will enhance each employee's contribution toward the success of DART. Human Resources will demonstrate the interdependencies between business success and "living the DART values" while measuring operational progress against critical success factors. The Mission, Vision, and Values are as follows:

 <p>Mission To be a center of excellence in attracting, hiring, engaging, developing, rewarding, and retaining the best employees necessary to meet DART's business and talent challenges in order to deliver 5 Star service to our customers now and in the future.</p>	 <p>Vision To be a trusted, collaborative, and agile business partner by delivering flawless 5-Star service and innovative program content focused on creating a highly engaged workforce.</p>
 <p>Values</p> <ul style="list-style-type: none"> • Integrity: <ul style="list-style-type: none"> • We are committed to do the right thing • Accountability: <ul style="list-style-type: none"> • We are accountable for our actions • Deliver timely and accurate results: <ul style="list-style-type: none"> • We have a sense of urgency to getting tasks done in a timely and accurate manner • Innovation: <ul style="list-style-type: none"> • We pursue innovation and continuous improvement of service and program content 	

The Human Resources Department consists of the following divisions: Talent Management, Benefits & Compensation, and Employee and Labor Relations. Human Resource's departmental structure design reflects the employee life cycle and covers the entire relationship between DART employees and the agency.

Talent Management

The pillars of Talent Management are Talent Acquisition- Recruitment and Onboarding, Learning and Development, Performance Management, and Succession Planning.

Talent Acquisition (recruitment and onboarding) is forward-thinking. Instead of merely hiring a candidate to fill a current opening, the Talent Acquisition team considers what the potential DART employee's career path could be within DART. As a result, the Talent Acquisition team ensures that it identifies applicants who could eventually become managers and senior managers within the agency. Talent Acquisition is less about filling open positions and more about creating a long-term strategic plan for DART's future state.

Talent Acquisition is a marketing campaign because convincing candidates to join DART is just as important as convincing riders to utilize DART services. The Talent team works closely with the Marketing Department to create branding campaigns that showcase DART as an employer of choice.

Learning and Development programs are essential employee benefits that are vital to DART's ability to attract and retain a skilled workforce in an ever-competitive market. Human Resources continues to leverage technology to ensure that our workforce has continual learning opportunities. The recent licensing of a Learning Management System will not only allow Human Resources to accelerate skills development for employees, but it will potentially improve employee engagement and retention.

Succession Planning and preparing for the future DART state is a continual goal for HR. In fiscal year 2020, HR conducted a competency study that focused on top talent and leadership within DART. The Organization Effectiveness function of Talent Management will create a succession development program where top talent can gain needed exposure, as well as have a substantial career and individual development plan.

Programs managed by the Organization Development function are as follows:

- **Supervisory DART** – 24-week supervisor certification program delivered in partnership with the Dallas County Community College District. Employees are selected via a competitive application process.
- **Management DART** – Leadership development programs delivered in partnership with the SMU Cox School of Business.
- **Executive DART** – Leadership development programs delivered in partnership with the SMU Cox School of Business.
- **Succession DART** – Program currently in development.

Employee Engagement and Loyalty are more vital than ever before to DART's success and to maintain a competitive advantage. The ability to engage and retain valuable employees has a significant impact on the bottom line. Organizational Effectiveness (OE) works to support employee engagement, development, and well-being at DART. This team is also responsible for monitoring departmental Employee Engagement survey action plans.

Human Resources encourages management to acknowledge and recognize employees for their contributions to the success of the agency and provide a Managers Toolkit for employee reward and recognition.

Benefits Administration and Compensation

DART's Human Resources Benefits Administration facilitates the process of establishing, maintaining, and managing benefits for over 8,000+ Agency employees and their dependents. Benefits include medical, dental, vision, flexible spending insurance, pension plans, 401(k), 457, vacation time, sick time, and maternity leave.

The DART Benefits Administration team creates and maintains benefit information profiles for every employee, keeping track of information such as the date hired, marital status, number of dependents, total hours worked, and attendance records. The programs offered by DART provides comprehensive coverage, considering special employee needs, part-time and temporary hires, as well as adherence to the changes in government regulations.

The team is responsible for directing and planning the day-to-day operations of group benefits programs (group health, dental, vision, life insurance, travel and accident plan, flexible spending plan, health reimbursement arrangements). They are accountable for providing excellent customer service and quality benefits plans, investigating new benefits programs, exploring opportunities to improve existing programs, as well as designing employee benefit plans and providing analytical and technical support in the delivery of the benefit programs. They also document and maintain administrative procedures for assigned benefits processes as well as ensure compliance with applicable government regulations.

The Benefits Administration team provides customer service support to internal employees and external customers. They develop communication tools to enhance understanding of the company's benefits package as well as design and distribute materials for benefits orientations, open enrollment, and summary plan descriptions. The team has also implemented ServiceNow that allows the team to handle and manage employees' issues promptly as any questions or problems come in through the People Center. The Benefits Administration team continues to be more people-focused to provide better customer service to all our customers, internal and external.

People Center & Employee Engagement

The primary goal of the People Center, DART's Human Resources Call Center, is to make available through phone calls or walk-ins, information, assistance, and counseling on all Human Resources programs (i.e., benefits, recruitment, and training). The following are a few ways that the People Center is of assistance to employees:

- Champion employee concerns and understanding of issues that affect them
- Striving for active, open communication in conveying benefit plans
- Acting as subject matter experts, patiently explaining HR processes and procedures

The People Center also administers a robust “Total Health” Wellness Program at DART, and plans wellness events for the entire agency. The People Center implemented an enhanced, integrated phone tree system that allows employees and dependents to connect directly to the appropriate departments or vendors to address their needs. (i.e., retirement, 401(k), 457 ICMARC, Payroll, Talent, Short-Term Disability/Long-Term Disability, Family Medical Leave, Accountable Care Plans, and Teledoc virtual care services.

Another important facet of The People Center is Employee Engagement. This team oversees all the engagement events for the agency, including but not limited to, The Holiday Party, The Summer Picnic, and Thanksfest, to name a few. This team has also implemented Manager Toolkits that support peer recognition, employee’s work anniversaries, birthdays, and other important life events to show employees that their DART family cares.

During the annual Open Enrollment process, employees requesting specific information about providers in the networks are connected directly to appropriate call centers (i.e., Baylor Scott White Quality Alliance or HealthSCOPE Benefits) to address their questions. A new service level reporting tool allows the People Center Staff to closely monitor call volumes, service levels, and abandonment rates, thus allowing the People Center to improve on the service being delivered.

Retirement & Pension Plans Section

DART employs 265 individuals over the age of 65, 1,110 individuals between the ages of 55 and 65, and another 1,234 individuals over the age of 45. More than 2,600 (73% of the DART workforce) are within 15 years of the normal retirement date in the DART pension and retirement plans. Leadership has recognized the importance of assisting this large group of employees’ plans for and transition into retirement. The Retirement/Pension Plan team was formed in early 2017 to develop new tools and programs to assist employees as they prepare to enter a new phase of life and to assure DART has plans that meet their needs.

The team works closely with DART’s retirement plan administrators, including Vanguard, Northern Trust, and ICMA-RC, leveraging each vendor’s service model to provide DART employees with outstanding benefits and to improve the overall efficiency of our retirement plans. Part of this effort includes identifying and implementing industry best practices in all our retirement benefit services and activities. Out of this initiative, the Team has recommended and implemented the following:

1. Online Beneficiary elections for the DART 401(k) and Vanguard Retirement Plans
2. Online Auto Rebalancing, a valuable tool for individuals who have selected their personal investment asset allocation
3. Outsourcing of Pension Plan Benefit Calculations to our Defined Benefit Plans Actuarial group
4. Posting of all Plan Documents, SPD’s and IRS plan qualification letters on both InfoStation and DART.org

Compensation

The Compensation team is responsible for maintaining and updating classifications for all positions at DART. This group evaluates requests for reclassifications and salary market reviews. The Compensation team also reviews all new hire and promotional requests, and through research and evaluation, makes recommendations for salary adjustments based on market factors and internal equity. This unit is responsible for data entry, data tracking, and data integrity for the agency as it relates to all employees.

Employee and Labor Relations

The Employee and Labor Relations (ELR) function of the Human Resources Department is commonly associated with matters such as investigations, counseling, and disciplinary actions, but that certainly is not its primary mission. This critical HR component operates as a nexus between staff and management, bridging gaps that often seem insurmountable to either party. Through various forms of intervention, including problem-solving, mediation, training, and counseling, ELR offers balanced advocacy to management and individual employees to protect their respective rights and facilitate a more harmonious work environment.

Key Services Provided:

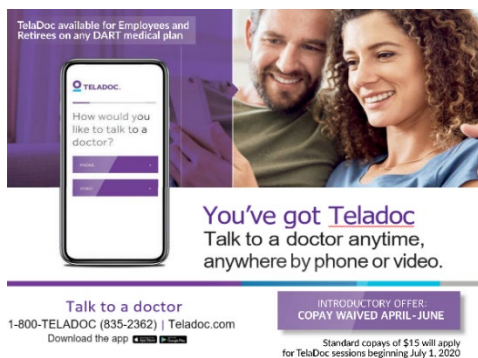
- **Employment practices:** Provide guidance and consultation on key employment practices to ensure a healthy work environment and reduce the likelihood of grievances.
- **Conflict resolution:** Assist in resolving workplace problems and conflicts before they escalate. Serve as the principal advisor for all staff grievance/administrative review procedures and resources.
- **Investigations:** Conduct or assist divisions in conducting objective and thorough investigations of employee conduct or employee complaints and grievances.
- **Corrective action administration:** Serve as objective consultants to management regarding assuring due process in determining potential corrective action or discipline.
- **Performance management:** Assist management in establishing performance expectations, carrying out interventions, and assuring accountability to ensure productive employees and non-arbitrary work environments.
- **Grievances/appeals:** Serve as the objective hearing officer in matters involving employee grievances and represent/assist management or administer the process for appeals before various tribunals (e.g., Arbitration, MAC)
- **Training and workshops:** Provide training as requested
- **ADA Accommodations:** Conduct the interactive process for requests for reasonable accommodations.
- **Texas Workforce Commission:** Representing DART in claims for unemployment insurance

The Impact of the COVID-19 on Human Resources and the New Normal of Work

The Human Resources department's response to the challenges of COVID-19 in the workplace illustrates the department's ability to respond to a crisis and transform our personnel policies and practices to meet the needs of DART employees.

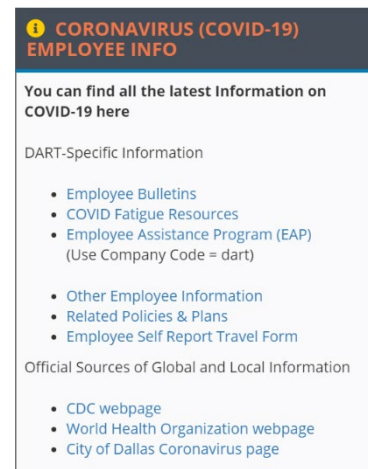
HR COVID-19 Initiatives

- Emergency Telework Program – HR implemented a Telework program for employees who have a formal agreement to work remotely, at a designated alternative workspace, such as their residence, for one day or more per week.
- COVID 19 Temporary Pay Benefit – Executed the Temporary Pay Benefit authorized by the President/CEO to respond to the needs of employees who may experience hardship related to the COVID-19 outbreak. The benefit was available to be used when employees were absent from work for up to 80 hours because of Precautionary Isolation or to provide Dependent Care. This benefit was in addition to existing leave benefits.
- HERO Pay – The DART Board authorized Hero Pay to front-line employees who continue to provide essential service for DART customers during the Pandemic. Hero Pay was available to eligible full-time and part-time, front-line, customer-facing employees, or essential employees whose core functions pose a hazardous threat because of the nature of their work amid the COVID-19 crisis.



- Teladoc – Launched virtual medical doctor visits. Copays and deductibles were waived for the first 90 days.
- COVID Corner on InfoStation – Communication section to provide current and up to date information on COVID-19 and its impact on the workplace. “COVID Corner” included the latest CDC guidelines as well as executive communications with regards to the Pandemic.

- Employee Work Stream (Plan Ahead Team) - HR led the team responsible for developing an action plan for employees returning to the Administrative Offices. The department teamed with Marketing to create and distribute the Employee Playbook, which includes instructions for an eventual return to work as well as guidelines to follow to keep safe and healthy during the Pandemic.



Office of Innovation



The Office of Innovation contributes to Agency goals through formalizing, pursuing, and realizing the Agency vision of leveraging technology to facilitate a Mobility as a Service (MaaS) ecosystem. The department also pursues enhancements to the rider experience and fosters a culture and process for identifying and cultivating innovative ideas across the agency.

The Office of Innovation supports Agency objectives through a combination of direct responsibility for core technologies and taking a consultative support role in assisting with project scoping and development related to various departments whose projects impact upon the digital rider experience.

Core areas of direct responsibility include:

- Driving Mobility as a Service (MaaS) customer experience, development, and scalability.
- Accelerating ideation, development and execution of innovation and emerging technology-focused initiatives across DART.
- Developing a culture and reputation of innovation for DART by facilitating new ways of thinking and taking advantage of opportunities to lead innovation nationally.

DART Board Goal	Innovation Goal
Advance the availability of contactless fare payment systems and methods: <ul style="list-style-type: none"> a. Strive to create a contactless environment by decreasing items of contact by 50% <ul style="list-style-type: none"> i. Contactless fare payment systems <ul style="list-style-type: none"> - promote the payment options in place of cash; this includes credit card tap options, GoPass Tap and App, including the Discount GoPass Tap. 	<ul style="list-style-type: none"> - Lead strategy and app-side execution for evolving payment technologies to facilitate improvements to GoPass to enable tap/contactless validation. - Complete pilot and launch Contactless EMV fare media program enhancements in FY2022
ii. Reduce customers' demand for printed collateral by 50% by promoting and providing technology options to the public (GoPass App, Web/Mobile Web, Kiosk)	<ul style="list-style-type: none"> - Expansion of GoPass Trip planning tools to facilitate improved functionality spanning multiple technologies (e.g., App, Website, Kiosk)
Provide DART's customers with high-quality mobility options and transit experience	<ul style="list-style-type: none"> - Engagement with Agencies to Promote GoPass

	<ul style="list-style-type: none"> - Response to suitable RFP opportunities for mobile applications - Partnership with vendors to bring comprehensive MaaS solution enhancements to DART riders
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Specific missions assigned to the Office of Innovation include:

GoPass North America Strategic Expansion

Following a strategic review across multiple areas by KPMG, DART determined in FY19-20 to pursue an expansion of Agencies utilizing the GoPass application through a sub-licensing agreement with DART. This strategy will bring in additional revenue to DART, as well as assist in the furtherance of the agency's broader Mobility as a Service (MaaS) strategy. The Office of Innovation leads all efforts related to the expansion of the GoPass platform, including, but not limited to:

- Vendor and Agency partnership management
- Formal proposal responses to RFQ, RFI, and RFP solicitations
- Industry presentations and promotion of the platform
- Onboarding of sub-licensee agencies
- Financial planning and program management
- Project management of development work associated with Agency expansion strategy

Mobility as a Service Strategic Vision

The Office of Innovation leads the overall MaaS vision for DART, taking an internal consulting role on new technology investments related to payments, service model enhancements, and customer-facing technology. The Office of Innovation directly leads the development activities for the GoPass Mobile platform, with the ambitions of developing this platform to be a 'gatekeeper' platform for the agency in aggregating and providing an array of services to DART's riders. To successfully achieve DART's Mobility as a Service ambition, the Office of Innovation holds the critical role of aligning internal departments, a plethora of vendors, and driving the vision in an ever-evolving landscape.

cEMV Contactless Payment Implementation

The Office of Innovation leads the agency in the pursuit of enhancement to DART's payment technologies to enable the utilization of Near-Field Communication technology to facilitate payments through cEMV enabled devices and payment media. This project is a crucial technological development in reducing cash in DART's system and reducing entry barriers for prospective riders to use DART services. cEMV also promotes a 'touchless' environment, a pursuit that has gained significant attention throughout the transit industry in reaction to the impact of the COVID-19 Pandemic.

Areas of focus for the Office of Innovation are listed below:

Key Performance Indicators (KPIs) for FY 2021

- 5 Day Response window for GoPass RFP Opportunities
- 100% GoPass RFPs decided upon within project deadlines
- Full launch completed for cEMV in FY21 Q3
- Successful onboarding of Sub-Licensee agencies within three months of notice to proceed

COVID-19 Response Activities

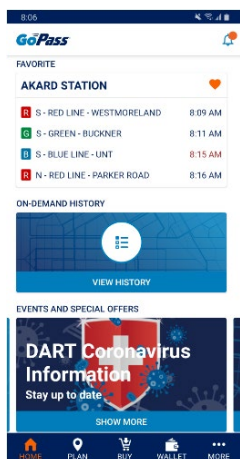
Formation and leadership of DART Serves community outreach initiative, comprising nine unique programs, collectively distributing 125,000+ meals and care packages to date, connecting at-risk service area residents with essential support. Programs include:

- Grocery delivery service for our Paratransit and Rider Assistance Program riders;
- School meal delivery for three service area Independent School Districts;
- Meal & care package delivery in support of various local charities and food banks.



Support of regional public response efforts related to COVID-19 through a combination of Push Messaging and In-App Messaging through the GoPass App to share essential updates across the region, including:

- Service changes to DART and regional Agencies whose riders utilize GoPass;
- CDC and public health messaging related to COVID-19.



Plan-Ahead Team: Process Optimization and Re-Engineering workstream. The Office of Innovation leads this workstream, focusing on identifying, evaluating, and implementing process improvements to streamline DART activities and create new operational efficiencies in response to COVID-19.

Training and support for a transition to working remotely for DART employees. Setup workshops and round-table sessions to share best practices for working from home, including managing time, staff, and activities. These sessions also supported the successful introduction of new collaboration tools by the Technology department to facilitate working from home for DART staff.

Marketing and Communications Department

The Marketing and Communications Department is guided by the principle of being the "customer voice" within the organization, ensuring that the agency is responsive to our customers' wants and needs. The Marketing and Communications Department is the only department with a front-line interface with riders, direct impact on quantifiable ridership, and generation of non-farebox revenue to the agency.

The Marketing and Communications Department supports most agency activities and projects by developing and implementing comprehensive campaigns, programs, and initiatives to meet agency goals, deliverables, and milestones. Through this effort, the department strives to increase overall satisfaction by measuring and focusing the agency on the identified drivers of satisfaction, increase Brand regard as measured by the Net Promotor Score, and assist in efforts to meet and exceed ridership goals.

Collectively, this department strives to meet the following objectives:

- Increase ridership within the cities we serve.
- Increase farebox and non-farebox revenue.
- Transform riders into brand champions to build brand regard.

Goals of the department for FY 2021 include the following:

- Leverage innovation to meet the needs of our customers.
- Utilize technology to provide a positive experience for customers - adapting to how they prefer to move about our region.
- Continue our extensive research to obtain a deeper understanding of our customer segments.
- Engage with DART functions earlier in the project implementation process to provide value-added across the agency.
- Accomplish and support objectives outlined in DART's annual business plan.

Administration

The Vice President of Marketing/Chief Marketing Officer is responsible for the overall annual marketing strategy, development of the annual work plan, and directing the department. The department consists of five divisions that serve our customers:

- Marketing and Advertising
- Communications and Audiovisual
- Market Development and Sales
- Customer Service
- DART Retail

Marketing and Advertising



Responsible for strategic marketing planning, project management, and creative expression tied to agency goals and marketing initiatives. This division develops action plans for most all efforts within the agency. This division consist of three primary areas:

- Marketing & Media Services
- Creative Services
- Special Events

Marketing & Media Services:

- Leads the strategic thinking on marketing support of DART goals and marketing-led activities.
- Creates campaigns and advertising to build awareness for DART programs.
- Directs the outside advertising agency's strategy, creative, and execution.
- Provides project management for the planning and facilitation of agency requests.
- Manages media advertising buys for the agency based on department requirements that notify the public of system and fare modifications, marketing promotions, and programs.
- Manages the DART marketing and activity calendar.

Creative Services:

- Develops and delivers all creative and concepts that support the agency, marketing programs, and initiatives.
- Facilitates printing of materials, including collateral, station signage, internal communications, promotional materials, system maps, timetables, and other customer information.
- Manages the print vendors and ensures quality standards for all production projects, including vehicle livery as well as customer information.

Special Events:

- Tracks events within our service area and determines DART's participation strategy to ensure standards in service delivery and the overall customer experience.
- Manages the volunteer program for priority events, including recruiting, training, and administration.
- Cultivates relationships with key organizations throughout the service area to cross-promote and enhance DART's presence at participating events and venues.

Communications and Audiovisual

Responsible for telling DART's story using a consistent brand voice and multi-channel approach to reach customer segments. Partners with other groups within and outside of the agency to develop strategic solutions that meet project objectives. Activities include:

- Communications and Copywriting
- Digital/Social Media
- Audiovisual/Photography/Videography

Communications and Copywriting:

- Develop communication plans to align with and amplify DART marketing campaigns, projects, and initiatives.
- Lead and manage an editorial calendar that serves to galvanize all agency efforts for communication across the multiple platforms – owned and earned.
- Generate creative ad copy and concepts that motivate vital customer segments to use DART more often and for more uses.
- Write, edit, and manage print publications: Inmotion stakeholder newsletter, Rider Insider consumer brochure, and Insights – a safety and security newsletter for the DART Board.
- Hold three city communicator meetings a year to reinforce a positive working relationship between DART and cities in our service area.

Digital/Social Media:



- Manage DART-owned social media and digital channels (Facebook, Twitter, Instagram, YouTube, DART Daily, GoPass app Events and Offers, and DART.org/specialevents) to reinforce brand

messaging and amplify campaign messages.

- Engage in creative storytelling to build awareness, inform, educate, and influence our customers, and reinforce our brand positioning.
- Monitor social data analytics to help drive our digital and social media communications strategy.

Audiovisual/Photography/Videography:

- Provide comprehensive AV support and solutions to ensure meetings for internal and external audiences run smoothly.
- Create talking points and customized presentations at the request of DART leadership for Speakers Bureau to help shape the DART narrative and reach new audiences.
- Develop photographic and video graphic content to humanize the DART brand and create opportunities for engagement.

Market Development & Sales

This division generates \$16M in ridership and advertising revenue for the agency through:

- 248

DART Retail

DARTmart serves as the central ordering and fulfillment provider for the agency's merchandising. The main functions are to:

- Sell transit passes
- Qualify senior, student and disabled discount passes
- Take pictures for pass identification and service fines for resulting tickets.

DARTmart also serves as a retail hub to enable the reloading and, balance checking on the new GoPass Tap Card. The agency is developing an e-commerce site to facilitate internal DART logo merchandise requests.

Additional e-commerce sites will allow the agency to sell DART logo merchandise to the public and employees.

COVID-19 Response Activities

Throughout the COVID-19 Pandemic, Marketing has consistently produced communications targeting the public, key stakeholders, and DART administrative and operations staff.



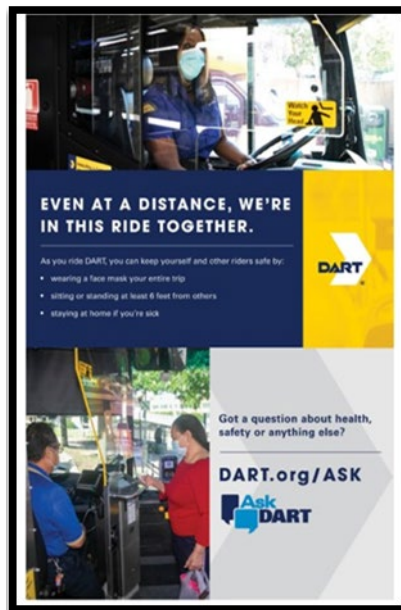
Marketing's effort to the public began in March and have continued to evolve over the past months. Communication kicked-off through the utilization of CDC information designed to get out in front of the Pandemic by communicating safety messages focused on distancing, cleaning, and other measures of safety.

Marketing then modified its communications to speak specifically to how customers can ride safely during the COVID-19 Pandemic. Most recently, Marketing developed a campaign that serves to regain ridership by addressing customer's safety concerns, establishing a level of transparency with our customers, and seeking to create an emotional connection.

To address the safety concerns, DART recently launched a "Welcome Back" campaign, highlighting the specific efforts DART is taking to keep the trains and buses clean. This includes efforts to establish a "contactless" environment by promoting the use of GoPass for ticketing and trip planning needs versus the use of cash and paper tickets, and the demand for collateral. To establish transparency, Marketing launched a digital **ASK DART** communication platform designed to engage the community in dialogue and the ability to ask and answer questions and concerns in an open platform. Lastly, through a **DART Serves** communication headline, Marketing sought to convey the strides DART is making to impact the community more than mobility, such as promoting school lunch deliveries.



Additional communication efforts made to the public include videos, digital and social media along with advertising on DART assets. Signage with COVID-19 messaging has been placed on the following DART Assets in both English and Spanish

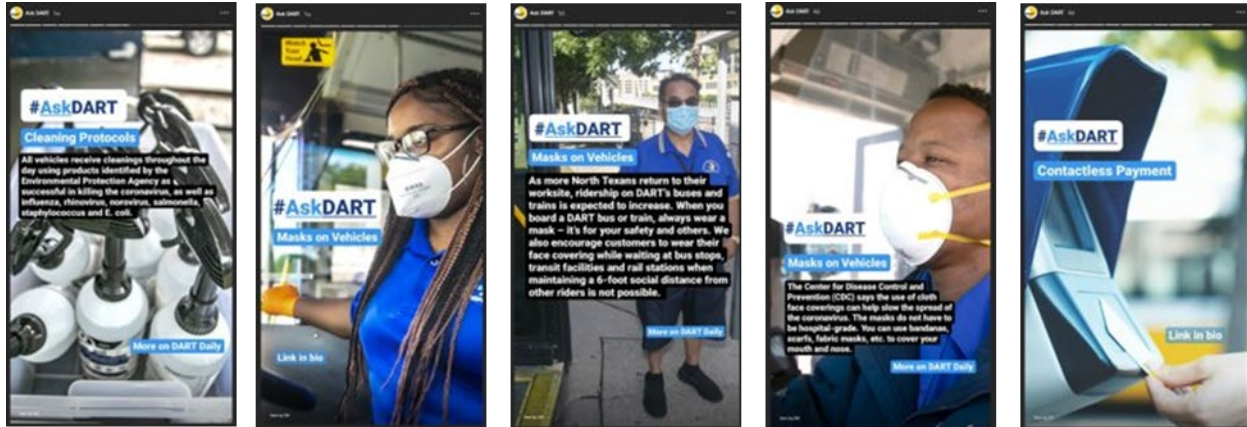


Interactive digital kiosk screens

- 8 Corner markers
- 500 Rail car interiors
- 1,800 Bus interiors
- 4,960 Bus INFOtransit digital messages
- Onboard handouts
- TRE collateral seat drops
- 15 Rail station windscreen signs

Marketing also aligned with the DART PR and communications group to generate on-going contact with key stakeholders, city communicators, and the community at large. A series of videos have gone out to communicate the efforts DART is making to keep all DART assets clean and safe for riders. Additionally, marketing distributed a series of social media messages that have been distributed through DART's

digital and social channels, including DART.org, My DART Updates, Twitter, Facebook, Instagram, YouTube, and DART daily.

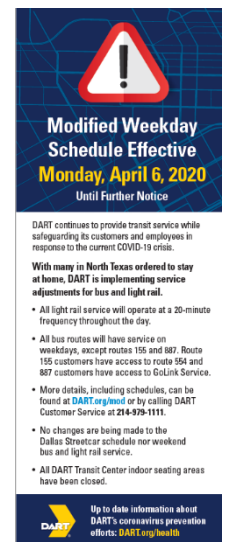


To enhance communications within the agency, Marketing worked with the operators to create signage to help keep safety top of mind. Signage was also produced, targeting our employees to reinforce the resources available to help them during this time of uncertainty. Additionally, the Marketing group created an event recognizing the efforts accomplished by those working on the front line, making 42 deliveries across 13 divisions, serving 2,200 people breakfast and lunch tacos.

Through social media channels and printed collateral, Marketing worked with the Planning department to develop communications for proposed schedule changes during this time. Lastly, Marketing assisted in authoring and printing the Return to Work Playbook for employee distribution, providing tools to begin acclimating employees back to the worksite.

By the Numbers | Results

9 Daily Delivery Schedules	between 4am - 11pm
13 Divisions	20 Departments
42 Deliveries	41+ Facility Contacts
66 Shifts Covered	2,648 Served
\$1K+ Under budget	5,296 Tacos Delivered



Procurement Department



The Procurement Department is responsible for purchasing all materials and supplies, design and construction services, revenue contracts, transportation, energy, employee benefits, and business and outsourced services used by the Authority, except for real estate, legal services, and some utilities.

Because Procurement's primary role is to support all departments to achieve the mission of DART, Procurement is a contributor to all DART objectives. The Department's goals are linked to the Board's Strategic Priorities:

DART Strategic Priority	Procurement Goal
Provide DART's customers with high-quality mobility options and transit experience	Provide consistent 5 Star service through our performance and our contracts. Deliver innovative and agile procurement solutions in support of DART programs.
Provide DART's employees with a safe and engaging work experience	Provide immediate supply chain support for employee health and safety and return to work. Continuously engage and monitor staff to ensure their health and safety. Continue the Procurement team-building effort as recommended in the APTA Peer Review, Employee Engagement Survey, and Internal Assessments.
Demonstrate stewardship of DART's resources	Assess and act on cost reduction opportunities per Supply Chain PAT Channel. Continue to monitor tier-one supplier risks.
Meet project milestones	Provide consistent "on-time and under budget" procurement support for capital projects.
Meet Board focus Goals	Team with Diversity/Economic Opportunity (DEO) to meet DART's DBE and M/WBE goals.

Specific missions assigned to the Procurement Department include:

Acquisition Planning	Cost/Price Analysis	Contract Administration	Open Records Requests	Negotiations
Strategic Sourcing	Supplier Management	Professional Services	Small/Micro Purchases	Construction of All Capital Projects
Supply Chain Analysis	Revenue Contracts	Claims Management	Buy America	Supplier Relations & Management
Solicitation Prep and Issuance	Emergency Procurements	Contract Dispute Resolution	Wage Determinations	Policy and Procedure Analysis
Contract Development	Contract Awards	Procurement Outreach	Compliance Reporting	Unsolicited Proposal Portal

- Contract Specialists are responsible for the preparation and issuance of invitations for bid and requests for proposals for purchases exceeding \$50,000; receipt and evaluation of bids/offers; preparation of required reports and analyses; negotiation and preparation of contracts, and requesting Board approval, when needed. After award, Contract Specialists are responsible for contract administration, resolution of disputes, reviewing invoices, and all actions necessary to close out contracts (including terminations for default or the convenience of the agency).



- Buyers are responsible for the preparation and issuance of requests for quotes (RFQs), receipt and award of purchase orders, or blanket purchase orders for goods and supplies costing up to \$50,000. Buyers and Contract Specialists also make emergency purchases for the Authority.

Capital Design and Construction Procurement Division (DCPD)

The Capital Projects Division consists of two sections. One section is responsible for procuring professional and environmental services, operations, and capital projects, and the other section is responsible for construction, operations, and maintenance. Contracts procured and administered by this division include Design-Build and Construction Manager/General Contractor. DPCD staff are actively engaged in the day-to-day contract administration, including on-site meetings and invoice analysis.

Strategic Sourcing Division (SSD)

The Strategic Sourcing Division consists of three sections responsible for procuring products and services supporting all DART programs. SSD purchases a wide variety of goods and services, including technology, marketing, and business services, parts and supplies, revenue-producing contracts, consulting services, employee benefits, energy, operations and maintenance, program

outsourcing, and capital acquisitions. SSD is also responsible for supplier performance, supplier relationship management, and all emergency acquisitions, including emergency repairs to keep facilities and vehicles operational, as well as purchases for the current COVID-19 management response plan. The SSD is also responsible for the credit card oversight program, and managing retail spend.

Procurement Administration Section



Procurement Administration provides administrative, technical, and policy-related support to the Procurement Department. They respond to questions from customers and suppliers with regard to supplier registration, public notices, and advertisements of procurement opportunities. This team also manages the supplier and innovation portals, responds to open records requests, provides community outreach, records management, compliance reporting, and provides technical and administrative support.

This section identifies process improvements and business/system solutions to meet business objectives, develops policy, provides staff and customer training, coordinates audits, conducts cost and price analysis, performs business process engineering, serves as competition advocate for the Department.

Key Performance Indicators (KPIs) for FY 2021

- 32% D/M/WBE Participation
- 100% capital project contracts awarded on-time and within budget
- 90% of contracts extended before the original expiration date
- 90% of contract extensions to Board 180 days or more before the expiration date
- 90% of customer satisfaction
- Three or more bidders on at least 90% of solicitations
- 100% of protests responded to on time
- 100% compliance with FTA requirements, where applicable

Key Performance Measurement

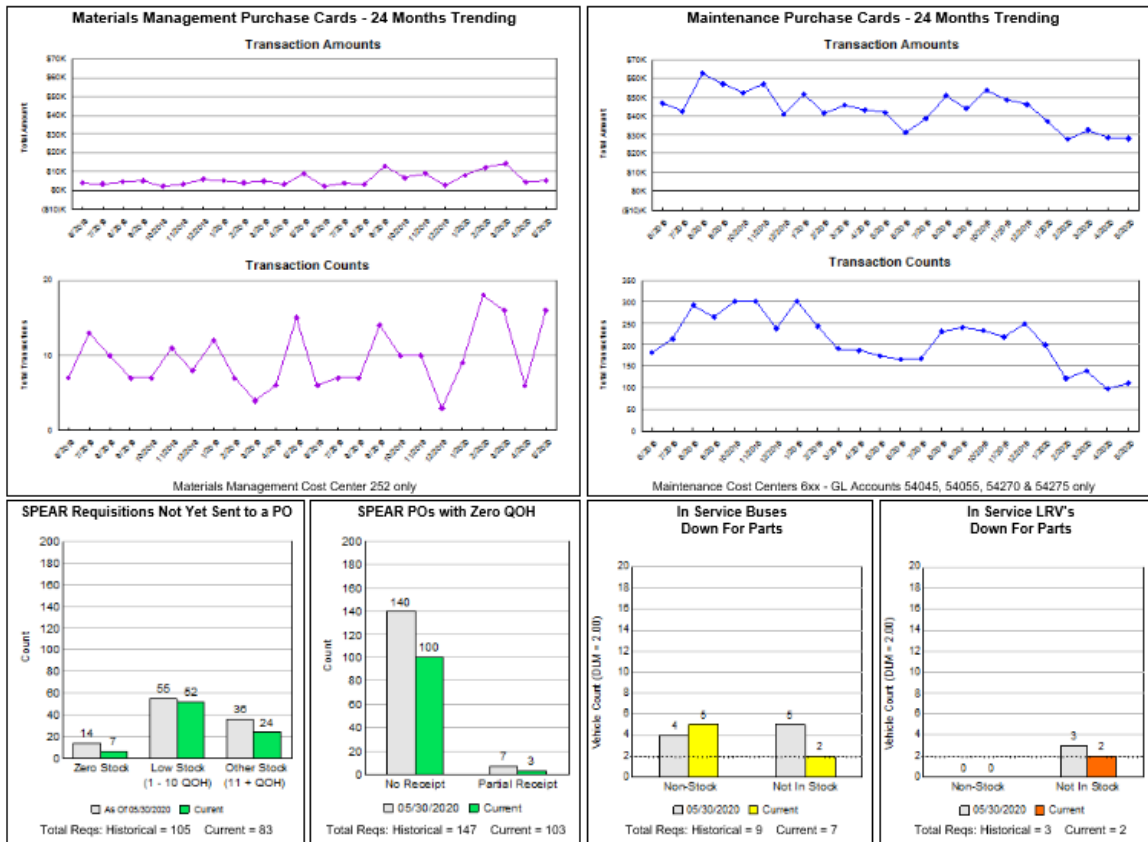
DART and Procurement Department management teams receive an Executive Dashboard and a Procurement Dashboard daily. The dashboards identify measurements toward Key Performance Indicators (KPIs) weekly. Shown below is an example of a new dashboard page indicating vital performance measurements in the Materials Management section.

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Materials Management / Procurement Dashboard

Page 1 of 4

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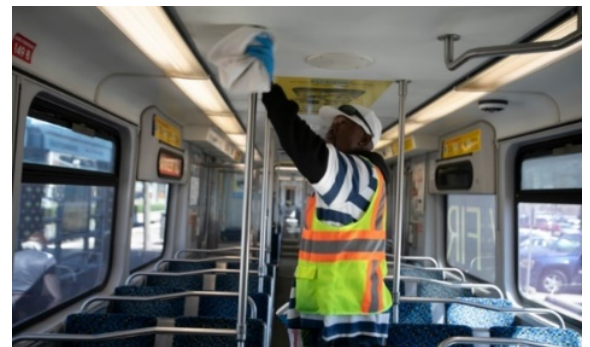
Proactive Procurement Emergency Response to COVID-19 Pandemic



Since early March 2020, the Procurement Department has been focused on protecting the safety of our employees and riders, while continuing to perform other procurement activities, without disruption.

Procurement staff immediately mobilized and invested more than 600 hours in the quarter, establishing a global emergency preparedness supply chain and purchasing \$8.6 million in PPE and services, including:

- 18 halo foggers
- 40 electrostatic hand-held and back-pack sprayers
- 12 thermal imaging temperature scanners
- 30 hand-held, no-touch thermometers
- More than 600,000 protective masks
- More than 5,000 gallons of hand sanitizer
- Operator protective shields
- Barriers for the bus transfer stations
- 314 hand sanitizer dispensers
- 6,000 gallons of halo-mist sanitizer for the foggers
- 4,000 gallons of disinfectant for the sprayers
- 10,000 canisters of disinfecting wipes
- 100,000 pairs of protective gloves



Total COVID-19 Related Procurements to Date: 159; Total Items: 1,282,948; Total Spent: \$8,595,223.39

Procurement issued 136 notices to design and construction contractors and maintained constant communication to comply with CDC guidelines and promote the health and safety of contractor personnel. This effort was accomplished in a very volatile global market, and the staff has been successful in obtaining competitive prices and quick delivery. The team also assisted other transit authorities and communities in obtaining PPE.

During this crisis, the procurement team conducted a risk assessment of suppliers, analyzed and negotiated contract price and term reductions, actively engaged contractors to maintain delivery and performance schedules, and responded to contractor equitable adjustment requests. As a result of these efforts, there have been no contract delays or defaults, and all contract awards and modifications have been completed on time and under budget.

Technology Department

The Technology Department delivers digital modernization, provides strategic technology vision, and enterprising solutions in the fulfillment of DART's mission. It performs efficiently and effectively to provide an enhanced 5-Star Service customer experience. The Technology Team is committed to performance, excellence, and pioneering capabilities into the future. The Vice President/Chief Information Officer leads the technology transformation, directs the overall strategic activities of the department, leading toward the adoption of new capabilities and technology renovation.

OUR MISSION

Dedicated to providing *reliable and secure technology*, creating unprecedented value, innovative solutions with extraordinary customer service.



OUR VISION



Technology, your trusted advisor for DART technology solutions

OUR GUIDING PRINCIPLES



- Integrity
- Responsibility
- Customer Commitment
- Adaptability
- Quality
- Respect for People
- Team Player
- Perseverance
- Professionalism
- Continuous Learning
- Creativity

The Technology Department delivers and maintains critical business systems and infrastructure in support of DART's transit service delivery, customer experience, operational performance, and administrative ecosystem. The department operates in a highly integrated manner delivering new capabilities, managing business applications, cloud services, data centers, networks, computers, laptops, technology equipment for all DART vehicles, transit centers, field locations, data, and voice for the agency and mobile devices. The department also manages operational technology such as the Vehicle Business System and Traffic Signal Prioritization systems.

The department's goal is to deliver "*reliable and secure technology solutions*." These are systems that safely achieve DART's vision, service, and business goals. Technology accomplishes this

through applied strategies, architectural designs, application programming interfaces (APIs), data and operational integration, and consistency across diverse applications, and therefore, business processes at DART. Ultimately, we provide innovative solutions, support, and enable the business while enhancing customer confidence in DART.

The Technology Department will continue to provide substantial contributions, robust requirements, application software, risk management, cybersecurity, design reviews, project management, and vendor selection services for all the major technology projects throughout the agency by ensuring alignment with DART's strategic priorities. The department increases the value-added to our customers and their satisfaction with technology products and services.

Technology Strategy



DART Technology monitors the evolving global technology landscape, paying close attention to how technologies are being adopted by other agencies and planned by industry leaders. Goals and research in technology include Mobility as a Service, universal payment platform, 5G impact on transit, contactless technology, virtual and artificial reality, and converged networks.

Cloud Strategy



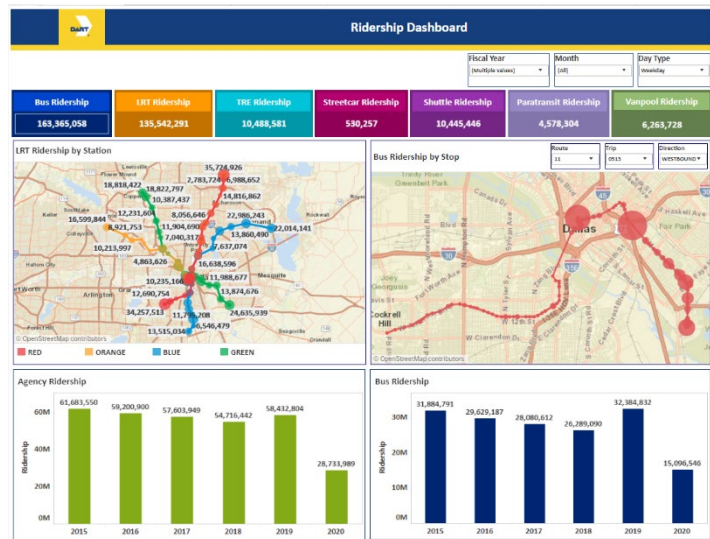
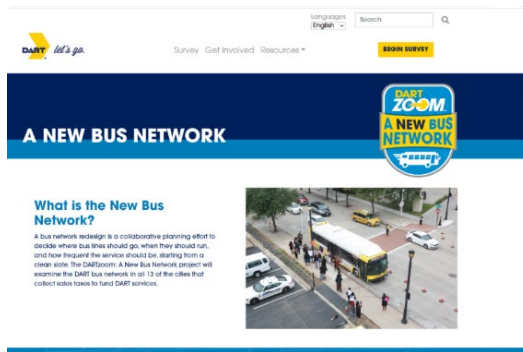
In our strategic planning, DART is transitioning its technology solutions to cloud solutions, with Software as a Service (SaaS) as the preferred solution, but also considering Platform as a Service (PaaS), and Infrastructure as a Service (IaaS) as viable solutions when a SaaS solution does not exist or is impractical. DART is well-positioned to take advantage of cloud solutions because of the extensive use of virtual machine (VM) technology. Outsourcing of business processes can also be considered, with a good example being the Comprehensive Payment System.



DART has adopted a cloud-first strategy to reduce most on-premise solutions. Through the course of typical technology delivery, each application is assessed for suitability for a cloud solution, evaluated for a SaaS or cloud business service to complement or replace the application before looking to re-host it. DART will review each data center facility and custom development project, assessing the maturity and suitability of cloud platforms to complement or replace existing infrastructure.

Technology Achievements

- Europay, MasterCard, and Visa (EMV)
- Data Analytics Dashboards
- ServiceNow Case and Knowledge
- Network Upgrade
- DARTAccess
- GoPass® Enhancements
- Additional Real-Time Feed Enhancements
- Pulse/Compass
- DART Zoom



Technology Department Projects represented in the Agency FY 2021 Goals

GOALS	SUPPORT TO BE PROVIDED
1. Provide DART's customers with high-quality mobility options and transit experience	1.b. – Maintain timely data and reporting <ul style="list-style-type: none"> • <i>Data Analytics Division</i> 1.c. – Provide network and cabling support <ul style="list-style-type: none"> • <i>Infrastructure Division</i> 2. a. – Provide networking, application and cyber security support <ul style="list-style-type: none"> • <i>Infrastructure and Cyber Security Divisions</i> 5.e. – Provide technology support for reporting <ul style="list-style-type: none"> • <i>Data Analytics Division</i>
3. Demonstrate stewardship of DART's resources	3.a. – As a department review all areas of operations for contingency plans based on unexpected changes to revenue sources (review contracts, usage of equipment) <ul style="list-style-type: none"> • <i>Technology Department</i>
5. Meet Board focus goals	5.a. Provide reporting support to Agency <ul style="list-style-type: none"> • <i>Data Analytics Division</i>

Functions and Overview of the Technology Team

Governance



Governance is an enabling framework for decision making. It is a means of ensuring business-technology collaboration, leading to increased consistency and transparency in decision making and prioritization of initiatives. Governance is a critical component of ensuring the delivery of business value from Technology and driving high satisfaction with our clients.

The department is working on a governance structure for technology areas of the business ecosystem to ensure all stakeholders are engaged and informed.

Cyber Security Governance Council

DART's President/Executive Director chartered the DART Cybersecurity Governance Council in February 2017.



The Council promotes security best practices for all DART business and operations dependent technology to ensure that critical infrastructure and sensitive information is protected. They will work to develop an exemplary cybersecurity conscious workforce that protects technology resources from increasing threats and develop strategies and solutions that ensure that DART leads in areas of cybersecurity at a state and national level.

Data Governance



decision-making process for effective management.

This group is bringing change at the policy level to ensure that work practices support data quality and availability. A cross-functional and inter-departmental committee serves as a decision-making body to resolve data issues and establish interdependent data usage and definitions for the proper handling and interpretation of DART's data. This governing body ensures that information is formally managed, provides data accountability, and a single version of the truth leading DART towards a more data-driven

Technology Teams

Enterprise Architecture

The primary objective of Enterprise Architecture (EA) is to ensure that DART business strategy and processes are translated into well-defined future capabilities and technology plans that support

the achievement of DART's mission. A key component supporting this objective is the DART Enterprise Architecture. The Enterprise Architecture is a managed collection of Principles, Strategy, Roadmaps, Guidelines, and Evaluation criteria produced by the Technology Department to support DART's Mission and Goals.

Additional responsibilities include maintaining the currency of Cloud Strategy and Cloud Guideline documents, coordinating the annual updates to the Technology Department's Strategy. EA actively researches technology to identify trends and developments applicable to DART, sharing white papers, conference announcements, articles, and other material throughout the agency. Research sources include Gartner webinars, research reports, and conferences, Info-Tech Research Group, newsletters from sources such as MIT Technology Review, transit specific newsletters, and websites.

Network Security Operations (NSO)



The NSO provides cybersecurity for DART's enterprise network business ecosystem. The NSO team supports the overall vision and mission of DART by enhancing its cybersecurity posture. They are entrusted to identify, protect, and detect any malicious activity against DART's enterprise network.

Network Security KPIs:

For the first half of 2020, DART security systems and applications observed over 14 million unusual behavior events, which is a detection of a network, system, or user activity defined as abnormal for that scope of observations.

With the help of an NSO-built and carefully curated list of automated security rules, these events were narrowed down to 3,527 alerts, which were further investigated manually by the NSO team. These alerts included activity such as virus detections, users accessing malware sites, suspicious login activity, abnormal application behavior, and successful and failed phishing attempts.

With the onset of the COVID-19 Pandemic, NSO observed an increase in the number of attacks and attempts to compromise the DART network and systems. With the onset of the COVID-19 Pandemic, NSO observed an increase in the number of attacks and attempts to compromise the DART network and systems.

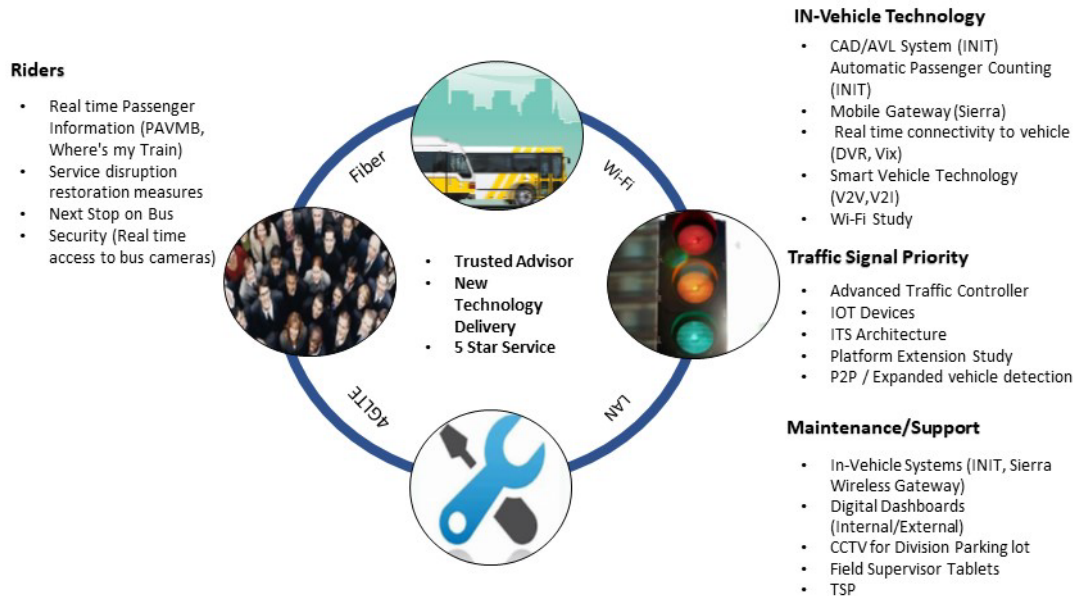
DART remains at observing 20% to 30% above normal levels of threat activity due to the COVID-19 Pandemic.

Intelligent Transportation Systems (ITS)

The ITS team implements, manages, and maintains in-vehicle communication systems, passenger communications, Light Rail Train traffic signal priority systems, and vehicle business systems while adding value to the operational business needs. These systems improve safety and responsiveness.

The ITS team facilitates research of new ITS technologies in the areas of Internet of things (IoT), Automated and Connected vehicle technologies, and their impact on transit business. In addition, the ITS team complies with ITS Regional and National Architecture in the deployment of DART ITS Projects, including the Safety and Security guidelines. ITS collaborates with the Network Security Operations team in performing quarterly payment system scans on the DART TVM network for regulatory compliance.

The ITS team contributes to the rider experience, vehicles, and traffic prioritization.



Program Management Office (PMO)/IT Financial Performance (ITFP)

The PMO is the backbone of a successful project management approach. The PMO provides decision-support information. The primary purpose of the PMO is to ensure that projects and programs run in a repeatable, standardized way. The team reinforces project delivery by ensuring that all business change is managed in a controlled way.

The PMO provides:

- **Governance** - The PMO ensures that decisions are made by the right people, based on the right information. The governance role also includes audits or peer reviews, developing project and program structures, and ensuring accountability at all levels.
- **Transparency** - The PMO is responsible for providing information and being the single source of the truth. The information provided is relevant and accurate to support effective decision-making and supplied to people in a way they can understand.
- **Reusability** - The PMO facilitates the sharing of knowledge. This stops project teams from reinventing the wheel and makes the PMO the central point for lessons learned, templates, and best practice.

- **Delivery support** - The PMO makes it easy for project teams to do their jobs by reducing bureaucracy, providing training, coaching, mentoring, and quality assurance.
- **Traceability** - The PMO provides the function for managing documentation, project history, and organizational knowledge.

Infrastructure Services

Infrastructure Services oversees data and voice networks, servers and storage, data centers and cloud computing infrastructure, desktop support, the Technology Service Desk, and ensuring departmental service delivery. Fostering communication across these areas improves understanding of the overall environment and provides a common vision with regards to the need for defined standards, adherence to industry best practices, and delivery of customer-focused solutions.

Infrastructure Services consists of four core areas: Network Engineering, Systems Engineering, Client Services, and Service Delivery.

- Network Engineering
 - Network Engineering is responsible for agency networks. The team specializes in architectural design & configuration of Local Area Networks (LAN), Wide Area Networks (WAN), wireless networks, firewalls, network circuits, and internet connectivity.
 - This team is also responsible for the VOIP on-premise phone system, mobile phones, audio conferencing, and maintaining relationships with cellular carriers and telecom service providers.
- Systems Engineering
 - The Systems Engineering team is responsible for the implementation and support of the DART server infrastructure. This includes the architecture, design, and implementation of servers, storage, backups, virtual environments, and cloud services. The team also manages the contracts and vendor relationships for all infrastructure components.

- Client Services

The Client Services team consists of three main areas: Service Desk, Desktop Support, and System Administration.

- Service Desk
 - This team responds to calls for assistance with workstation and network problems, installation of computer software, password resetting, login issues, printer setup, and help with all DART supported software. The team is also responsible for triage of all incidents and service catalog requests to ensure proper distribution.
- Desktop Support

- ### Technology Service Catalog – Received & Closed

Service Request Status and Volume by Month Q1 – Q3 for FY20 – Service Catalog

DAFT - Service Request Items Disposition by Month - mikm2

Month	Pending	Open	Work in Progress	Closed Complete	Closed Incomplete	Closed Skipped
January	10	10	10	10	10	10
February	10	10	10	10	10	10
March	10	10	10	10	10	10
April	10	10	10	10	10	10
May	10	10	10	10	10	10
June	10	10	10	10	10	10
July	10	10	10	10	10	10
August	10	10	10	10	10	10
September	10	10	10	10	10	10

Technology Average Resolution Time

Average Resolution time of Resolved Incidents – 7 Day running avg

Overview

Average resolution time of resolved incidents

July 20 7 days 14 running Avg

1.74 days ▼ 11.7%

Target: 1.69 days Gap: 3.26 days (85.2%)

Metric	Value
No. items	177
Min	356.50 days
Max	6.75 days
Avg	62.77%
Change	1.98 days
7 days	6.75 days

Search breakdowns and elements

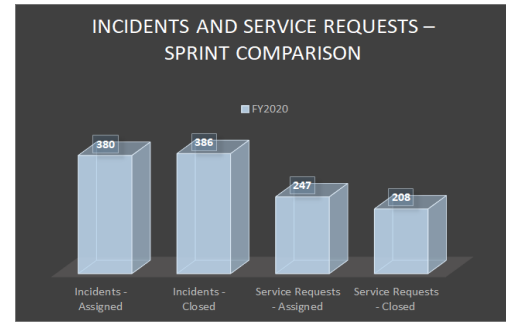
Target of 5 days, Year to Date FY20 Average: 1.56 days

Responsible for the strategic direction, overseeing, initiating, and managing activities of personnel in Data Analytics and Application Management practices; including maintenance and support of ERP systems, Information Management and Decision Support Systems, Web and Mobile custom development including the agency's intranet (InfoStation) for the Technology Department. Applications and Information Management activities and functions enhancing DART and the customer experience. The team supports DART in all Technology needs by providing Customer Relationship Managers (CRM). The CRM functions as the primary contact for all projects and service requests.

Web and Mobile Application Development

The Web and Mobile Application Development group provides consulting, as well as web and mobile application development for all DART departments. The group builds custom applications, and workflows to support day to day operations at DART.

In addition to the significant projects of DARTZoom, real-time feed stabilization, service disruption application, and others, the team successfully resolved 386 Incidents and 208 service requests so far in FY 2020.



Customer Care Delivery Team

The team provides maintenance and support for DART's enterprise systems and several dedicated applications used across the various business towers. The primary application platforms supported are listed below.

- Trapeze
- Maximo
- Spear
- Fleet Watch
- Police Lenel On-Guard
- IDP CRASH



Information Management & Analytics (IMA)

The Information Management & Analytics division offers information management, business intelligence, advanced analytics, database management, and Geographical Information solutions, all under one umbrella. Our vision is to make DART a data-driven organization. Our expertise in domains, technology, and execution, empowers us to transform insights into results, collaborating with our customers at every step to answer the unasked questions.

We help design, build, and run foresight-driven applications by helping to maximize the potential of data and analytics by delivering operational excellence. The team is focused on providing analytics on DART's key performance indicators like Ridership, Customer Satisfaction, On-Time Performance, Accidents, etc. With Geographic Information Systems, IMA supports various departments at DART on projects with clear and valid maps, geospatial analysis, and other solutions. GIS builds Web-Map based applications that provide distinct map layers for different types of information, which helps business units make business-critical decisions.

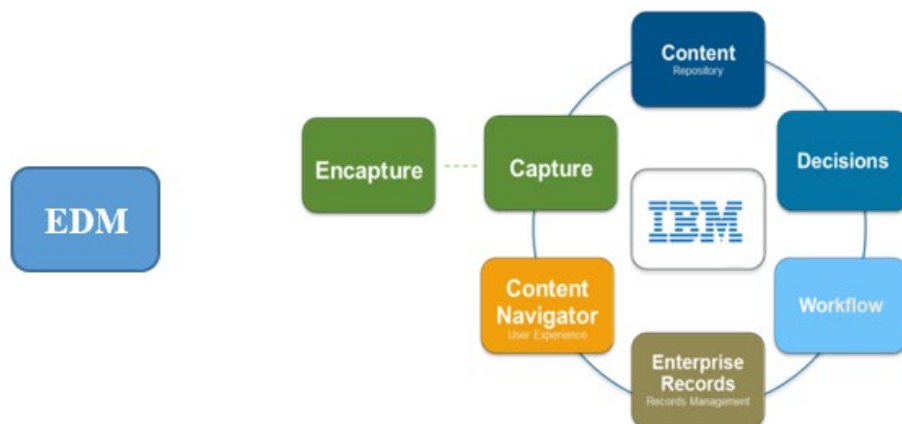
Enterprise Applications Delivery

The Enterprise Application Delivery division provides DART stakeholder with two main Functions:

1) Applications & Technology Solutions for the Agency Enterprise Applications.

The Application Portfolio is comprised of the following:

- Enterprise Resource Planning (ERP) Infor Lawson
 - Financial management providing financial functionality and analysis reports
 - Human Resource Management for Personnel Management, Organization Management, Payroll Management, and Personnel Development
 - Supplier and Purchase Order Management and the supply chain process
 - Time and Attendance Kronos, for tracking employee time, attendance, and data collection
- Enterprise Document Management (EDM) FileNet + Encapture



- Provides DART with a solution that supports the maintenance of records retention and policies, enabling DART to manage its Records, content, and documents
 - Includes lifecycle management, transactional content processing, document management, content consolidation, content-based application development, compliance, and governance
 - **Enterprise Project Management (EPM) System,**
 - Provides DART an integrated business platform for all project management activity
 - Enhanced contract management functionality
 - Traceability of project issues, data, and documents
 - Real-time and proactive tracking – alerts, flags, scope, schedule, and budget
 - Electronic forms/functionality and approval routing
 - Comprehensive reporting & dashboarding function
 - Technical and functional application support for the Agency divisional applications
- 2) **Business Relationship Management (BRM) Function.** We understand relevant business process objectives, conduct feasibility study/impact assessment in respect of implementing business requirements.

2020 Pivoting for the COVID-19 Pandemic

Serving DART Employees and our Rider Segments

The Technology Department harnessed digital and tech solutions to maintain DART's service delivery during COVID-19. Technology strategic foresight identified the need for an Agency collaboration hub at the beginning of 2020. That insight led to the Agency being prepared to pivot from a traditional work situation to a remote work environment and do it quickly. The Technology Department ensured DART had the procedures, software applications, and infrastructure necessary to support operations, virtual meetings, and providing employees with the ability to perform their duties regardless of location. In March 2020 when DART, was faced with what has become the 'new normal,' we ensured the operation of the front-line systems and applications for over 1,000 employees and Board members with the capability to perform their everyday responsibilities without being at a DART facility.



The Technology Department delivered employee-centric solutions that powered the 'new work' setting and enhanced secure applications and data access remotely. To meet these requirements, Citrix and Microsoft Teams were deployed quickly, along with their supporting licensing and hardware. Technology configured and delivered hundreds of laptops to assist remote workers. We delivered virtual training sessions to train employees on the new applications and hardware implemented. Many dedicated Technology employees worked diligently to test and deploy these solutions in record time.

Moreover, we doubled DART's internet bandwidth, enabled telecommunications connections, and enabled features on the enterprise phone system that facilitated the rapid and efficient deployment of the remote Call Center and Customer Care Center. The Technology Department made several modifications to the telephony system enabling customer access to the latest schedules.

Dedicated Marketing dashboards with KPIs, including call volumes, customer hold times, and a dedicated report with train congestion levels and consistent analysis, were developed to support the Planning Department and Rail Operations during COVID-19.

The Technology software development team played a significant role in ensuring the new pay codes were deployed seamlessly across multiple systems, reports, and dashboards. The Human Resources Department and Finance Payroll section effectively integrated the new COVID-19 pay codes. In addition, dedicated COVID-19 paid benefits dashboards based on attendance and payroll were developed by the Technology Department.

DART Technology efficiently restructured system modifications to support DART rider service changes. During these times, DART and TRE made several changes to their service schedules. Technology recognized the changing nature of our schedules. In response, the team automated the process of generating, validating, and distributing our revised schedule information (GTFS-Static). Since March 2020, the Technology team has published eleven schedule changes.



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The Executive Office

The Executive Director has oversight of Government and Community Relations, Diversity, Safety, Office of Policy and Strategy, and Finance departments. The Executive Director reports to the DART Board.

Diversity Department

The Diversity Department is responsible for the development, evaluation, implementation, coordination, and monitoring of DART's Disadvantaged Business Enterprise Program, Minority and Woman-Owned Business Enterprise Program (DMWBE), Equal Employment Opportunity (EEO) Program, and Employee and Labor Relations. It is also responsible for compliance with the Americans with Disabilities Act (ADA), Title VI and Title VII of the Civil Rights Act. The functional areas of the department are: Civil Rights, Diversity and Equal Employment Opportunity, Employee and Labor Relations, and Outreach and Training. The Vice President of Diversity & Inclusion/Employee and Labor Relations directs the overall activities of the department.



- Civil Rights is responsible for managing and administering DART's Disadvantaged Business Enterprise (DBE), Minority and Woman-Owned Business Enterprise (MWBE), and Small Business Enterprise (SBE) Programs. This division is also charged with the responsibility of ensuring compliance with the Americans with Disabilities Act (ADA) and Title VI of the Civil Rights Act. The division ensures that transportation-dependent, underprivileged, minority and disability populations are treated fairly in all DART services, activities and programs.
- Diversity and EEO is responsible for developing and managing DART's EEO Plan, investigating EEO discrimination complaints, developing a focused recruitment plan and diversity strategy, formalizing a Veterans' Recruitment Program, and providing ADA job accommodations for employees.
- Outreach and Training is responsible for general and contract-specific outreach designed to ensure DART achieves its DMWBE goals, offers educational workshops, seminars and a Small Business Academy, engages in communication programs, maintains relationships with organizations representing the small business community, and provides EEO and Diversity Training.

Government and Community Relations



DART's Government and Community Relations staff develops and implements the Agency's advocacy efforts. The team ensures that the exchange of information between DART and its 13 service area cities, the D/FW region, U.S. Congress, U.S. Department of Transportation, Texas Legislature, 30+ Chambers of Commerce, school communities, neighborhood and homeowner associations, and transportation advocacy organizations is accurate, consistent, and timely. The department monitors elections and campaigns for impacts to DART and provides orientations, briefings and tours for elected officials and regional delegations. Staff represents the Agency through several transportation organizations and on committees such as the American Public Transportation Association, South West Transit Association, Texas Transit Association, the Dallas Regional Mobility Coalition & the Regional Transportation Council and several others. The team also is engaged in numerous local and civic groups, meetings and events. Staff manages the contracted Federal, State and local consultants to develop appropriate advocacy strategies for securing Agency goals and objectives.

- Local & Regional Relations advances short and long-term local regional strategy and provides elevated communications with all 13 service area cities, elected officials and their staff. Some of these communications include providing relevant Agency data, project updates and notices to officials and city staff. Staff coordinates around and an array of local and regional officials' constituent concerns and helps generate high-level responses from DART for the Executive Office. To monitor impacts to DART, staff maintains a strong presence at service area city council meetings, transit and infrastructure and other council committee meetings and work sessions and attends numerous relevant to DART community meetings. The team develops and maintains strong relationships with city staff, ensuring the timely resolution of concerns. Staff manages and monitors the DART local representation contract.
- State and County Relations manages DART's state legislative agenda for each session of the Texas Legislature. The 87th State Legislature will convene on January 12, 2021. The department actively monitors legislation that will impact DART and coordinates analysis with Agency staff accordingly. Staff engages in high-level communications with DART's 32-member state delegation and their staff to ensure DART's positions and concerns are effectively communicated. Legislation could potentially impact DART, its business operations, assets, customers, employees, the 13 service area cities and regional partners Trinity Metro and DCTA, and the other metropolitan transit authorities in the state. Of the thousands of bills and resolutions filed during the state legislative session, staff will track approximately 500-2,000 bills each session. The team also prepares weekly bill-tracking reports for DART Executive staff and the Board including written legislative analysis of priority bills for the Agency impacting DART. The staff manages and monitors DART's State Legislative Legal Services Contract. Staff also monitors the 6 service area counties'

regulations and activities and coordinates high-level responses to county officials' evolving from constituent concerns regarding DART.

- Federal Relations develops DART's Federal legislative priorities, goals, and activities for each Congressional session. Staff acts as the liaison to DART's 11-member congressional delegation to support these efforts and acts as primary contact to federal regulatory agencies, such as the Federal Transit Administration and the Federal Railroad Administration. Federal Relations staff develops and implements strategies to obtain federal funds for several DART programs, including capital projects, surface transportation programs, annual congressional appropriations and federal discretionary grants. We also provide weekly Federal Updates to the Executive Office for distribution to the DART Board, and analysis of current and future legislative activities that could impact DART. Additionally, staff prepares presentations and materials to be used for congressional testimony and talking points for Executive staff and Members of Congress. The team prepares monthly reports, including monitoring and analyzing Federal legislation and corresponds with Agency staff on any impactful developments. Staff manages and monitors DART's Washington D.C. based consulting firm.
- Community Relations manages public involvement opportunities and support for capital projects, service change modifications, service planning and service plan amendments, Regional Growth and Development Design and Construction, fare changes, FTA Grants/Section 9 submissions for the Finance Department, and Title VI compliance for Diversity and Mobility Management Services. This includes public hearings and community meetings, open houses, charrettes, small groups and advisory committee briefings, and other sessions throughout the service area, which are primarily organized by Community Affairs Representatives. Community Relations is also responsible for the assembling of DART's Citizens Advisory Committee (CAC).
- Transit Education Outreach provides transit education regarding DART services and project safety in DART's service area cities' schools, recreation centers, libraries, senior centers, faith-based institutions, and through community organizations. The outreach efforts are accomplished through on-site and virtual presentations in diverse communities and participation in community events including: safety camps, health and back to school fairs, summer reading kick-offs, National Night Out, Cinco de Mayo celebrations, Science Day at the Zoo, and teacher orientations. Additionally, staff are responsible for the popular Agency Annual Student Art Contest and the Older Americans Information and Health Fair.

Office of Policy and Strategy

The Office of Policy and Strategy was created in FY 2014 to provide agency-wide coordination and consistent management of policies and related processes. The Vice President, Policy and Strategy, directs the overall activities of the Office.

- Strategic Planning leads and supports DART's strategic planning and development initiatives. Goal-setting, policy analysis, policy development, organizational strategy, and high-level issue analysis are significant parts of the strategic planning process led by the Office. In FY 2021, the Office of Policy and Strategy will continue to refine processes to ensure that strategic planning, tracking, reporting, and revision is timely completed in meaningful ways. In support of the Strategic Plan, the Office will design, develop, lead, and facilitate projects and teams that plan, communicate, and implement strategic initiatives that are aligned with or that need to be brought into alignment with DART's Strategic Plan.
- Policy Analysis, Review and Coordination focuses on the comprehensive review and analysis of DART's Administrative Policies and implementation of a system for regular review and updates. A separate but related activity focuses on making all strategic planning documents and Administrative Policies easily available to DART employees.
- Support for Strategic Initiatives provides administrative and executive level strategic project management and support. This function requires highly responsible and responsive review and analysis of matters including governmental reports, regulations, and policies. Leadership, support, and management for other complex, high-priority administrative and executive level projects and initiatives is another function of the Office. The importance of consistency across Agency functions requires a high level of engagement, coordination with key decision-makers and executives, and broad knowledge of all aspects of the Agency's business.
- Records Management is responsible for records management as contemplated by Board Policy is under the leadership of the Office of Policy and Strategy. Key activities will include a continuing review of current practices and processes, focused training for individuals in other departments charged with managing records, along with an analysis of potential efficiencies with implementation dependent on shared resources. The DART Historical Archive, created in 2018, will also be a significant focus as historically significant records of the agency are identified and accessioned into the archive. An oral history project will supplement materials in the archive by including the perspectives of key individuals on the history and growth of DART.

Exhibit 86 illustrates the KPIs tracked for Financial Reporting.

Exhibit 86
Financial Reporting KPIs

<i>Key Performance Indicators</i>	FY 2017	FY 2018	FY 2019	FY 2020
<i>Monthly Close/On-Time Percentage (Avg. 5 days)</i>	97%	100%	100%	97%
<i>Number of Financial Statements Issued</i>	36	40	41	41
<i>Financial Statement Issuance/On-Time Percentage</i>	100%	100%	100%	100%
<i>Clean Opinion on Audited Financials</i>	100%	100%	100%	N/A
<i>Received GFOA Certificate of Achievement for Excellence in Reporting</i>	Yes	Yes	Yes	N/A

The *Payroll Section* is responsible for ensuring that all employees are paid accurately, timely, and in compliance with DART policies and state and federal regulations. This section is also responsible for ensuring that all statutory and non-statutory deductions are made, filing of employee-related taxes, W-2 issuance, and maintaining employee payment records and reports required by DART and state and federal governmental agencies.

The Payroll Section utilizes Kronos software with a time and attendance system that can capture actual hours worked and can be programmed with work rules and pay policies resulting in improved service to our employees and an efficient, effective, payroll process. Prompt and accurate processing of payroll, direct deposit, and other services give DART employees peace of mind.

Exhibit 87 highlights the KPIs for the Payroll section:

Exhibit 87
Payroll Processing

Key Performance Indicator	FY2017	FY2018	FY2019	FY 2020
Number of out-of-cycle checks	1,058	1,142	1,063	870
Total number of checks	108,638	109,530	113,380	114,066
Percent on time statutory reporting	100%	100%	100%	97%
Service requests volume	3,337	4,031	3,684	3,396
Average service request turn-around time in days	5.5	6.4	13.5	8

The Accounts Payable section includes vendor payment and administration of the corporate card program. This section is responsible for ensuring that vendor payments are made accurately, timely, and in compliance with DART payment policies and the prompt payment act, invoice payment resolution, the escheatment process, and 1099 issuance. Accounts Payable is also responsible for the DART Corporate Card program including the administrative functions.

The following outlines the Accounting Division's work plan and the key performance indicators to track the effectiveness of the work plan in supporting the Agency strategic goals and initiatives.

A record of prompt and proper payment of vendor invoices provides confidence to the business community when doing business with DART. Prompt payment is particularly important to the small business community which includes many minority-owned businesses.

Accounts Payable also administers the corporate card program including an annual audit of all corporate cardholders. The corporate card program not only improves the efficiency at which small purchases are made, but the annual audit builds stakeholder confidence that DART is being a good steward of public funds.

Exhibits 88 and 89 highlight KPIs for the Accounts Payable section.

Exhibit 88 Accounts Payable Payments Processed

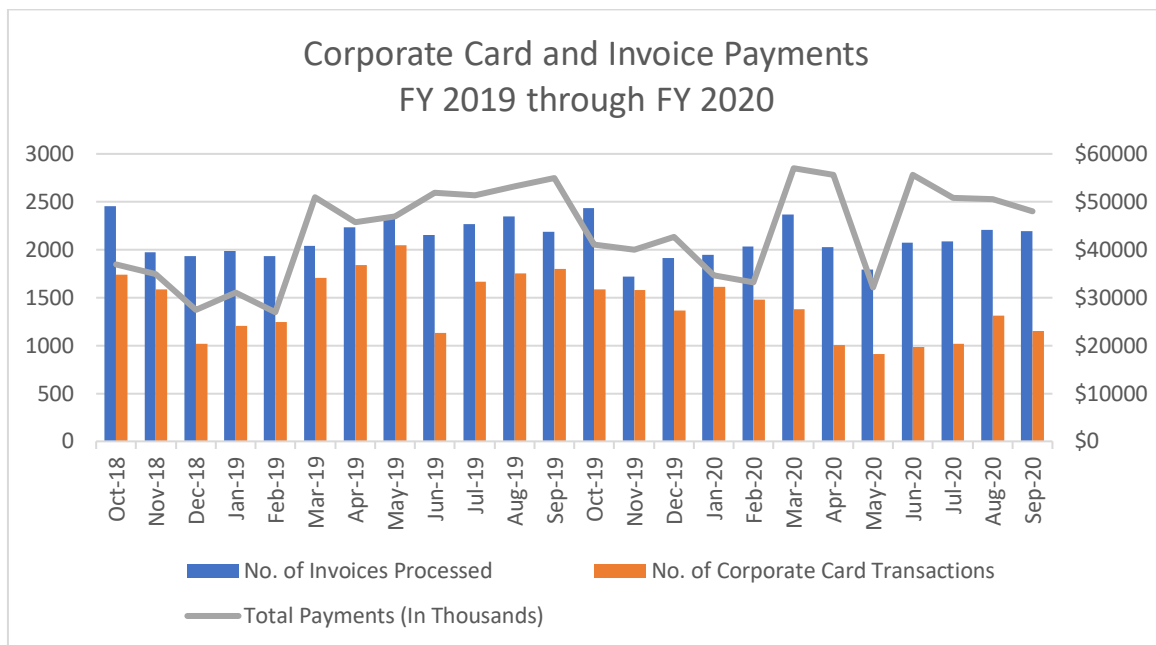
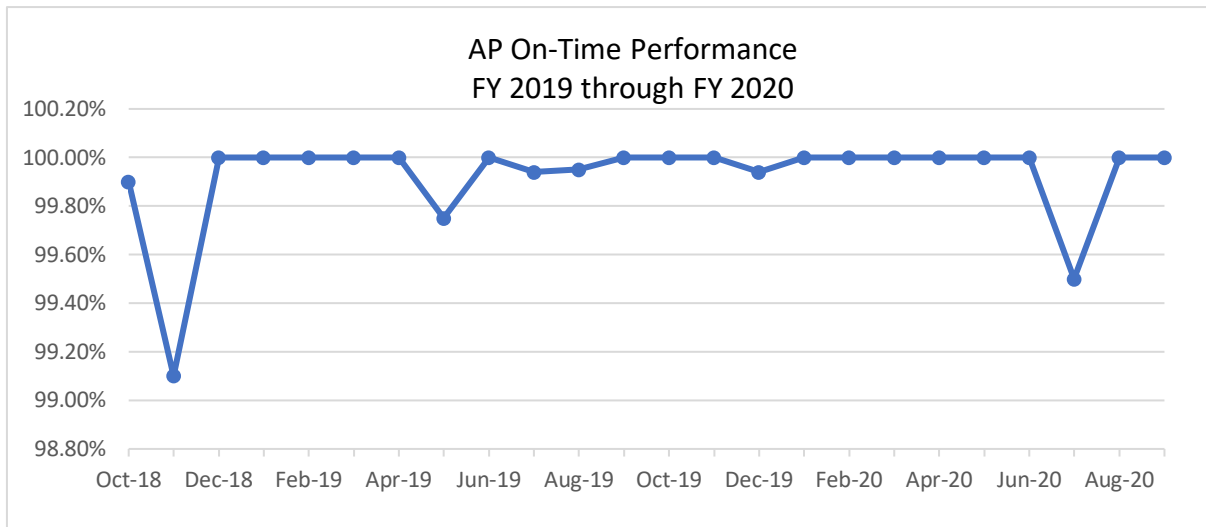


Exhibit 89

Accounts Payable On-Time Payments Record



Business Planning and Analysis Division

This division develops and administers the annual Operating and Capital budgets, long-range financial plan, preparation of the annual business plan, and the quarterly operating and financial performance report. This includes revenue tracking and reporting, business analysis project support, and performance reporting (e.g., key performance indicators).

The *Operating Budget* section implements financial target analysis reporting, works with all departments to ensure that budget targets are maintained, and monitors departmental budgets and assists departments with their budgets throughout the year.

The *Capital Budget* section provides maintenance and administration for the capital budget and Twenty-Year Financial Plan, performs a thorough review of estimated final funding requirements for all current capital projects, and maintains current tracking and reporting systems for all capital projects.

The primary functions of this group in FY 2021 will be the continued coordination with the Technology Department for the automation of current KPI reporting and the creation of executive financial dashboards from the recently updated financial planning software. Key performance measures for this area include on-time reporting by established deadlines for documents such as:

- Revenue, Operating Expense, and Capital budgets
- The Twenty-Year Financial Plan
- The Business Plan
- Sales tax results and projections
- Quarterly Operating, Performance, and Compliance Report

- Agency Division Level Measurement (DLM) program report

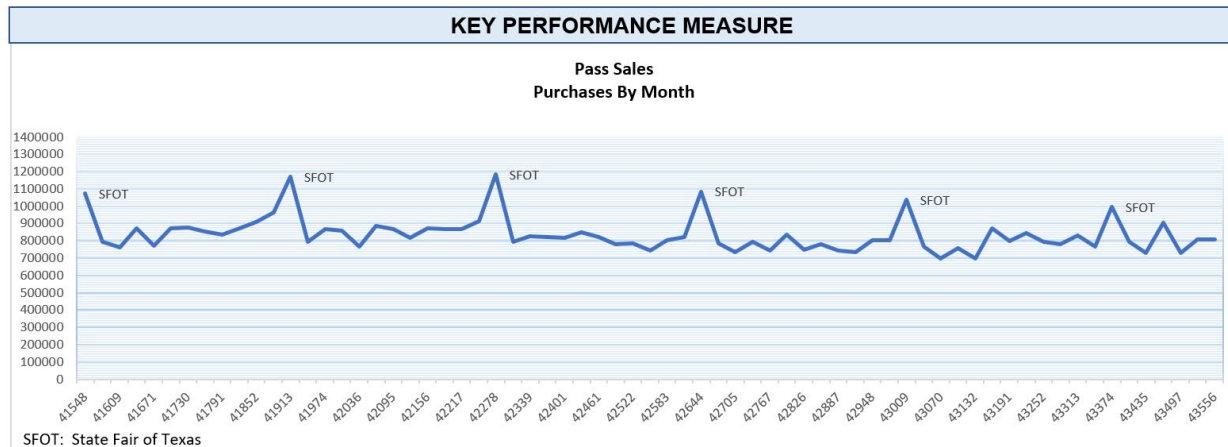
Revenue Division

This division consists of Revenue Administration and Revenue Systems.

Revenue Administration consists of two separate sections within the Revenue Division (Revenue Administration and Finance Distribution). The primary responsibilities of these sections include ridership, revenue, and pass sales reporting, preparation and distribution of payroll and accounts payable checks, payroll tax transmissions, Payment Card Industry (PCI) compliance oversight, fare media inventory and procurement, and fare collection systems software administration and reconciliation for fareboxes, ticket vending machines (TVM), GoPass mobile ticketing, software to support the micro transit (GoLink), Plano Rides and Collin County Ride programs and count room currency collections software. In addition, Revenue Administration is providing project management and implementation oversight for the Comprehensive Payment System (CPS) project which is DART's state-of-the-art integrated electronic fare payment, distribution, collection, and processing system.

Revenue Administration also prepares monthly, quarterly, and annual ridership reports, financial data, and agency services and safety data to regulatory agencies such as the National Transit Database (NTD), American Public Transportation Association (APTA), and the Texas Department of Transportation (TxDOT). Exhibit 90 shows the fare media purchases by month from October 2012 to April 2018.

Exhibit 90 **Fare Media Purchases by Month**



The *Revenue Systems* section includes all fare equipment dispatch responsibilities, revenue technicians, bus yard control, the maintenance personnel assigned to repair TVMs, and the count room. The fare equipment dispatch unit deploys available resources to bus or rail stations that have equipment in need of service or repair on a day-to-day basis. The dispatchers log all revenue equipment issues, coordinate all TVM repairs, and track both revenue technician and mechanic work progress throughout the day. They track all services provided under contract to Denton County Transportation Authority (DCTA), and submit information to the Accounting Division on a regular basis so DCTA can be invoiced for those services. Section personnel investigate all customer complaints relating to TVMs. The revenue technicians perform routine TVM service including the removal of coin and currency from collection containers, and replenishing pass stock, change supply, and receipt paper. They clear jams and perform the first line of troubleshooting for any TVM problems.



The revenue technicians that provide 24/7 365 bus yard control functions are located at each of the bus divisions and issue the buses to bus operators, collect the ridership data and revenue from bus fareboxes when the buses return to the divisions, and keep the buses parked on the yard in an organized manner. The fare equipment maintenance personnel are responsible for all TVM field repairs, repair of Ticket Reader/Issue Machine (TRiM) units, and vault and probing systems at all bus divisions, fare collection component rebuilds, and TVM preventive maintenance. This unit works closely with Fleet Service and Materials Management to ensure that parts are available to keep fareboxes in working condition on the buses.



Exhibit 91 is an example of the Division Level Measurements for the revenue technicians assigned to TVM service and fare equipment maintenance personnel.

Exhibit 91 Division Level Measurement Scorecard – Revenue – TVM

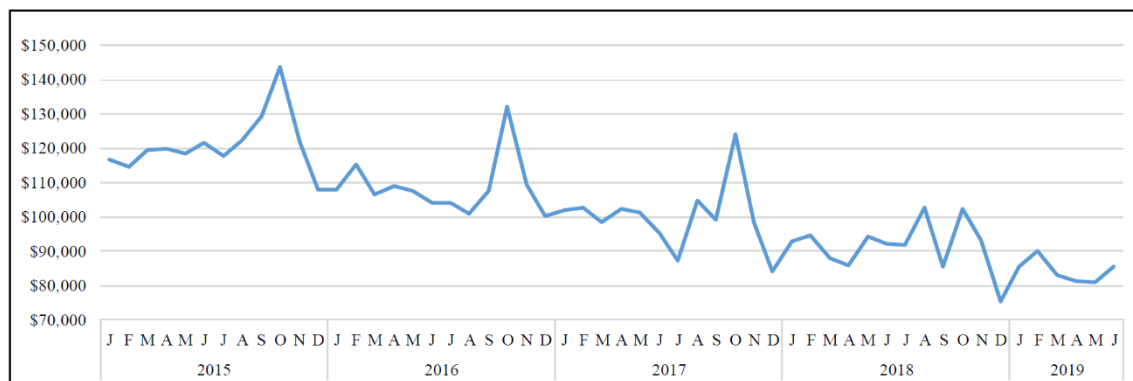
2020 Goals					2020 Results			
Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4
5.68	5.68	5.68	5.68	Complaints/100k Passengers	5.74	6.50		
6.80	6.80	6.80	6.80	Unscheduled Absences (Per Person Annually)	7.61	11.60		
97,636	89,072	93,507	93,767	Average Weekday Ridership - Rail	92,006	78,721		
90.00%	90.00%	90.00%	90.00%	% TVMs In Service	91.34%	90.74%		
2,940	2,940	2,940	2,940	Service Calls Completed	2,220	1,763		
184	184	184	184	PMIs Completed	198	181		

2020 Goals					2020 Results			
Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4
151	133	137	139	Complaints	147	131		
2,654,954	2,339,263	2,402,419	2,442,776	Ridership - Rail	2,462,272	2,036,368		
10.20	10.20	10.20	10.20	Unsched. Absences 8 Hr. Days	10.53	17.36		
18	18	18	18	Employees	18	17		
2,940	2,940	2,940	2,940	Service Calls Completed	2,220	1,763		
184	184	184	184	PMIs Completed	198	181		

Note: Due to the COVID-19 Pandemic the DLM Program was suspended at the end of Q2 FY 2020.

The Count Room section is responsible for processing cash collected from fareboxes and ticket vending machines. A report is prepared that monitors cash processed to gain insight into the effects of fare increases, alternative pass sales methods, or significant changes to existing service revenue derived from cash (see Exhibit 92).

Exhibit 92 Count Room Productivity



Treasury Division

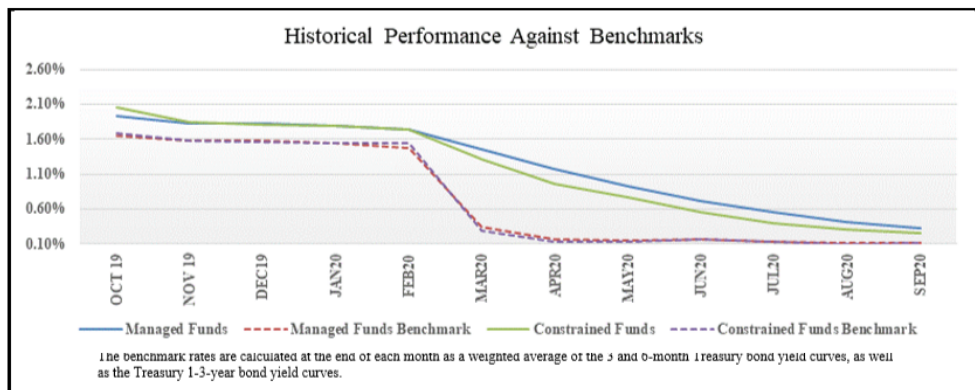
This division has responsibility for cash and investment management, debt management, and securing and monitoring grants.

The Treasury Division maintains strict compliance with the Texas Public Funds Investment Act (PFIA) and DART Board resolutions for allowable investment types, qualitative ratings, and both weighted average maturities and maximum individual maturities by actively managing the various

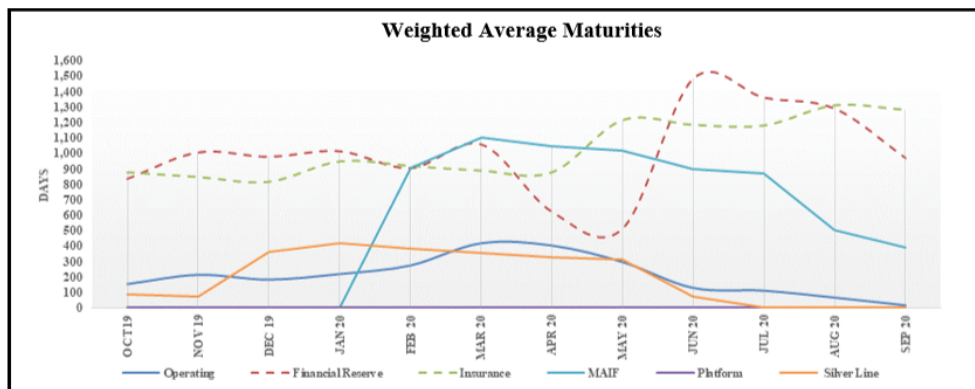
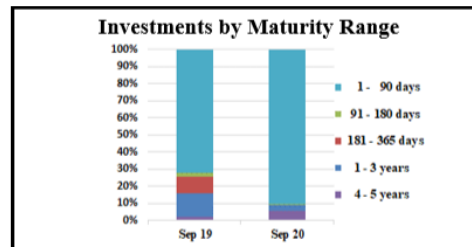
portfolios. All available cash proceeds are invested at all times and exceed the benchmark yields for all investment categories. PFIA compliance is monitored through an extensive series of reports prepared daily, monthly, and quarterly. The Government Treasurers of Texas Investment Policy Certificate of Distinction Award has been awarded to DART since March 2013, in recognition of the outstanding Investment Policy and Procedures produced by the Treasury Division.

Treasury staff also maintains tight controls over all cash held by the depository bank or any other institution holding funds on DART's behalf. They maintain strict compliance with debt covenants, make all debt payments on time, and stay informed on industry changes resulting from economic factors or actions by Congress. See Exhibit 93 for an example of the information tracked by the Treasury Division.

Exhibit 93 Fund Yields Historical Performance Against Benchmarks



Average Yield to Worst All Funds				
	12 months ending		12 months	
	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
Actual	1.04%	1.46%	2.02%	1.21%
Benchmark	1.02%	1.95%	2.30%	0.75%



The division's *Grants Section* handles all federal, state, and miscellaneous sources of funding and ensures compliance with the regulations associated with each. Employees in this section search for new funding opportunities, assist in the preparation of grant applications, and submit the applications to the appropriate entity. Once funding is awarded, the grant information is entered into the Transportation Improvement Program/State Transportation Improvement Program system through the North Central Texas Council of Governments (NCTCOG), as well as into DART's accounting system for tracking. When expenditures occur, reimbursement requests are submitted, receipt of funds is monitored, and information is properly recorded in DART's general ledger.

The Grants Section takes the lead on all external audits of federal and state funds and coordinates the responses to requests for information. Employees in this section also track expenditures that are funded by bond issuances, commercial paper, and designated funding sources such as the operations and maintenance of the Dallas Streetcar.



Risk Management Division

The Risk Management Division consists of four sections that focus on cost containment and risk reduction with a focus on 5 Star service to both internal and external customers.

- The *Integrated Disability Programs Section* is responsible for oversight of the Workers' Compensation Program, Short-Term and Long-Term Disability Programs, Department of Labor federally mandated Family and Medical Leave Act Program, Alternative Duty return -to work program, and Employee Assistance Program (EAP).
- The *Liability Claims Section* is responsible for the intake, management, and resolution of all bodily injury and property damage claims arising out of DART operations, responding to open records requests, identification and maintenance of video evidence from the smart drive camera system, and subrogation or recovery of damages from responsible third parties.
- The *Medical Compliance Section* is responsible for pre-employment physicals, drug and alcohol testing required by DOT/FTA and DART policy, CDL recertification physicals, mandatory employee drug awareness and reasonable suspicion supervisor training, medical surveillance physicals and rehabilitation opportunities.

- The *Insurance Programs Section* manages DART's property and casualty insurance programs, Owner Controlled Insurance Program for Capital Construction Projects, vendor insurance recommendations and compliance, review of operating agreements including licenses, leases, trackage rights, and access agreements to identify and recommend appropriate risk allocations, development and oversight of cost effective programs to manage the unique risks associated with major construction projects, and facilitation of contract and insurance program closeouts for completed contract and construction projects.

The Division's primary objectives are:

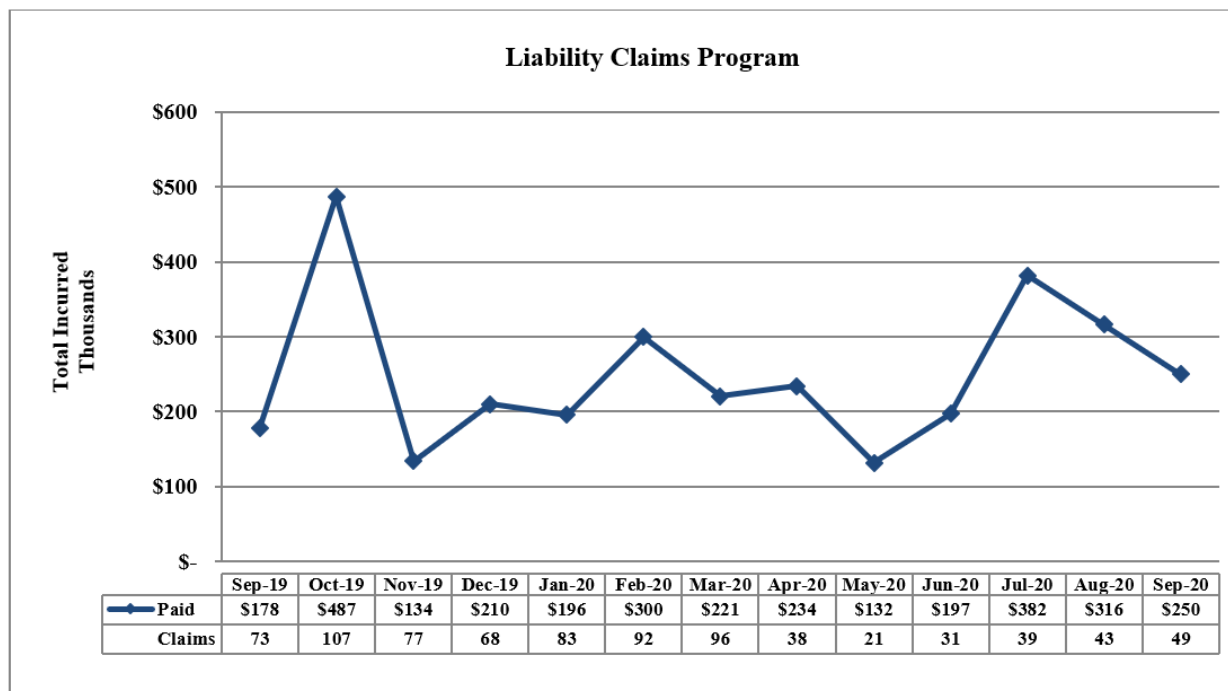
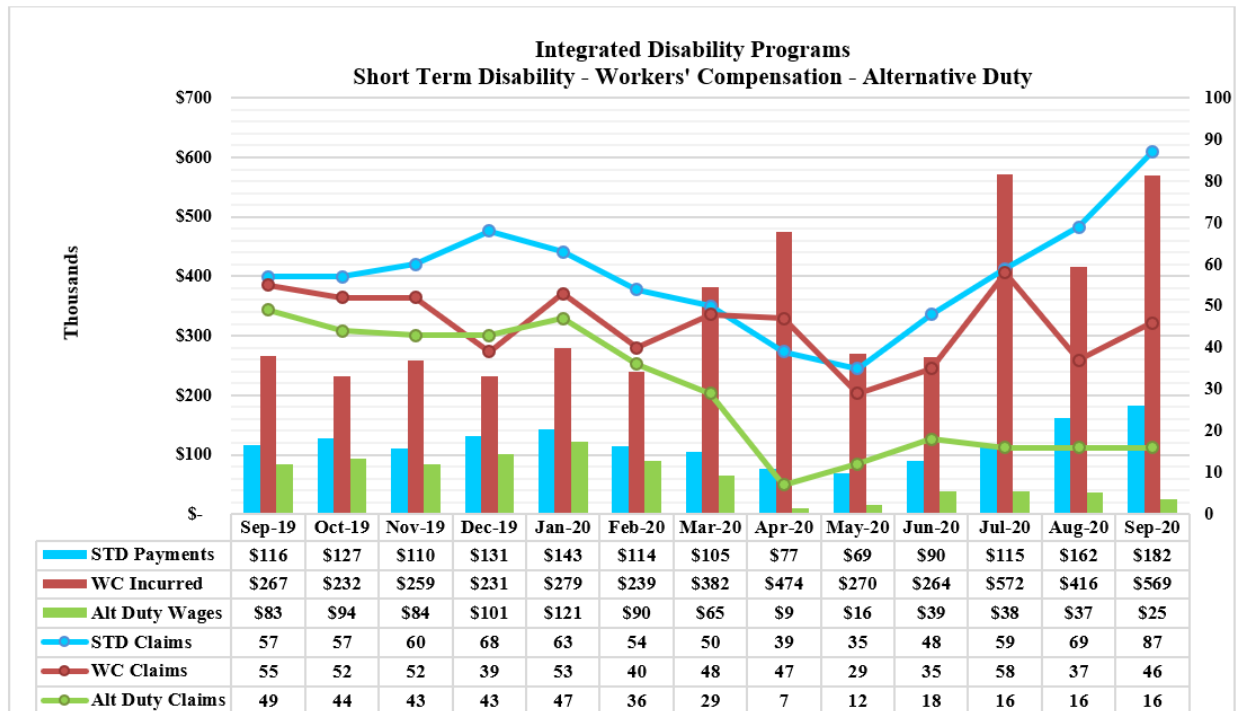
- reducing the cost of employee injuries through timely appropriate medical care
- return-to-work initiatives
- compliance with Workers' Compensation and Family and Medical Leave Act statutory requirements
- maintaining a ratio of one claim closed for every claim opened, actively pursue recovery of the cost of damage to property and injuries to employees by responsible third parties
- supporting hiring initiatives and DOT requirements
- applying equitable risk allocation mechanisms to ensure that the Agency's cost of risk stays within industry norms



Exhibit 94, on the following page, illustrates the rolling annual trends for the Integrated Disability Programs and Liability Claims section.

Exhibit 94

Rolling Annual Trends Integrated Disability Programs and Liability Claims



Short-Term Disability

In a year-over-year comparison, DART paid \$1,647,000 (273 employees) in STD benefits in FY 2019, compared to \$1,579,000 (288 employees) in FY 2020. This is a 4% decrease in annual Short-Term Disability benefit payments.

Workers' Compensation

In a year-over-year comparison, the total incurred increased from \$3,414,000 (546 claims) in FY 2019, to \$5,777,000 (546 claims) in FY 2020. This is a 75% increase in the FY 2020 total incurred.

Alternative Duty

In a year-over-year comparison, DART paid \$1,309,000 (233 claims) in Alternative Duty wages in FY 2019, compared to \$717,000 (148 claims) in FY 2020. This is a 45% decrease in wage payments. The statewide stay at home order, in response to the COVID-19 pandemic, adversely impacted the ability to return injured employees to work with restrictions. The number of employees working with restrictions fell from an average of 46 per month, to 7 in April 2020. The pandemic continues to adversely impact DART's ability to return employees to work with restrictions.

Liability Claims

In a year-over-year comparison, DART paid \$2,372,000 (932 claims) in FY 2019, compared to \$3,109,000 (744 claims) in FY 2020. This is a 31% increase in settlement payments, which indicates an increase in claims severity. Settlements exceeding \$25,000 increased from 17 claims in FY 2019 to 33 claims in FY 2020. Forty-two new lawsuits were filed in FY 2020 compared to 45 in FY 2019. Subrogation recoveries totaled \$578,562 in FY 2020.



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Reference

A. Business Plan Development

Purpose of Business Plan

The FY 2021 Business Plan provides the DART Board of Directors, DART customers, and the region's taxpayers, elected officials, and other stakeholders with a comprehensive summary of the Agency's plans and commitments to improve regional mobility, enhance the quality of life, and stimulate economic development. This document consolidates the key elements of the FY 2021 Annual Budget, the FY 2021 Twenty-Year Financial Plan, the Transit System Plan, and the Agency's Strategic Plan. The draft resolutions shown in Exhibit 98 approve the funding levels for the FY 2021 Annual Budget and at Exhibit 99 approve the FY 2021 Twenty-Year Financial Plan as required by DART's enabling legislation.

The Business Plan is management's written document that outlines DART's performance projections and commitments for each mode of service and the Agency as a whole. The Plan includes key operating, financial, and quality measures that identify the initiatives necessary to improve performance, ridership, and financial targets.

Business Planning Process

Exhibit 95 highlights the business planning, compilation, and approval process used at DART.

Exhibit 95 Business Plan Development Schedule

Date	Description
	Management reviews Strategic Plan every five years
Dec – Feb	Management reviews and makes recommendations for changes to Financial Standards
Feb – Mar	Board reviews and approves Financial Standards
Mar – Jul	Staff develops Business Plan (which includes the Annual Budget and Twenty-Year Financial Plan) for following year
Jul	Management presents proposed Budget and Twenty-Year Financial Plan to Board
Aug	Board approves issuance of the Budget and Twenty-Year Financial Plan to the cities within the DART Service Area
Aug – Sep	Service area cities provide input to DART
Sep	Board approves Budget and Twenty-Year Financial Plan

DART takes a top-down approach to business planning. The approach begins with the Board Goals, Strategic Plan, and Board-approved Financial Standards which establish parameters within which management must operate.

The Board reviews projected business and financial results, including proposed new operating and capital programs, beginning in the Spring. Departmental targets are set based on projections from the Twenty-Year Financial Plan and other known factors or programs (e.g., increases in health care, contract rates, or fuel costs). Based on the direction of senior management, departments prepare detailed budgets for each of their cost centers within those targets. These budgets are in turn reviewed during meetings with the department head, the Deputy Executive Director or Executive Vice President, the President/Executive Director, the Chief Financial Officer, and the Budget Office to discuss the respective budgets as well as any changes. All new proposed programs are evaluated for effectiveness and efficiency.

The Finance Department then compiles the numbers, coordinates work programs to achieve strategies, and publishes the Business Plan (including the Annual Budget and Twenty-Year Financial Plan) for review by the cities within the DART Service Area. The Board performs additional reviews in August and September, before approving the Budget and Twenty-Year Financial Plan in September.

Capital Budgeting – DART’s capital budgeting processes are focused on ensuring that DART spends its available capital dollars on projects that provide the most benefit to the service area and are done in the most cost-effective manner possible. Capital projects are prioritized based on the following criteria:

- Compliance with government regulations
- Safety-related
- Interlocal Agreement (ILA) or other prior commitment
- Required to maintain existing infrastructure
- Cost effectiveness

Many dimensions of each project must be submitted with the project request, including:

- Consequences of not doing the project
- Potential ridership generated
- Effect of the project on customers, employees, and other stakeholders
- Compliance with long-range plans of the Agency, such as the Strategic Plan, Transit System Plan, and Twenty-Year Financial Plan
- Time criticality
- Life-cycle cost including capital expenditures, operating and maintenance expenses, and revenue generation in comparison with current operations
- Other potential alternatives to the proposed project and associated life-cycle costs of each alternative
- Concurrence from all affected departments

For certain classes of expenditures (such as infrastructure maintenance), discrete projects cannot be specifically identified or the timing of equipment replacement cannot be accurately determined. Capital reserves have been established in the Twenty-Year Financial Plan for each capital project category based on historic spending patterns and projected levels of new work. These reserves act as placeholders for anticipated future capital expenditures. Once a specific project is identified that relates to a particular reserve, that project is given its own unique identification number, and the reserve is reduced accordingly.

Budget and Financial Plan Approval and Amendments

Annual Budget – DART’s legislation requires the Board to approve an annual budget. The proposed annual budget must be made available to the governing bodies of the participating municipalities at least 30 days prior to final budget adoption.

Twenty-Year Financial Plan – The Twenty-Year Financial Plan addresses the affordability of the Transit System Plan and the timing of service and capital expansion projects. The Twenty-Year Financial Plan details projected sources and uses of cash for twenty years. The first year of the Plan corresponds with the coming year’s budget. The Plan validates the affordability of our long-range Transit System Plan, and includes our commitments for future system expansion and the issuance and repayment of debt.

The Board approves two resolutions prior to the start of each new fiscal year (see Exhibits 98 and 99). The Board approves the Annual Budget including operating expense, capital, and debt service budgets in one resolution which requires a simple majority for approval. The Twenty-Year Financial Plan is approved in a second resolution and requires an affirmative vote of two-thirds of the appointed and qualified members of the Board for approval.

Any major change to the Twenty-Year Financial Plan that occurs outside of the normal approval schedule requires a Financial Plan Amendment. A major change is defined as when DART’s share of a new operating program, or DART’s share of an increase to an existing operating program, is in excess of \$500,000 per year; or, when DART’s share of a new capital program, or the cumulative addition to an existing capital program, is in excess of \$1 million (see Exhibit 102, FS-G9). These changes require the affirmative vote of two-thirds of the number of appointed and qualified members of the Board.

Budget Basis and Presentation of Amounts and Years

DART's Annual Budget is presented on the same basis as our audited financial statements, but does not include depreciation, amortization of Federal grants, or the interest income and interest expense from leveraged lease transactions. Each of these non-cash transactions, however, is incorporated into the projected balance sheet shown as Exhibit 23 in the *Financial Plan Section*.

Schedules are presented and rounded to millions or thousands (as indicated), but are based on actual raw numbers. Consequently, certain schedules may not tie exactly or add due to rounding. In some cases, prior years' numbers have been restated to conform to the current year's format. All schedules are in fiscal years unless otherwise stated.

Board Planning Documents

Several related reports are referenced in this document. Readers may wish to refer to these for a more comprehensive understanding of DART's plans and operations. These documents may be obtained from DART's Finance or Capital Planning departments. See Exhibit 97 for an illustration of how the Transit System Plan interrelates with other documents.

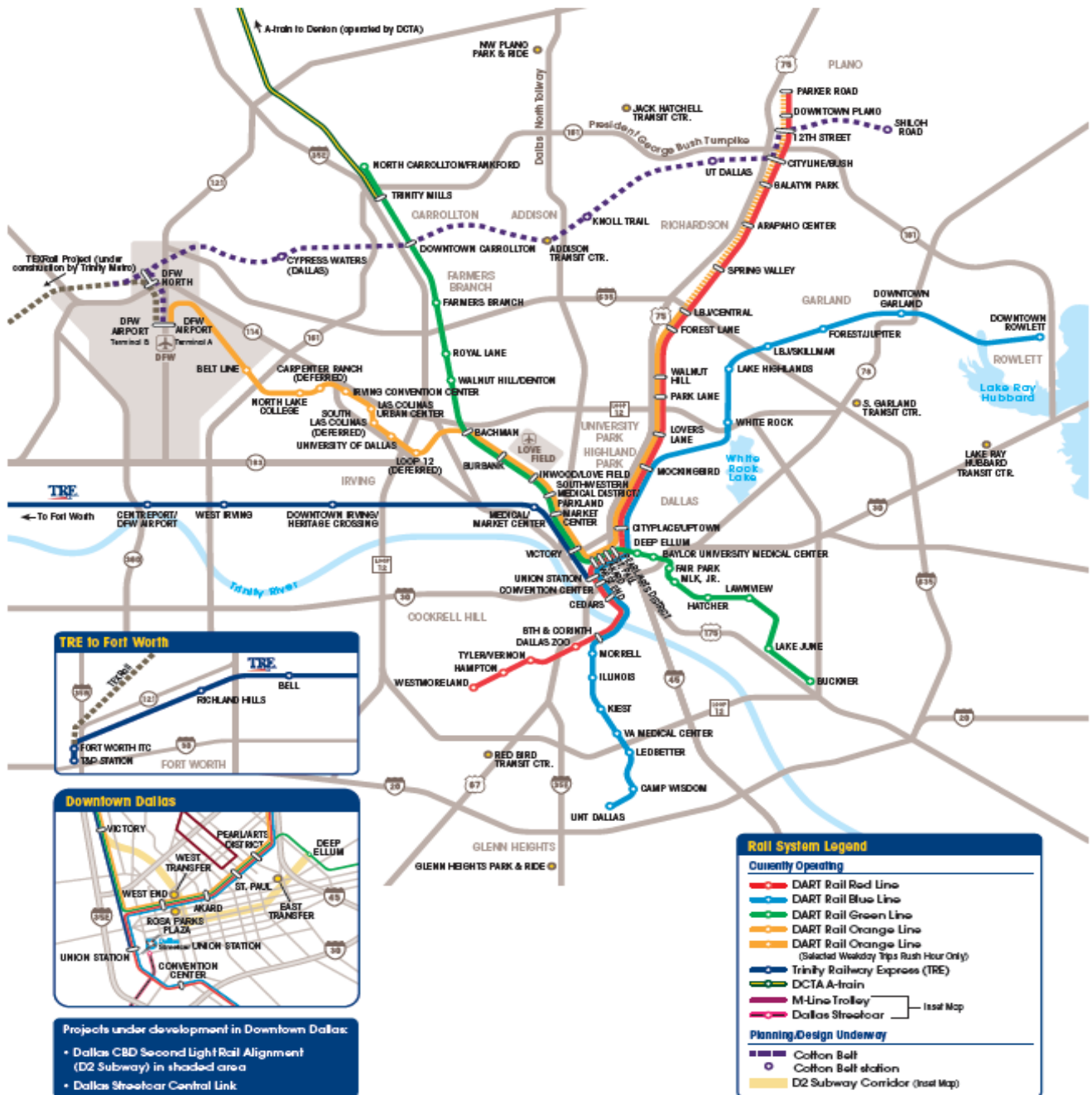
Service Plan and Transit System Plan – DART has a Service Plan and a Transit System Plan. The Service Plan is required by DART's legislation and describes, in legal terms, where DART's facilities and rail alignments are physically located. DART's Transit System Plan is a long-range planning tool that identifies and prioritizes major capital projects needed to improve regional mobility. The Transit System Plan provides detailed discussions of bus service recommendations, light rail and regional rail project development phasing schedules, paratransit strategies, as well as recommendations associated with system-wide mobility elements, and transit-oriented development. The Transit System Plan is closely coordinated with development of the North Central Texas Council of Governments' Metropolitan Transportation Plan and undergoes a major revision every five to ten years.

2030 Transit System Plan (TSP) – In October 2006, the DART Board adopted the 2030 Transit System Plan. The TSP focused on transit needs and opportunities within the context of a 2030 horizon. It includes recommendations for DART's core services (bus, light rail, regional rail, and [previously] HOV) and includes a discussion of issues such as land use and economic development, system accessibility, bicycle and pedestrian integration, and policies relative to DART's role in regional transit initiatives. The plan is financially constrained and is thus closely coordinated with the DART Twenty-Year Financial Plan. The economic slowdown of the late 2000's resulted in placing a number of major capital projects in the 2030 TSP in a deferred/unfunded status. Those projects that remain in deferred status are being re-evaluated and may be incorporated into the 2045 Transit System Plan currently under development.

Exhibit 96 is the map of DART Current and Future Services.

Exhibit 96

DART Current and Future Rail Services



REV SEP 2018

2045 Transit System Plan – The DART Board has initiated a revision to the existing 2030 Transit System Plan using a two-phased approach. Phase 1 included a Comprehensive Operations Analysis (COA) of the bus system to develop recommendations for improvements to the bus network. Phase 2 focused on evaluating potential high capacity transit corridors, including those deferred from the 2030 Transit System Plan. Phase 2 also integrated COA bus recommendations while focusing on system sustainability including low cost initiatives to grow ridership, improve accessibility, and increase operating efficiency, maintaining the system in a state of good repair, and regional opportunities. Projects in the 2030 Transit System Plan that were deferred/ underfunded over the past several years were reviewed and evaluated for potential inclusion in the 2045 Plan along with any new projects that may be identified. A Final 2045 Plan will be presented to the Board of Directors following Board approval to distribute the plan for public and stakeholder comment.

Quarterly Operating and Financial Performance Reports – DART’s Quarterly Operating and Financial Performance Reports provide updates on management's progress against financial and operating projections for the current year and provide status reports on ridership, planning, and capital projects in progress. These reports are available on DART’s website, DART.org.

Exhibit 97 Interrelationship of System Plan with Other Documents

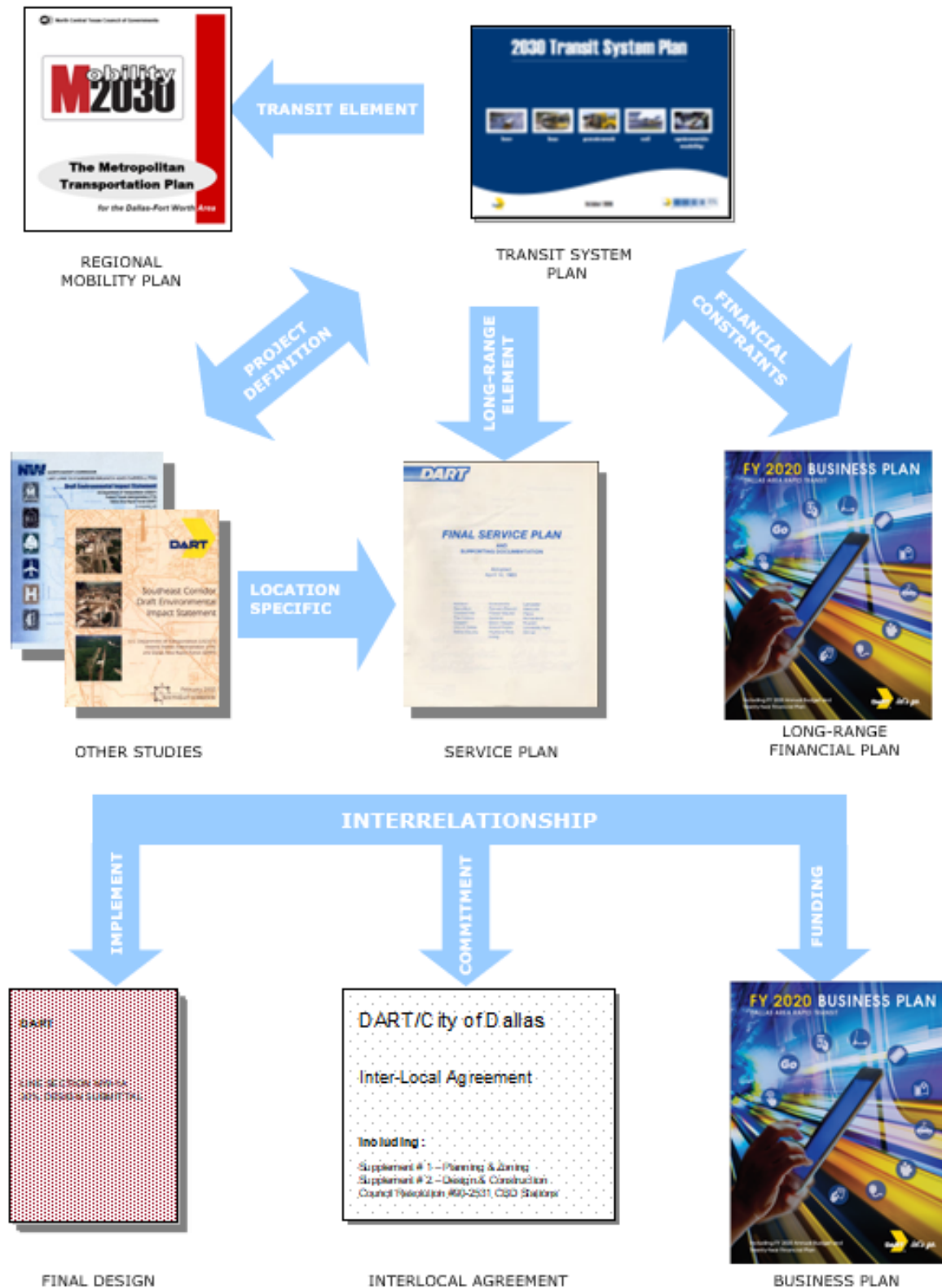


Exhibit 98
Annual Budget
Resolution # 200104



RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

200104
RESOLUTION

Approval of Fiscal Year (FY) 2021 Annual Budget

WHEREAS, on May 12, 2020 (Resolution No. 200044), the Board approved the Financial Standards (including the General Standards, Business Planning Parameters, and Debt Service Standards) which were the basis for compiling the FY 2021 Annual Budget; and

WHEREAS, the Board has been briefed on the assumptions used to prepare the FY 2021 Annual Budget; and

WHEREAS, the proposed FY 2021 Annual Budget was sent to the governing bodies of the municipalities within the DART Service Area at least thirty days prior to Board approval in accordance with Section 452.113(3) of the Texas Transportation Code.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the FY 2021 Annual Budget is approved in the amount of \$1,393,319,381.

Annual Operating Budget	\$542,297,672
Capital and Non-Operating Budget	647,005,314
Debt Service Budget	204,016,395
Total FY 2021 Annual Budget	\$1,393,319,381

Exhibit 99
Twenty-Year Financial Plan
Resolution # 200105

RESOLUTION



of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

200105
RESOLUTION

Approval of Fiscal Year (FY) 2021 Twenty-Year Financial Plan

WHEREAS, on May 12, 2020 (Resolution No. 200044), the Board approved the Financial Standards (including the General Standards, Business Planning Parameters, and Debt Service Standards) which were the basis for compiling the FY 2021 Twenty-Year Financial Plan; and

WHEREAS, all Financial Standards have been met in the compilation of the FY 2021 Twenty-Year Financial Plan; and

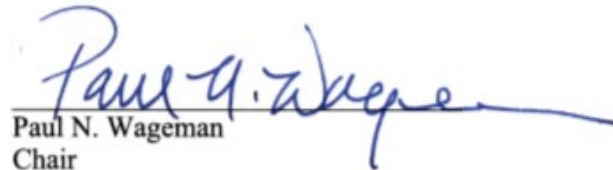
WHEREAS, the Board has been briefed on the assumptions used to prepare the FY 2021 Twenty-Year Financial Plan; and

WHEREAS, the proposed FY 2021 Twenty-Year Financial Plan was made available to the governing bodies of the municipalities within the DART Service Area at least thirty days before the adoption of the Financial Plan; and

WHEREAS, Section 452.111 of the Texas Transportation Code, Article III, Section 14 of the Board Bylaws, and DART Board Policy II.02, Financial Standards Policy, require that the Board approve the Financial Plan by a two-thirds vote of the appointed and qualified members of the Board.

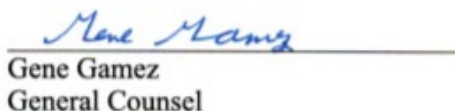
NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the FY 2021 Twenty-Year Financial Plan as shown in Exhibit 1 is approved.


Jonathan R. Kelly
Secretary


Paul N. Wageman
Chair

APPROVED AS TO FORM:

ATTEST


Gene Gamez
General Counsel


Gary C. Thomas
President/Executive Director

B. Financial Policies

Board Policies – The Board has a number of policies that provide direction to management for implementation. Examples of Board policies are: real estate purchases, advertising, and fare structure. DART's enabling legislation requires the Board to adopt an annual budget prior to the commencement of a fiscal year. It also requires the Board to have a Financial Plan. The Financial Plan details the projected sources and uses of cash for twenty years and reviews the affordability of DART's currently approved Transit System Plan. The Board's Bylaws require a two thirds vote of the appointed and qualified Board Members to approve or amend the Financial Plan. Budget and Financial Plan amendments are required when DART's share of a new operating program or increase to an existing operating program is in excess of \$500,000 per year; or when DART's share of a new capital program or the cumulative addition to an existing capital program is in excess of \$1 million. The Board's Financial Standards Policy (Exhibit 101) requires that the Board review the Financial Standards each year as a part of the budget and financial planning process.

Financial Standards – DART's Financial Standards (Exhibit 102) are divided into three sections: General (FS-G), Business Planning Parameters (FS-B), and Debt Service (FS-D). The purpose of the General Standards is to ensure that DART prudently manages its financial affairs and establishes appropriate cash reserves. The Business Planning Parameters (BPPs) provide management with a framework for developing the following year's budget and Twenty-Year Financial Plan and establish future business targets for management to achieve. The purpose of the Debt Service Standards is to limit the level of debt that may be incurred and to ensure that debt assumptions are based on financial parameters similar to (or more conservative than) those that would be placed on DART by the financial marketplace.

The combination of these policy documents provides a framework within which management can formulate strategy and action plans to maximize return on investment (for example, increase ridership and improve subsidy per passenger). Exhibit 103 highlights which Financial Standards correlate with the major sources and uses of cash included in the Annual Budget and Twenty-Year Financial Plan.

Exhibit 100
FY 2021 Financial Standards
Resolution No. 200044



RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

200044**RESOLUTION**

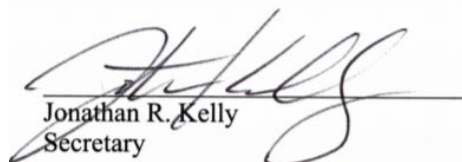
**Approval of Financial Standards for FY 2021 Budget and Twenty-Year Financial Plan
Process**

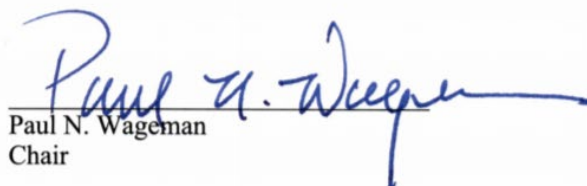
WHEREAS, the Board desires to provide management with a financial and operating framework for development of the FY 2021 Budget and Twenty-Year Financial Plan; and

WHEREAS, DART Board Policy II.02, Financial Standards Policy, requires the Board to review and approve the Financial Standards each year as a part of the Budget and Financial Plan process; and

WHEREAS, DART Board Policy II.02, Financial Standards Policy, also states that an affirmative vote of two-thirds of the appointed and qualified members of the Board is required for approval of DART's Financial Standards.


NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Financial Standards for the FY 2021 Budget and Twenty-Year Financial Plan process as shown in Exhibit 1 to this Resolution are approved.


Jonathan R. Kelly
Secretary


Paul N. Wageman
Chair

APPROVED AS TO FORM:

ATTEST


Gene Gamez
General Counsel


Gary C. Thomas
President/Executive Director

Exhibit 101

Board Financial Standards Policy

DATE ISSUED:	May 13, 1997
Resolution No.	970083
Amended by Resolutions:	980067, 980239, 990087, 990145, 000117
Policy No.	II.02 (Finance)

The Board shall review and approve a set of Financial Standards each year as part of the Budget and Financial Plan approval process. The Financial Standards shall be divided into three sections:

1. General Financial Standards – The purpose of the general standards is to ensure that DART prudently manages its financial affairs and establishes appropriate cash reserves to be able to meet its future financial commitments.
2. Debt Financial Standards – The purpose of the debt standards is to limit the level of debt that may be incurred and to ensure that debt assumptions used in the Financial Plan are based on financial parameters similar to (or more conservative than) those that would be placed on DART by the financial marketplace. Actual debt covenants may differ from these standards. Where this occurs, the Financial Plan may reflect the actual covenants in the Board-approved debt instruments.
3. Business Planning Parameters – The purpose of the Business Planning Parameters is to provide management with a framework for developing the following year's budget and the twenty-year Financial Plan and establish future business targets for management to achieve.

Approval or amendment of this policy and of DART's Financial Standards will require an affirmative vote of two-thirds of the appointed and qualified Board members.

Exhibit 102
FY 2021 Financial Standards
Resolution No. 200044

FY 2021 Financial Standards

The Financial Standards are divided into three sections: General, Debt Service, and Business Planning Parameters. The purpose of the general standards is to ensure that DART prudently manages its financial affairs and establishes appropriate cash reserves. The purpose of the debt service standards is to limit the level of debt that may be incurred and to ensure that debt assumptions are based on financial parameters similar to (or more conservative than) those that would be placed on DART by the financial marketplace. Actual debt covenants may differ from these standards. Where this occurs, the Financial Plan will reflect the actual covenants in the Board-approved debt instrument. The Business Planning Parameters provide management with a framework for developing the following year's budget and the Twenty-Year Financial Plan and establishing future business targets for management to achieve. Since DART's enabling legislation requires a two-thirds vote on debt and the Financial Plan, approval or amendment of DART's Financial Standards will require an affirmative vote of two-thirds of the appointed and qualified Board members.

FY 2021 Financial Standards – General

- G1. Complete and accurate accounting records shall be maintained in accordance with Generally Accepted Accounting Principles as promulgated by the Government Accounting Standards Board. DART's fiscal year-end for financial reporting purposes shall be September 30.
- G2. Funds of the Authority shall be invested within the guidelines of the Board's approved Investment Policy and Investment Strategy, and in compliance with applicable State law, including Section 452.102 of the Texas Transportation Code, Article 717q V.T.C.S., the Texas Public Funds Investment Act, and applicable Federal law. The Board shall approve the signatories for all Agency checking and savings accounts.
- G3. An independent accounting firm shall perform an examination of DART's consolidated financial statements (including Single Audit requirements) and DART's retirement plan financial statements on an annual basis. The Agency's goal is to receive an unqualified opinion on the financial statements and an opinion that DART is in compliance with Federal Single Audit requirements in all material respects.
- G4. An annual actuarial analysis shall be performed on the Defined Benefit Plan. This Plan shall be funded in accordance with guidance received from the actuaries.
- G5. Appropriate insurance coverage shall be maintained to mitigate the risk of material loss. For self-insured retentions, a separately funded Master Insurance Reserve shall be maintained in an amount equal to the estimated liability for incurred losses and a reasonable allowance for claims incurred but not filed. An actuarial review of self-insured retentions will be made at least once every three years to ensure adequacy of the Master Insurance Reserve.
- G6. Since sales taxes are received on a monthly basis, the unrestricted cash balance at the end of the year shall not be less than one-twelfth of the difference between the subsequent year's total sources of cash (excluding sales taxes) and total uses of cash as projected in the Twenty-Year Financial Plan. This reserve will be invested in accordance with the investment strategy for the Operating Fund.

FY 2021 Financial Standards – General (cont.)

- G7. In order to provide a buffer against an unanticipated shortfall in sales tax collections, DART will maintain a Financial Reserve. The goal of this reserve is to maintain a balance of at least 10% of the current year's sales tax budget. During periods in which sales taxes exceed the budget, the excess collections will be deposited into the Reserve by January 1 of the following year, up to a maximum fund balance of \$50 million. In order to provide funding for initiatives that enhance the quality and affordability of public transportation, DART will maintain a Mobility Assistance and Innovation Fund. Sources of funding shall include: i) sales tax received in excess of the amount budgeted for the fiscal year after such excess has been used to meet the requirements established for the Financial Reserve; ii) non-operating revenue and non-passenger operating revenue, received in excess of the amount budgeted for the fiscal year, and not already designated for a specific purpose (if actual operating expense net of operating revenue, is less than or equal to budget for the fiscal year just ended), such as real estate sales and leases, station naming rights, and other innovative sources; iii) investment earnings on the Financial Reserve and Mobility Assistance and Innovation Fund balances; and iv) grants and other contributions (including private). The Mobility Assistance and Innovation Fund shall be used for capital or operating projects and initiatives that advance the goals and objectives identified by the Agency, as well as mitigation of fare increases. Authorization to spend Reserve funds requires the affirmative vote of two-thirds of the appointed and qualified members of the Board.
- G8. The fiscal year of DART shall end on September 30 of each year. At the beginning of the budget and financial planning process each year, the Board should review and approve a set of Financial Standards that can be used by management as a framework for developing the following year's Budget, Business Plan, and Twenty-Year Financial Plan. The Board shall approve the Budget and Twenty-Year Financial Plan by September 30 of each fiscal year. The Annual Budget shall be the first year of the Twenty-Year Financial Plan.
- G9. Twenty-Year Financial Plan amendments shall require a two-thirds vote of the number of appointed and qualified Board members. An amendment is necessary when DART's share of the addition of a new capital project or the cumulative modification of an existing capital project is in excess of \$1 million or DART's share of the addition of a new operating program or increase in an existing operating program is in excess of \$500,000.

FY 2021 Financial Standards – Business Planning Parameters

- B1. Sales tax revenue forecasts shall be based on a sales tax model developed specifically for the DART Service Area by an independent economist. In order to ensure a conservative sales tax estimate, the model's projections may be reduced from the forecasted levels, but not increased for years 2- 20 of the Twenty-Year Financial Plan. The most current year may be based on management's best estimate. All such modifications shall be approved by the Board during the financial planning process.
- B2. Passenger revenue forecasts shall be derived from ridership and average fare forecasts based on the Board's approved fare policy and fare structure. The Board will consider, from time to time, fare modifications to achieve Service Plan, ridership, and subsidy per passenger targets (see B4) and to maintain DART's financial viability.
- B3. The Board shall approve annual fixed route service levels by mode for each of the next five years. Fixed route service levels shall be based on the Five-Year Action Plan prepared by the Planning and Development Department. Cost of service will be developed jointly by Finance and Planning.
- B4. The Board desires to steadily improve service efficiency over time. Subsidy per passenger will continue to be monitored and managed. Management will continue to report the subsidy per passenger in the Quarterly Operating and Financial Performance Report. Items that impact subsidy per passenger will be reported in the Financial Considerations section of Agenda Reports.
- B5. For financial planning purposes, total operating expenses may not increase by more than 90% of the projected rate of inflation for the Dallas area, plus the incremental costs associated with the addition of new services, programs, and/or facilities as approved by the Board, as well as Board- approved contract increases, actuarial analyses, health-care cost increases, and fuel prices. The projected incremental cost impact of new services, programs, and/or facilities shall be presented to the Board for approval as part of the Twenty-Year Financial Plan assumption process each year.
- B6. As the Board desires to maximize financial resources devoted to the provision of service and minimize administrative costs, the administrative ratio [net administrative costs (administrative costs minus administrative revenues) divided by direct costs] may not increase for two consecutive years and shall not be higher than 12.0%. As such the direct cost ratio (direct costs minus net administrative costs divided by direct costs) shall not be lower than 88%.

Management shall use a consistent methodology for computing net administrative costs and direct costs.

Administrative costs shall include such costs as human capital, legal, marketing and communications, finance and associated technology. Administrative revenues shall include non- passenger revenues such as advertising, concessions, and other system-generated revenue. Direct costs shall include costs incurred in the provision of service such as bus operations, rail operations, mobility management services, police and fare enforcement, planning and development, revenue collection, and customer service.

Management will present the projected costs of the major components of net administrative costs and direct costs to the Board as part of the Budget process each year.

This Financial Standard shall be achieved by maximizing direct costs relative to net administrative costs.

FY 2021 Financial Standards – Business Planning Parameters (cont'd)

- B7. General Mobility programs for road improvement programs such as the Local Assistance Program (LAP), Principal Arterial Street System (PASS), Transit Related Improvement Program (TRIP), and Transportation System Management (TSM) and Intelligent Transportation System projects shall be funded according to the terms of the approved Interlocal Agreements and recorded as non- operating expenses in the Twenty-Year Financial Plan.
- B8. Capital planning and development costs and start-up costs are the internal staff costs associated with planning, designing, constructing, and opening new capital projects such as the light rail system. Management shall use a consistent methodology for allocating costs between operating and capital planning. Capital planning and development costs shall not exceed 7% of total operating costs. Cumulative start-up costs for a line section shall not exceed 60% of the first-year operating costs of that line section.
- B9. The Twenty-Year Financial Plan shall include funding for asset replacement and expansion projects. Capital projects in excess of \$1 million shall be approved by the Board. Timely replacement of assets shall be the highest priority to ensure a safe system. Accordingly, the Twenty-Year Financial Plan shall include replacement reserves by major asset category to ensure adequate future funding. The reserve levels shall be based on an independent assessment of asset condition (to be completed at least once every five years). Expansion projects shall be prioritized based on the project's cost, impact on ridership, return on investment, available funds, and other relevant factors. Capital construction projects shall be increased at annual inflation rates no less than the greater of those: (i) contained in projections developed specifically for DART by an independent economist; or (ii) based on the current available data from construction contract awards. Inflation rates will be reviewed annually and as construction contracts are awarded to determine if the assumptions are reasonable. Non-construction capital projects will be increased at rates no less than general inflation (Consumer Price Index).
- B10. DART receives formula and discretionary Federal funding. Formula funding shall be programmed primarily for bus replacement, capital preventive maintenance (if available), state- of-good repair projects, and passenger facility construction. Formula funding for future years shall be forecast at the current year's funding level or at the minimum levels included in Federal authorizations to ensure a conservative forecast. Discretionary funding shall be programmed primarily for major system expansion projects (e.g., LRT or new bus maintenance facilities). Discretionary funding levels shall be estimated by project based on Federal criteria and the likelihood of obtaining congressional appropriations and require Board approval during the Budget/Twenty-Year Financial Plan process.

FY 2021 Financial Standards – Debt Service

- D1. DART may not enter into a debt or financing arrangement unless the transaction is in full compliance with all applicable provisions of the Texas Transportation Code and other applicable state and federal laws.
- D2. Long-term debt may be included in the Twenty-Year Financial Plan; however, no debt secured solely by a pledge of sales and use tax revenues and that has a maturity longer than five years from the date of issuance shall be incurred without the approval by the voters of the Service Area.
- D3. Debt shall only be issued for approved capital projects and insurance reserves. Specific debt issuances are not tied to specific projects. Any project included in the Budget or Twenty-Year Financial Plan may be funded from the General Operating Fund or with debt, as needed.
- D4. Sinking funds shall be established to ensure that cash is available to make timely debt service payments on fixed-rate debt issuances that have maturities of one year or less and have periodic semi-annual interest payments. DART shall deposit on a monthly basis a prorated amount sufficient to fund the next principal and interest payment.
- D5. Reserve fund(s) that may be required by the financial markets for each debt issuance shall be maintained. These reserves may be funded by cash and securities, insurance, or surety bonds, but shall not be accessed unless the sinking funds have insufficient money to make the principal and interest payments as due. For financial planning purposes, reserve projections shall be based on the actual requirement on existing debt, plus the lower of maximum annual debt service, 125% of average annual debt service, or 10% of principal outstanding on projected debt.
- D6. DART shall establish a legal security structure of liens, agreements, pledged revenues, and other covenants which will be sufficient to (1) secure a rating of "A" or better on sales tax securities; (2) a MIG1 or SP1 rating on short-term notes; or (3) secure A1 or P1 rating on other short-term debt, or if necessary, secure a credit enhancement from a financial institution with a rating of "AA" or better.
- D7. Certain debt service coverage ratios are required to access the financial markets. For financial planning purposes, annual sales tax revenues must exceed DART's current year debt service obligations by a factor of at least two (External Coverage Ratio). It is a goal of DART that for financial planning purposes, for long-term debt, sales tax revenues plus operating revenues, plus interest income, less operating expenses (excluding debt service and depreciation), for any twelve consecutive months of the prior eighteen months, must be sufficient to cover maximum annual debt service (ratio greater than 1.0). However, the DART Board may choose to grant exceptions to this standard in the interest of expediting the completion of the System Plan.



Exhibit 103 shows the linkages between DART's Financial Standards and its financial information.

Exhibit 103
Relationship of Financial Standards to
Sources and Uses of Cash

Description	Where Covered
<u>Sources of Cash</u>	
Sales Taxes	FS-B1
Operating Revenue	FS-B2
Federal Funding	FS-B10
Debt	FS-D1 to D7
<u>Uses of Cash</u>	
<u>Operating Budget</u>	
Fixed Route Service	FS-B3 & B4
Administrative Costs	FS-B6
Total Expenses	FS-B5
<u>Capital Budget</u>	
Gen. Mobility-Road Improvements	FS-B7
Start-up/Capital Planning Costs	FS-B8
Capital Projects	FS-B8, FS-B9
<u>Net Debt Service Budget</u>	FS-D1 to D7
Cash Reserves	FS-G5 & G7
Working Cash Requirement	FS-G6



C. Sales Tax

Exhibits 104 and 105 provide sales tax information for DART and for the cities within DART's Service Area.

Exhibit 104 Sales Tax History, FY 2009 – FY 2020 (in Millions)

Month	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Oct	\$30.2	\$28.7	\$29.0	\$33.3	\$35.4	\$38.0	\$41.3	\$42.2	\$43.3	\$46.7	\$49.1	\$54.2
Nov	27.3	26.6	30.2	31.7	32.1	36.3	38.1	40.4	43.3	46.7	47.7	51.2
Dec	43.5	41.7	43.0	46.1	47.8	50.2	55.9	57.5	59.7	60.2	64.6	68.6
Jan	27.2	28.3	29.1	30.8	35.5	35.0	38.4	40.3	43.5	44.9	47.6	52.2
Feb	27.0	25.8	27.5	31.8	32.9	36.1	37.0	39.8	42.1	42.3	46.2	45.4
Mar	35.8	36.7	39.7	39.5	41.1	44.5	49.5	51.8	53.7	57.2	55.6	51.3
Apr	29.7	29.0	31.9	33.4	35.8	39.2	41.8	41.9	42.9	47.5	51.0	41.0
May	29.6	29.7	31.1	33.9	37.9	36.8	39.6	42.7	47.0	50.9	49.6	45.3
Jun	37.3	37.3	39.5	40.9	43.0	44.7	50.1	51.9	52.2	54.6	56.7	56.3
Jul	28.8	27.8	33.3	37.2	36.5	39.7	39.3	42.3	43.6	46.6	46.9	48.3
Aug	27.7	28.7	29.8	34.8	36.0	40.1	39.8	44.3	45.1	46.5	54.0	46.9
Sep	\$33.4	\$35.3	38.4	39.1	41.8	45.2	47.9	50.0	50.2	51.4	55.4	55.1
FY Total	\$377.6	\$375.5	\$402.4	\$432.5	\$455.7	\$485.7	\$518.5	\$545.1	\$566.6	\$595.6	\$624.4	\$615.8



Exhibit 105 Sales Tax Collections by City Since Inception (\$000s)

(January 1984 - March 2020)								
FISCAL YEAR	DART	ADDISON	BUCKINGHAM*	CARROLLTON	COCKRELL HILL	DALLAS	FARMERS BRANCH	GARLAND
Yrs. 1984 to 1999	\$3,429,800	\$89,685	\$1,407	\$152,503	\$941	\$1,986,023	\$128,229	\$172,391
2000	373,781	9,430	0	17,995	37	201,494	13,660	17,138
2001	357,883	9,060	0	17,584	45	193,830	11,793	16,763
2002	325,545	8,186	0	15,833	35	176,904	10,172	15,673
2003	311,818	8,074	0	16,139	45	165,809	9,046	15,150
2004	332,396	8,546	0	17,207	67	176,897	9,411	15,704
2005	341,757	8,733	0	17,528	65	177,708	9,686	16,148
2006	370,519	8,765	0	18,361	165	190,406	10,602	18,340
2007	389,129	9,407	0	19,617	95	198,850	11,996	19,328
2008	416,148	9,937	0	20,063	159	214,308	12,091	20,605
2009	377,597	8,828	0	19,264	246	191,124	11,550	18,645
2010	375,471	8,531	0	18,471	298	189,197	10,427	18,498
2011	402,404	9,140	0	20,480	253	202,934	11,544	18,812
2012	432,478	10,682	0	23,046	254	218,145	12,122	20,135
2013	455,700	12,020	0	24,677	258	230,959	13,246	21,113
2014	485,740	13,083	0	26,483	311	243,594	12,724	22,101
2015	518,624	12,671	0	30,091	314	260,892	13,809	23,846
2016	545,083	12,485	0	33,539	332	273,161	13,492	27,713
2017	566,594	13,263	0	35,394	362	283,719	13,834	27,531
2018	595,576	15,523	0	38,862	448	295,141	14,082	27,660
2019	624,402	15,108	0	39,864	417	312,330	17,324	29,486
2020	615,808	14,148	0	39,436	475	309,641	17,110	28,932
TOTAL	12,644,251	315,305	1,407	662,436	5,623	6,693,067	387,952	611,710
% of 2020		2.30%	0.00%	6.40%	0.08%	50.28%	2.78%	4.70%
% of Total		2.49%	0.01%	5.24%	0.04%	52.93%	3.07%	4.84%
FISCAL YEAR	GLENN HEIGHTS	HIGHLAND PARK	IRVING	PLANO	RICHARDSON*	ROWLETT	UNIVERSITY PARK	COPELL/ FLOWER MOUND
Yrs. 1984 to 1999	\$698	\$16,724	\$341,255	\$299,315	\$200,017	\$13,744	\$23,836	\$2,991
2000	102	1,488	41,643	43,639	23,175	1,789	2,191	0
2001	113	1,517	37,480	43,893	21,441	2,232	2,131	0
2002	112	1,459	34,078	41,556	17,186	2,406	1,947	0
2003	133	1,422	32,652	41,899	17,197	2,491	1,761	0
2004	158	1,557	34,630	45,208	18,402	2,825	1,782	0
2005	125	1,743	36,805	46,826	19,577	3,342	3,471	0
2006	175	1,857	39,697	53,949	18,831	6,560	2,810	0
2007	198	2,012	41,717	56,365	21,171	5,574	2,800	0
2008	221	2,250	47,195	59,440	21,480	5,498	2,902	0
2009	208	2,122	43,870	52,547	21,239	5,264	2,690	0
2010	237	2,240	41,005	54,756	23,174	5,780	2,858	0
2011	333	2,418	45,300	59,389	23,112	5,443	3,247	0
2012	353	2,769	45,852	67,616	23,722	4,662	3,118	0
2013	398	2,814	50,191	66,404	25,556	5,154	3,210	0
2014	436	3,272	54,525	71,695	28,481	5,395	3,639	0
2015	493	3,351	60,124	73,711	29,757	5,732	3,833	0
2016	506	3,466	62,225	76,055	31,767	6,471	3,871	0
2017	517	3,360	63,792	79,350	34,763	6,656	4,053	0
2018	579	3,941	65,346	86,813	35,754	7,092	4,333	0
2019	712	4,302	75,386	88,321	40,701	7,175	4,641	0
2020	827	4,212	75,767	87,087	43,518	7,206	4,506	0
TOTAL	7,636	70,297	1,370,534	1,595,835	740,021	118,490	89,632	2,991
% of 2020	0.13%	0.68%	12.30%	14.14%	7.07%	1.17%	0.73%	0
% of Total	0.06%	0.56%	10.84%	12.62%	5.85%	0.94%	0.71%	0.02%

D. Debt Program

DART's Debt Program

On January 23, 2001, the Board approved a Master Debt Resolution which authorized DART to pledge its sales tax revenues for Senior Lien Debt (Bonds) and Senior Subordinate Lien Debt (Commercial Paper).

Bonds – With the passage of a bond referendum on August 12, 2000, DART received voter authorization to issue up to \$2.9 billion of solely pledged Senior Lien sales tax-backed long-term debt (sales tax bonds). A change to DART's enabling legislation was enacted during the 2009 Texas legislative session allowing DART to pledge multiple revenue sources as a first lien on Senior Lien Long-Term Bonds (multi-revenue bonds). This change allows DART to issue more than \$2.9 billion in long-term debt, provided that DART issues bonds backed by multiple revenue sources.

The Office of the Attorney General of Texas disagreed with that interpretation and on July 23, 2012, DART filed a Bond Validation Petition in District Court 160 in Dallas County. DART sought a judicial ruling clarifying whether a \$2.9 billion limitation on “solely” pledged Sales Tax Revenue Bonds applies to “combined” Pledged Revenue Bonds. The hearing was conducted on August 13, 2012, and the Court concurred with DART's position. As a result, DART is no longer limited to \$2.9 billion in long-term debt so long as the debt is backed by a combined pledge of revenues (sales taxes plus another revenue source).

Commercial Paper – The Board has authorized the issuance of up to \$125 million in Commercial Paper notes, backed by self-liquidity, for capital acquisition purposes. DART maintains at least 2.0 times the debt service coverage amounts for the notes and ensures that no more than \$35 million of the notes mature within five days. As of September 2018, DART had \$125 million in Commercial Paper debt outstanding.

Debt Program Structure

DART's two-tiered debt structure program is designed to meet capital funding requirements and to provide flexibility to meet changing debt market conditions. The commercial paper program is issued to meet temporary capital funding requirements and to access variable interest rates when the financial markets dictate that strategy to be advantageous. Long-term bonds are used as the ultimate capital financing instrument for long-lived assets such as buildings and rail lines.



Exhibit 106 is DART's Annual Debt Service Schedule as of September 30, 2020.

Exhibit 106

DART Annual Debt Service Schedule


 <h2>Debt Service Schedule</h2>					
Fiscal Year	Principal	Interest	BABS Reimbursement	Net Interest	Total Net Debt Service
FY21	\$ 64,218,511	\$ 150,049,741	\$ (21,246,444)	\$ 128,803,297	\$ 193,021,808
FY22	65,430,000	147,694,212	(21,246,444)	126,447,768	191,877,768
FY23	68,330,000	144,793,767	(21,246,444)	123,547,323	191,877,323
FY24	67,825,000	141,788,685	(22,530,694)	119,257,991	187,082,991
FY25	70,730,000	138,845,648	(22,530,694)	116,314,954	187,044,954
FY26	73,725,000	135,854,975	(22,530,694)	113,324,281	187,049,281
FY27	76,095,000	132,675,124	(22,530,694)	110,144,430	186,239,430
FY28	79,425,000	129,357,700	(22,530,694)	106,827,006	186,252,006
FY29	83,260,000	125,638,483	(22,530,694)	103,107,789	186,367,789
FY30	87,410,000	121,486,489	(22,530,694)	98,955,795	186,365,795
FY31	91,810,000	117,097,153	(22,530,694)	94,566,459	186,376,459
FY32	96,489,462	112,478,778	(22,530,694)	89,948,084	186,437,546
FY33	101,304,462	107,645,290	(22,530,694)	85,114,596	186,419,058
FY34	105,969,462	102,617,886	(22,530,694)	80,087,192	186,056,654
FY35	111,159,462	97,416,112	(22,530,694)	74,885,418	186,044,880
FY36	121,245,247	91,804,436	(22,121,945)	69,682,491	190,927,738
FY37	126,633,387	85,688,931	(21,288,174)	64,400,757	191,034,144
FY38	127,035,177	79,403,016	(19,985,127)	59,417,889	186,453,066
FY39	131,206,804	72,981,673	(18,197,365)	54,784,308	185,991,112
FY40	138,218,778	66,158,717	(16,345,026)	49,813,691	188,032,469
FY41	143,855,030	58,911,106	(14,425,788)	44,485,318	188,340,348
FY42	149,375,406	51,386,130	(12,437,276)	38,948,854	188,324,260
FY43	155,179,585	43,518,426	(10,366,317)	33,152,109	188,331,694
FY44	154,102,678	35,413,241	(8,209,613)	27,203,628	181,306,306
FY45	160,579,798	27,083,522	(5,974,372)	21,109,150	181,688,948
FY46	109,406,064	20,150,545	(4,261,324)	15,889,221	125,295,285
FY47	113,661,597	14,712,156	(3,091,443)	11,620,713	125,282,310
FY48	118,051,520	9,105,780	(1,882,892)	7,222,888	125,274,408
FY49	117,528,943	3,354,126	(634,398)	2,719,728	120,248,671
FY50	5,355,004	379,989	-	379,989	5,734,993
FY51	5,516,543	217,029	-	217,029	5,733,572
FY52	588,575	125,729	-	125,729	714,304
FY53	606,114	107,609	-	107,609	713,723
FY54	624,177	89,438	-	89,438	713,615
FY55	642,777	70,561	-	70,561	713,338
FY56	661,932	51,178	-	51,178	713,110
FY57	681,657	31,047	-	31,047	712,704
FY58	701,971	10,488	-	10,488	712,459
	\$ 3,124,640,122	\$ 2,566,194,916	\$ (493,328,718)	\$ 2,072,163,117	\$ 5,197,506,319

Exhibit 107 is a list of DART's long-term bond issuance credit ratings.

Exhibit 107

Long-Term Bond Credit Ratings

	Standard & Poor's Rating Services	Moody's Investors Services	Kroll Bond Rating Agency	Fitch Ratings
Series 2007	AA+	Aa2	-	AA-
Series 2009A	AA+	Aa2	-	-
Series 2009B	AA+	Aa2	-	-
Series 2010A	AA+	Aa2	-	-
Series 2010B	AA+	Aa2	-	-
Series 2012	AA+	Aa2	-	-
Series 2012A (TIFIA)	AA+	Aa2	-	-
Series 2014A	AA+	Aa2	-	-
Series 2014B	AA+	Aa2	-	-
Series 2015	AA+	-	-	-
Series 2016A	AA+	Aa2	-	-
Series 2016B	AA+	Aa2	-	-
Series 2018 (RRIF)	AA+	Aa2	AA+	-
Series 2019	AA+	Aa2	AA+	-
Series 2020A	AA+	Aa2	AAA	-
Series 2020B	AA+	Aa2	AAA	-
Series 2020C	AA+	Aa2	AAA	-



Exhibit 108 shows DART's weighted average interest rate on long-term debt as of September 30, 2020.

Exhibit 108 Weighted Average Interest Rate

Series	All-in Rate at Issue	Remarketing Principal	Final Payment Date
Bond Principal Outstanding and Rates as of 09/30/2020			
2007	4.49%	\$118,395,000	12/1/2032
2009B ⁽¹⁾	4.01%	466,970,000	12/1/2044
2010A	2.74%	5,275,000	12/1/2023
2010B ⁽¹⁾	3.26%	729,390,000	12/1/2048
2012	3.51%	8,540,000	12/1/2042
2012A ⁽²⁾	2.91%	38,123,779	12/1/2047
2014A	3.22%	339,215,000	12/1/2036
2014B	3.92%	46,555,000	12/1/2043
2015	2.09%	88,955,000	12/1/2027
2016A	3.78%	482,530,000	12/1/2048
2016B	2.91%	210,140,000	12/1/2038
2018 ⁽³⁾	2.98%	11,706,343	12/1/2057
2019	2.69%	301,095,000	12/1/2035
2020A	2.50%	130,470,000	12/1/2050
2020B	1.02%	32,060,000	12/1/2023
2020C	2.45%	115,220,000	12/1/2042

Combined		
Weighted Average	3.30%	\$3,124,640,122

(1) Build America Bonds subject to sequestration

(2) Transportation Infrastructure and Innovation Act (TIFIA) Bonds

(3) Railroad Rehabilitation and Improvement Financing (RRIF) Loan



E. FARES

DART Fare Collection

DART entered into an interlocal agreement with the City of Dallas to manage and operate the public transportation services known as Dallas Transit System (DTS), empowering the DART Board to establish fares for any and all services provided. On September 18, 1983, the interim DART Board called for a public hearing to reduce the base fare to \$0.50. The Board approved this fare reduction December 6, 1983, making it effective January 1, 1984. In February 1988, DART formally acquired the Dallas Transit System and its operations from the City of Dallas. A history of DART's fare structure is shown in Exhibit 109. DART's current fare structure is shown in Exhibit 110.2.

Exhibit 109
DART Fare Structure History

Approval Date	Effective Date	Base Rate	Board Resolution	Comments
December 6, 1983	January 1, 1984	\$0.50	830026	Multiple fare rates for different cities and routes
December 16, 1986	February 1, 1987	\$0.75	860106	Two-year phased-in fare increase
December 8, 1987	February 1, 1987	\$0.75	870100	Rescinded second year rate increase approved in Resolution No. 860106
June 10, 1997	August 1, 1997	\$1.00	970101	Consolidated all fares and increased some fare types including Paratransit
November 26, 2002	March 3, 2003	\$1.25	020192	
April 24, 2007	October 1, 2007	\$1.50	070064	Across-the-board fare increase with a two-year phased-in approach for Paratransit
May 12, 2009	September 14, 2009	\$1.75	090067	Fare increase for all base fares, excluding Paratransit
August 28, 2012	December 3, 2012	\$2.50	120105	Fare increase for all base fares, excluding Paratransit
February 12, 2018	March 1, 2018	\$3.00	180017	Changes to some passes and programs in March 2018, across-the-board fare increase in August 2018.
June 23, 2020	July 1, 2020	\$3.00	200060	A \$1.00 Dallas Streetcar fare was added.

FY 2021 Fare Structure Amendment

The DART Board approved a fare structure amendment on June 23, 2020 which included the addition of a \$1.00 Streetcar fare. The fare structure amendment met the financial commitment in the Twenty-Year Financial Plan and complies with Board-adopted Policy. The amendment made changes to some of the passes and programs offered by DART, as well as changes to DART fares. The timing of the changes generally coincides with the implementation of the new payment system.

The new payment system includes contactless payment cards available at hundreds of retail locations throughout the service area, as well as an enhanced version of the DART mobile ticket app GoPass. Riders tap their DART card to the validator – or activate their GoPass ticket – as the travel on DART. The new payment system has new beneficial features including:

- Stored value – a payment system feature that allows DART riders to load value into an account to use to purchase DART passes or pay for travel.
- Best value – the payment system deducts the lowest appropriate fare from the customer's stored value as the customer travels on DART.
- Fare capping – a pay-as-you-go feature that allows DART riders to travel with their GoPass or DART card, the DART payment system keeps track of the amount spent, and automatically caps the daily and monthly fare so the rider will not spend more than needed on travel. Riders pay for each part of their journey until the daily or monthly amounts are reached, then pay no more. No need to pay the monthly amount up front!
- Lost card value protection – a customer that has registered their DART card account can have their stored value (account balance) restored if their card is lost.
- Customers can add value to their GoPass account without the use of a credit card by using cash at the retail locations.

Exhibit 110.1 on the following page shows the resolution to include a \$1.00 Dallas Streetcar fare.

Exhibit 110.1
DART Fare Structure Resolution
Resolution No. 200060


	RESOLUTION of the DALLAS AREA RAPID TRANSIT BOARD (Executive Committee)	200060 RESOLUTION
Approval to Amend DART Fare Structure for the Dallas Streetcar		
<p>WHEREAS, The Board's Fare Policy (III.01) states that "a fare structure establishing the base fare, categories of prepaid fares, special fare programs, and the pricing of such fares and programs, shall be adopted by the Board of Directors and reviewed every two years at a minimum"; and</p> <p>WHEREAS, DART's fare structure requires amendment from time to time; and</p> <p>WHEREAS, the Federal Transit Administration (FTA) requires that an equity analysis be conducted and approved by the DART Board for any proposed fare structure change; and</p> <p>WHEREAS, the DART Board has received a copy of the fare equity analysis on the impacts of the proposed fare structure change per FTA guidance; and</p> <p>WHEREAS, a public hearing was held on May 26, 2020 to receive comments on the proposed fare structure change; and</p> <p>WHEREAS, the Board desires to modify the fare structure; and</p> <p>WHEREAS, the Dallas streetcar fare will have no impact on the FY 2020 Twenty-Year Financial Plan.</p> <p>NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that:</p> <p>Section 1: The Fare Equity Analysis is approved as shown in Exhibit 2.</p> <p>Section 2: The amended Fare Structure as shown in Exhibit 1 to the Resolution is adopted and shall be effective beginning July 1, 2020, or as otherwise indicated in Exhibit 1.</p>		



Exhibit 110.2 shows the current fare structure.

Exhibit 110.2
DART Fare Structure
Effective – June 23, 2020 or as Indicated

Section 1: Product Fare Schedule

Effective Date

August 1, 2018

Single Ride (1) (available only on bus)

Local	\$2.50
Reduced Fare	1.25
Regional	N/A

December 1, 2020

Single Ride – Paratransit

Paratransit – Demand Response Van/Sedan Service	\$3.50
Paratransit – Trips to Fixed-Route Stops	1.00
Paratransit – Eligible Riders on Fixed-Route Service	FREE

July 1, 2020

Dallas Streetcar

Dallas Streetcar - Local	\$1.00
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Mid-Day (9:30 a.m. – 2:30 p.m.) (6)

Local	2.00
-------	------

Day

Local	6.00
Regional (4)	12.00
Reduced (5)	3.00

Regional Day Pass Vouchers

January 1, 2020

Regional – (7)	\$3.60
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August 1, 2018

Month

Local	\$96.00
Regional	192.00
Reduced Fare (5)	48.00

December 1, 2020

Paratransit	\$112.00
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Parenthetical numbers 1 through 8 refer to the footnotes following this schedule.



Exhibit 110.2 (cont.)
DART Fare Structure
Effective – June 23, 2020 or as Indicated

Section 1: Product Fare Schedule (cont.)

	<u>August 1, 2018</u>
<u>Annual</u>	
Local	\$960.00
Regional	1,920.00
Senior (regional)	576.00
Corporate – Local	720.00
Corporate – Regional	1,440.00
<u>Higher Education Program - Middle & High School, Colleges & Trade Schools</u>	
Passes for Entire Student Body:	
Quarter	60.00
Semester	78.00
Passes Purchased by Individual Students	
Quarter	144.00
Semester	192.00

Parenthetical numbers 1 through 8 refer to the footnotes following this schedule.



Exhibit 110.2 (cont.)
DART Fare Structure
Effective – June 23, 2020 or as Indicated

Section 1: Product Fare Schedule (cont.)

Footnotes to Product Fare Schedule:

1. Single trip on a DART bus. No pass issued for this trip.
2. A.M./P.M.: Tickets purchased from start of service day until noon are valid for travel until noon; tickets purchased at noon to end of service day are valid until end of DART service day. Valid for travel on all DART buses and trains, Trinity Railway Express Service between Union Station and CentrePort Station, DART GoLink and Flex service.
3. Local: All DART buses and trains, Trinity Railway Express Service between Union Station and CentrePort Station, DART GoLink and Flex service.
4. Regional: All DART buses and trains, all Trinity Railway Express Service, Trinity Metro in Fort Worth, the A-Train, and DCTA in Denton.
5. Reduced fare passes are Regional passes (as defined by #4, above). Reduced Fares are applicable on bus and rail for the following:
 - a. Seniors and non-paratransit disabled with a valid ID.
 - b. DART shuttle bus route.
 - c. Children – elementary through middle school.
 - d. Students attending high schools within the DART Service Area, with a DART-issued student ID.
 - e. Full-time undergraduate students attending colleges and trade schools in the DART Service Area, with a DART-issued student ID, whose schools are not participating in the Higher Education Program (see #4 in Section 4 – Special Programs).
 - f. Service area residents participating in a transitional program administered by an approved social agency, with a valid DART-issued ID.
 - g. Enrollees in the following programs: Texas Temporary Assistance for Needy Families, Supplemental Nutrition Assistance Program, Special Supplemental Nutrition Program for Women, Infants, and Children, Comprehensive Energy Assistance Program, Housing Choice Voucher Program, Dallas Housing Authority (DHA) Public Housing, Children's Health Insurance Program (CHIP), Medicaid, Medicare or other means-tested low-income programs approved by the DART Board for eligibility into the DART Low-income Reduced Fare Program (Effective January 1, 2020).
6. Mid-Day Pass: Pass that allows unlimited travel between 9:30 a.m. and 2:30 p.m.
7. Regional Day Pass vouchers are available only to government, alternative schools, and non-profit institutions to be issued to DART Service Area clients. Passes for alternative schools are valid 6:00 a.m. to 6:00 p.m., Monday through Friday.
8. Dallas Streetcar: Validators located inside streetcar, not on platform. Passengers pay using a pre-purchased DART pass, DART's GoPass App, or GoPass Tap Card (Effective July 1, 2020).

Exhibit 110.2 (cont.)
DART Fare Structure
Effective – June 23, 2020 or as Indicated

Section 2: Free Fares

The following categories of riders may ride bus, light rail, or commuter rail without fare payment. (This section is not applicable to charters nor to Paratransit service, except as noted.)

- a) Paratransit-eligible riders on fixed-route services with a valid Paratransit identification card.
- b) ADA (Americans with Disabilities Act) Paratransit-eligible individuals who are authorized to have one personal care attendant (PCA) may have the PCA travel with them on fixed-route service at no charge. A proper ID indicating that an attendant is necessary is required.
- c) Children under the age of five (maximum of two per trip) when accompanied by an adult (age 18 or older) paying the appropriate Local, Regional, or Reduced fare. Any additional child under the age of five traveling with that adult, or any child accompanied only by person(s) younger than 18, shall be charged reduced fare.
- d) Voters showing a valid voter registration card during the hours of 6:00 a.m. to 8:00 p.m. on a state or national primary or general election day in accordance with Board Resolution No. 900232. This includes Paratransit service.
- e) Uniformed police officers and plain-clothes police officers displaying badges issued by cities in the DART Service Area.
- f) Uniformed parking enforcement officers.
- g) Downtown Safety Patrol personnel when in uniform and when traveling within the Dallas Central Business District.
- h) Active employees and retirees, and one family member designated by the employee or retiree, with DART photo ID card. (Also honored on Paratransit service with appropriate Paratransit certification and identification.)
- i) Part-time DART employees with DART photo ID card. (Also honored on Paratransit service with appropriate Paratransit certification and identification.) Temporary employees do not qualify for this benefit unless individually authorized by DART management.
- j) Current and former DART Board Members and their spouses with valid DART photo ID card. (Also honored on Paratransit service with appropriate Paratransit certification and identification.)
- k) Employees of contractors who operate fixed-route or demand responsive service on DART's behalf and certain engineering consultants, including General Engineering, System Design, and Design Contract Integration consultants domiciled in the DART headquarters, who have been provided with valid DART photo ID cards. (Also honored on Paratransit service with appropriate Paratransit certification and identification.)
- l) McKinney Avenue Trolley employees or operators with valid Trolley ID card.



Exhibit 110.2 (cont.)
DART Fare Structure
Effective – June 23, 2020 or as Indicated

Section 2: Free Fares (cont.)

The following table lists the services operated by DART free of charge to riders.

Service Operated by DART Free of Charge to Riders		
Service	Description	Termination Dates
Love Link	Bus service connection from Dallas Love Field to DART Inwood/Love Field Station	Free service terminates upon implementation of DART contactless payment cards anticipated December 1, 2020.

Exhibit 110.2 (cont.)
DART Fare Structure
Effective – June 23, 2020 or as Indicated

Section 3: Stored Value and Fare Capping

Stored value is a payment system feature that allows DART riders to load value into an account to use to purchase DART passes or pay for travel.

GoPass Accounts

Customers can set up an account on-line using the DART GoPass mobile app.

DART Card Accounts

In addition, customers can acquire a DART payment card. The DART payment system will associate a customer's DART card with an account. The customer can then register their DART card account to enable valuable features such as lost card value protection. Customers must tap their DART cards at payment system validators upon each bus and rail boarding during their journey on DART.

Customers can acquire a DART payment card at retail locations throughout the service area, on-line, at the DART Store, or by calling DART Customer Service. The cost of a card equals the cost of a day's local transit service. Upon activation, the account associated with the card will have transit value equal to the cost of the card.

Loading Value

Customers can load value at retail locations throughout the service area, on-line, at the DART Store, or by calling DART Customer Service.

Fare Capping

Fare capping is a pay-as-you-go feature that allows DART riders to make several trips with their GoPass or DART card, and the DART payment system will automatically cap the daily and monthly (calendar month) fare so the rider will not spend more than needed on travel. Riders pay for each part of their journey until the cap amounts are reached, then pay no more for the rest of the day or month. To benefit from fare capping, riders must tap their DART card at the validator – or activate their GoPass ticket – prior to boarding on every trip.

Fare capping for Paratransit service is scheduled to become available December 2020.

Exhibit 110.2 (cont.)
DART Fare Structure
Effective – June 23, 2020 or as Indicated

Section 4: Special Programs**1. Customer Promotions:**

The President/Executive Director or his designee may approve the free distribution of prepaid media, VIP passes, or special coupons as needed for the following purposes:

- a) To support marketing programs, including but not limited to special route promotions, introductory shuttles, air quality improvement programs, and focus group or survey participation.
- b) To provide inbound travel to jury duty on all DART service, including bus, rail, and Paratransit, to all individuals showing a jury summons with the current date displayed. A pass valid for outbound travel on all DART service, including bus, rail, and Paratransit, will be distributed by Court Services upon request to those individuals reporting for jury duty.
- c) To compensate customers for inconvenience or system problems.
- d) To allow courtesy access to the system for special tour groups, non-local DART visitors, or consultants involved in DART system planning. As a tax-supported governmental agency, DART does not contribute free transportation to other governmental agencies, social service agencies, or charitable organizations.

2. Convention and Special Event Passes:

Day Passes for the dates specified on the ticket for convention registrants and special event participants will be priced at the appropriate (Local or Regional) Day Pass rate. A sliding scale with discounts ranging from 10% to 30% of the convention and special event base rate will be available on advanced bulk purchase of 2,000 or more passes.

Passes Purchased	Discount
2,000 – 4,999	10%
5,000 – 9,999	20%
10,000 – 14,999	25%
15,000 and above	30%

3. Corporate and Residential Programs:

- a. Annual passes, known as Corporate annual passes, may be purchased by businesses, companies, apartment/condominium complexes, or other employer organizations. Minimum purchase requirement is 5 passes. Pricing is as shown in Section 1 – Product Fare Schedule.
- b. Emergency Ride Home (ERH) program, administered by DART, will be made available to employees registered in the Corporate Annual Pass Program.

Exhibit 110.2 (cont.)
DART Fare Structure
Effective – June 23, 2020 or as Indicated

Section 4: Special Programs (cont.)

4. Higher Education Programs (Passes Must Be Purchased by the School)

Semester and quarterly passes may be purchased for full-time students by colleges, universities, trade schools, middle schools, or high schools. Pricing will be as shown in Section 1: Product Fare Schedule. DART may further discount those prices, up to 50% for schools and school districts purchasing at least 10,000 passes and up to 60% for schools and school districts purchasing at least 15,000 passes.

5. Route Promotion Pass

The Route Promotion Pass is produced through Consumer Programs to support DART's public awareness and outreach efforts. Marketing will negotiate with Special Events organizers to determine where DART could benefit from the exposure the event media and attendance could provide, and the event organizers are interested in including DART Day Passes for their attendees. The parameters of the negotiation are as follows:

- a. The event is within a DART Service Area city.
- b. DART must receive a minimum benefit of a 2-to-1 ratio based on the value of the passes DART is willing to provide to the event. This can be through barter, cash, or any combination of the two.
- c. The media provided by the event must promote using DART.
- d. A simple agreement is signed by both DART and the event organizer/chair.
- e. The President/Executive Director or his designee may sign the agreement. Concurrence from the Chief Financial Officer must be received before presenting the agreement for signature.
- f. The Marketing Department will provide documentation to the Finance Department, within 90 days after the conclusion of the special event, that supports the value of the barter used to pay for the passes.

6. DART Service Outside Service Area Boundary (replaces "System Fare")

DART Board Policy III.07: *DART Service Outside Service Area Boundary* authorizes and provides guidance regarding the provision of DART service outside its service area boundary. Policy III.07 requires a service agreement approved by the DART Board of Directors. This agreement will establish fares for riders using the service.

7. Site Specific Shuttle Service

DART Board Policy III.16 *Site Specific Shuttle Service Policy* authorizes and provides guidance regarding the provision of DART circulator/distributor shuttle service which connects to rail stations or transit centers operated by employers or other private entities. Policy III.16 requires proposals for service be approved by the DART Board of Directors. The approved agreement will establish fares for riders using the service.



Exhibit 110.2 (cont.)
DART Fare Structure
Effective – June 23, 2020 or as Indicated

Section 4: Special Programs (cont.)

Mobility on Demand DART continues to explore mobility-on-demand options using transportation network companies and other service providers that can connect riders to the DART system, as well as provide public transportation within areas difficult to serve efficiently with traditional transit service, using scooters, bicycles, cars, vans, and other mobility devices. These companies are responsible for some or all of the components – customer access, dispatch, transportation, fare collection, and related information – of delivering customers from origin to destination. The journey may represent premium service with greater customer convenience, improved travel times, and closer origin and destination endpoints. Fare structure may appropriately reflect this premium.

Recognizing the experimental nature of exploring mobility-on-demand options, this portion of the DART Fare Structure authorizes DART management to establish fare structures for these services that are designed to encourage ridership, reflect customer convenience levels and perceived economic value, allow efficient implementation and administration, and contribute to financial sustainability.



Fares by Type

Exhibit 111 identifies the fares by types DART customers can purchase based on the approved fare structure. This also provides the estimated sales and revenue by fare type.

Exhibit 111 Revenue by Fare Type Analysis

Type of Fare	FY 2019		FY 2020		FY 2021	
	Actuals Units	Actuals Revenue	Actuals Units	Actuals Revenue	Estimated Units	Estimated Revenue
Single Fare						
Local	119,779	\$ 299,448	87,327	\$ 218,318	76,922	\$ 233,673
System	-	-	-	-	-	-
Regional	-	-	-	-	-	-
Reduced	38,570	48,213	31,804	39,755	26,700	33,376
Single Ride - Bus	-	-	-	-	-	-
Paratransit (book of ten)	31,652	949,568	17,937	538,120	13,521	405,616
Total Single Fare	190,001	\$ 1,297,228	137,068	\$ 796,193	117,143	\$ 672,665
AM/PM						
Local	1,597,411	\$ 4,792,215	3,440,269	\$ 10,320,774	2,672,670	\$ 8,202,403
Regional	3,136,205	9,654,483	-	-	-	-
Reduced	429,490	644,231	983,835	1,475,734	762,461	1,143,681
Mesquite	879,920	1,319,871	-	-	-	-
High School	-	-	-	-	-	-
College/Trade	-	-	-	-	-	-
Total AM/PM	6,043,025	\$ 16,410,800	4,424,104	\$ 11,796,508	3,435,131	\$ 9,346,084
2-Hour						
Local	995.0	\$ 2,488	-	\$ -	-	\$ -
Regional	36	180	-	-	-	-
Reduced	102	128	-	-	-	-
Mesquite	-	-	-	-	-	-
High School	-	-	-	-	-	-
College/Trade	-	-	-	-	-	-
Total 2-Hour	1,133	\$ 2,795	-	\$ -	-	\$ -
Midday						
Local	882,267	\$ 1,764,514	624,673	\$ 1,249,335	485,059	\$ 970,113
Regional	-	-	25,624	51,238	19,150	38,293
Total Midday	882,267	\$ 1,764,514	650,297	\$ 1,300,573	504,209	\$ 1,008,406
Day Passes						
Local	1,642,160	\$ 9,852,936	919,132	\$ 5,514,745	795,506	\$ 4,773,008
System	-	-	-	-	-	-
Regional	126,930	1,523,160	108,494	1,301,928	97,343	1,168,118
Reduced	549,855	1,649,553	305,797	917,372	262,804	788,398
High School	19,703	59,109	18,753	56,259	16,017	48,051
College/Trade	34,450	103,350	34,182	102,546	29,104	87,312
Mesquite	72	504	5	35	5	32
Vouchers (book of ten)	46,882	1,742,386	30,729	1,075,515	25,263	884,200
Total Day Passes	2,420,053	\$ 14,930,998	1,417,092	\$ 8,968,401	1,226,041	\$ 7,749,118
7-Day Passes						
Local	-	\$ -	0	\$ -	0	\$ -
System	-	-	-	-	-	-
Regional	-	-	-	-	-	-
Total 7-Day Passes	-	\$ -	-	\$ -	-	\$ -
Monthly Passes						
Local	94,034	\$ 9,027,264	47,356	\$ 4,546,176	39,731	\$ 3,814,147
System	-	900	-	-	-	-
Regional	1,660	318,720	656	125,952	572	109,752
Reduced	26,157	1,255,536	10,506	504,288	9,034	433,609
Mesquite	101	10,100	0	0	0	0
Lone Star - Local	29	1,392	0	0	0	0
Lone Star - Regional	4	384	0	0	0	0
High School	17,545	842,160	10,528	505,344	10,367	497,597
College/Trade	607	29,136	0	0	0	0
Total Monthly Passes	140,137	\$ 11,485,592	69,046	\$ 5,681,760	59,702	\$ 4,855,105
Annual Passes						
Local	366	\$ 393,993	137	\$ 60,284	104	\$ 68,866
System	-	-	-	-	-	-
Regional	11	20,020	5	9,100	4	7,053
Senior	109	62,784	2	624	-	-
Corporate Programs	13,425	10,056,468	11,047	8,331,994	8,355	5,686,174
Total Annual Passes	13,911	\$ 10,533,265	11,191	\$ 8,402,002	8,462	\$ 5,762,092
Other Programs						
Secondary/College Decals	59,152	\$ 2,062,608	51,488	\$ 3,121,325	40,250	\$ 2,134,846
Special Events	14,157	42,471	18,658	55,974	13,994	41,981
Total Other Programs	73,309	\$ 2,105,079	70,146	\$ 3,177,299	54,243	\$ 2,176,826
Total Pass Sales	9,763,837	58,530,271	6,778,944	40,122,735	5,404,931	31,570,296
Without Paratransit Coupons	9,732,184	\$ 57,580,703	6,761,007	\$ 39,584,615	5,391,411	\$ 31,164,680



F. OPERATIONAL INFORMATION

Historical data: The data that follows reflects the construction mode that DART has been in since the early 1990s. Exhibit 112 denotes key dates regarding the construction of the DART light rail system. On August 13, 1983, DART was created when 58 percent of voters in 14 cities and Dallas County cast more than 101,000 ballots in favor of regional transportation. DART assumed operations of Dallas Transit System and cut the base bus fare from 70 to 50 cents, and senior fares from 25 to 15 cents. In January 1984, the voter-approved one-cent sales tax took effect, and DART officially began operations. On June 14, 1996, the first 11.2 miles of DART's 20-mile light rail transit starter system opened on time and within budget, with weekend festivities followed by a week of free rides. Revenue service began on June 24. With the opening of Blue Line south extension to the UNT-Dallas campus on October 24, 2016, DART now has 93 miles of light rail in service. This is currently the longest light rail system in North America. A map of DART Current and Future Rail Services is located at Exhibit 96.

Exhibit 112 shows the revenue service dates for all of DART's LRT line segments.

Exhibit 112
LRT Revenue Service Dates

Corridor	Line	From	To	Miles	Stations	Opening Date
STARTER SYSTEM						
Central Business District	All	West End	Pearl	1.0	4	June 1996
Oak Cliff	Red/Blue	West End	8th & Corinth	3.8	4	June 1996
South Oak Cliff	Blue	8th & Corinth	Ledbetter	4.6	5	June 1996/May 1997
West Oak Cliff	Red	8th & Corinth	Westmoreland	4.6	4	June 1996
North Central	Red	Pearl	Park Lane	6.0	4	Jan 1997
Starter System Subtotal				20.0	21	
RED/BLUE LINE EXTENSIONS						
North Central	Red	Park Lane	Parker Road	12.3	9	July-Dec 2002
Northeast	Blue	Mockingbird	Downtown Garland	11.2	5	Sept 2001-Nov 2002
Northeast	Blue	Downtown Garland	Downtown Rowlett	4.6	1	Dec 2012
South Oak Cliff	Blue	Ledbetter	UNT-Dallas	2.6	2	Oct 2016
Extension Subtotal				30.7	17	
GREEN LINE						
Northwest (NW-1A)	Green	West End	Victory	1.2	1	Nov 2004
Northwest (NW-1B)	Green	Victory	Inwood	2.8	3	Dec 2010
Northwest (NW-2)	Green	Inwood	Bachman	3.2	2	Dec 2010
Northwest (NW-3)	Green	Bachman	Farmers Branch	4.9	3	Dec 2010
Northwest (NW-4)	Green	Farmers Branch	Frankford	5.3	3	Dec 2010
Northwest Subtotal				17.4	12	
Southeast (SE-1A)	Green	Pearl	MLK, Jr.	2.7	4	Sept 2009
Southeast (SE-1B)	Green	MLK, Jr.	Hatcher	1.4	1	Dec 2010
Southeast (SE-2)	Green	Hatcher	Buckner	6.0	3	Dec 2010
Southeast Subtotal				10.1	8	
ORANGE LINE						
Northwest-Irving/DFW (I-1)	Orange	Bachman	Irving Convention Center	5.4	3	July 2012
Northwest-Irving/DFW (I-2)	Orange	Center	Belt Line	3.6	2	Dec 2012
Northwest-Irving/DFW (I-3)	Orange	Belt Line	DFW Airport	5.0	1	Aug 2014
Orange Line Subtotal				14.0	6	
Total Miles/Stations in Operation*				93.0	64	

*Total miles by includes approximately 0.75 miles of pocket track.

Ridership Trends

Fixed Route Ridership has been decreasing over the last several years, both for DART and much of the transit industry as a whole. A number of factors have contributed to these trends: changes in employment patterns, including growth of jobs outside of the DART Service Area; residential gentrification that has dislocated transit customers from central, transit-friendly locations; relatively low gasoline prices; and competition from new transportation services such as Transportation Network Companies (TNC's).

Ridership should continue to increase slowly over the next several years with other service improvements. During FY 2019, DART implemented additional COA-developed route and service enhancements as newly purchased buses are delivered and peak and off-peak period improvements can be implemented.

Specific efforts are underway to address the on-time performance of the bus system. These efforts are directed toward improving schedules to more accurately reflect on-street operating conditions; to managing the bus system's performance using the Automatic Vehicle Location (AVL) system to better manage operations and the initiation of a pilot project to provide traffic signal priority to buses in the congested Belt Line road corridor. This latter project will be complimented by an improvement in the service frequency of the primary bus route in the corridor.

DART has completed the installation of automated passenger counters (APCs) on its bus fleet. Staff-examined variations between farebox-based counts and APC-based counts – especially where there are high boarding volumes that do not involve physical farebox transactions – and verified that APC-based counts are more appropriate for measurement of bus ridership over the long term. A similar exercise was conducted for light rail, as noted below.

LRT Ridership

Ridership counting on light rail was conducted manually from the opening of the light rail system in 1996 through 2011 and was based on a sampling approach. As shown in Exhibit 113, one person counted passengers boarding and alighting through five separate entry/exit points. At low volume times of day and low volume stations, this could be done with reasonable accuracy. Accuracy of the counts suffered during high volume times of the day and at high-volume stations. DART began testing the use of automated passenger counters (APCs) in October 2011. As shown in Exhibit 114, the APCs are able to extract data from all five entry/exit points on each side of each car. The new equipment has been shown to be significantly more accurate than the manual counting method. The result is that ridership counts based on APC data are more than 23% higher than had been previously reported. The APCs also allow DART to count nine times as many cars as could be counted within the available budget using human counters. DART received approval from the FTA to use the APC ridership data as our official data beginning in FY 2012.

Exhibit 113
LRT Manual Counting

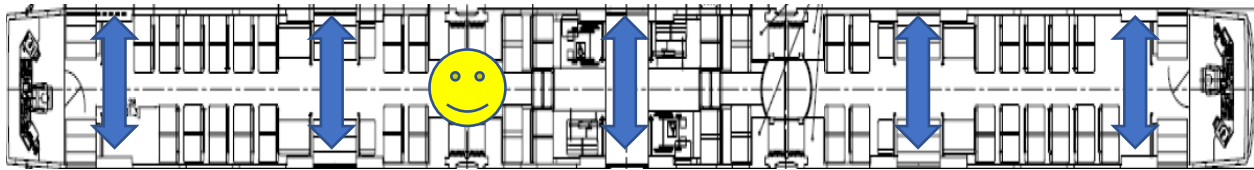
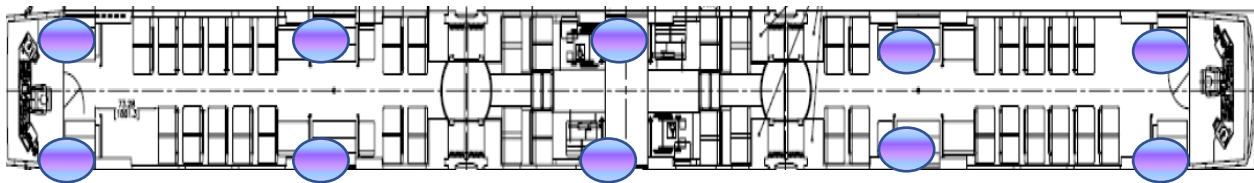


Exhibit 114
APCs



Commuter Rail (TRE) Ridership

TRE Ridership for FY 2019 was trending down by approximately 2.8%. Recent frequency improvements for TRE commuter rail schedules have resulted in significant Saturday ridership improvements. Weekday ridership has not improved to the same degree, but the noticeable losses of previous years have moderated noticeably.



Exhibit 115 Number of Employees by Function

DALLAS AREA RAPID TRANSIT NUMBER OF EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

FUNCTION	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Transport Operations										
Bus Operations	1,537	1,451	1,487	1,522	1,470	1,511	1,556	1,576	1,569	1,682
Commuter Rail Operations	14	13	14	14	11	14	14	14	15	20
HOV Lane Operations*	67	63	63	55	3	-	-	-	-	-
Light Rail Operations	272	266	313	292	298	285	308	323	323	376
Paratransit Operations	67	64	63	59	55	59	60	64	59	58
Vanpool Operations	2	2	2	2	2	2	2	2	2	2
	1,959	1,859	1,942	1,944	1,839	1,871	1,940	1,979	1,968	2,138
Maintenance										
Vehicle Maintenance	695	657	630	738	733	710	722	701	706	668
Non-vehicle Maintenance	282	303	342	270	302	297	286	317	308	319
	977	960	972	1,008	1,035	1,007	1,008	1,018	1,014	987
Public Safety and Fare Enforcement	309	309	319	340	352	336	326	322	381	403
Operations Total	3,245	3,128	3,233	3,292	3,226	3,214	3,274	3,319	3,363	3,528
Administrative	435	398	359	369	353	352	374	386	395	365
Total	3,680	3,526	3,592	3,661	3,579	3,566	3,648	3,705	3,758	3,893

* HOV Lane is managed and operated by Texas Department of Transportation starting from October 1, 2013.

Note - Number of employees presented here is actual head count of full-time, temporary and part-time employees at the end of each fiscal year.

Source: DART's personnel data



Exhibit 116

Level of Service – Average Weekday

DALLAS AREA RAPID TRANSIT LEVEL OF SERVICE - AVERAGE WEEKDAY LAST TEN FISCAL YEARS											
	Fiscal Year										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
AVERAGE WEEKDAY PASSENGERS (RIDERSHIP)											
Bus	128,532	126,426	131,186	129,683	127,432	122,695	113,229	108,722	101,063	123,072	
Light Rail	59,785	71,748	90,182	96,354	96,523	97,824	96,781	97,112	93,466	92,099	
Commuter Rail	8,689	8,482	8,080	7,556	8,229	7,907	7,395	7,413	7,221	7,071	
Demand Response	4,004	4,001	4,001	1,845	1,692	17,612	1,233	1,253	1,318	1,519	
Demand Response-Taxi	-	-	-	-	1,233	18,484	N/A	N/A	N/A	N/A	
Vaupool	3,640	3,893	4,067	3,728	3,516	1,855	1,954	1,876	1,761	1,808	
	204,650	214,550	237,516	239,166	238,625	266,377	220,592	216,376	204,829	225,569	
AVERAGE WEEKDAY REVENUE MILES											
Bus	89,626	84,194	87,949	88,750	87,157	89,079	89,039	89,195	90,818	91,528	
Light Rail ¹	16,123	21,897	23,688	28,022	28,493	31,046	31,080	31,827	31,792	31,953	
Commuter Rail ¹	4,421	3,815	3,866	3,992	3,992	3,992	4,078	5,575	5,674	5,709	
Demand Response	28,660	29,242	29,898	14,481	10,175	8,482	7,097	7,822	8,613	10,360	
Demand Response-Taxi	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	
Vaupool	13,803	15,086	15,432	14,301	13,492	8,666	11,589	11,271	11,137	10,400	
	152,633	154,234	160,833	149,546	143,309	141,265	142,883	145,690	148,034	149,950	
AVERAGE WEEKDAY REVENUE HOURS											
Bus	6,552	6,353	6,468	6,792	6,706	6,942	7,510	6,945	7,083	7,138	
Light Rail ¹	804	1,105	1,194	1,377	900	1,486	1,487	1,518	1,417	1,426	
Commuter Rail ¹	180	166	169	171	172	173	173	251	254	253	
Demand Response	1,752	1,779	1,811	1,035	792	674	570	775	703	801	
Demand Response-Taxi	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	
Vaupool	345	377	386	358	337	223	306	297	293	284	
	9,633	9,780	10,028	9,733	8,907	9,498	10,046	9,786	9,750	9,902	
AVERAGE WEEKDAY PASSENGERS PER REVENUE MILE											
Bus	1.43	1.50	1.49	1.46	1.46	1.38	1.27	1.22	1.11	1.34	
Light Rail	3.71	3.28	3.81	3.44	3.39	3.15	3.11	3.05	2.94	2.88	
Commuter Rail	1.97	2.22	2.09	1.89	2.06	1.98	1.81	1.33	1.27	1.24	
Demand Response	0.14	0.14	0.13	0.13	0.17	2.08	0.17	0.16	0.15	0.15	
Demand Response-Taxi	-	-	-	-	-	-	N/A	N/A	N/A	N/A	
Vaupool	0.26	0.26	0.26	0.26	0.26	0.21	0.17	0.17	0.16	0.17	
	1.34	1.39	1.48	1.60	1.67	1.89	1.54	1.49	1.38	1.50	
AVERAGE WEEKDAY PASSENGERS PER REVENUE HOUR											
Bus	19.62	19.90	20.28	19.09	19.00	17.67	15.08	15.65	14.27	17.24	
Light Rail	74.36	64.93	75.53	69.97	107.25	65.83	65.08	63.97	65.96	64.59	
Commuter Rail ¹	48.27	51.10	47.81	44.19	47.84	45.71	42.75	29.53	28.43	27.95	
Demand Response	2.29	2.25	2.21	1.78	2.14	26.13	2.16	1.62	1.87	1.90	
Demand Response-Taxi	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	
Vaupool	10.55	10.33	10.54	10.41	10.43	8.32	6.39	6.32	6.01	6.37	
	21.24	21.94	23.69	24.57	26.79	28.05	21.96	22.11	21.01	22.78	

Notes

(1) Average weekday revenue miles and hours for rail services are car revenue miles and hours.

Source: National Transit Database

Exhibit 117 Ridership

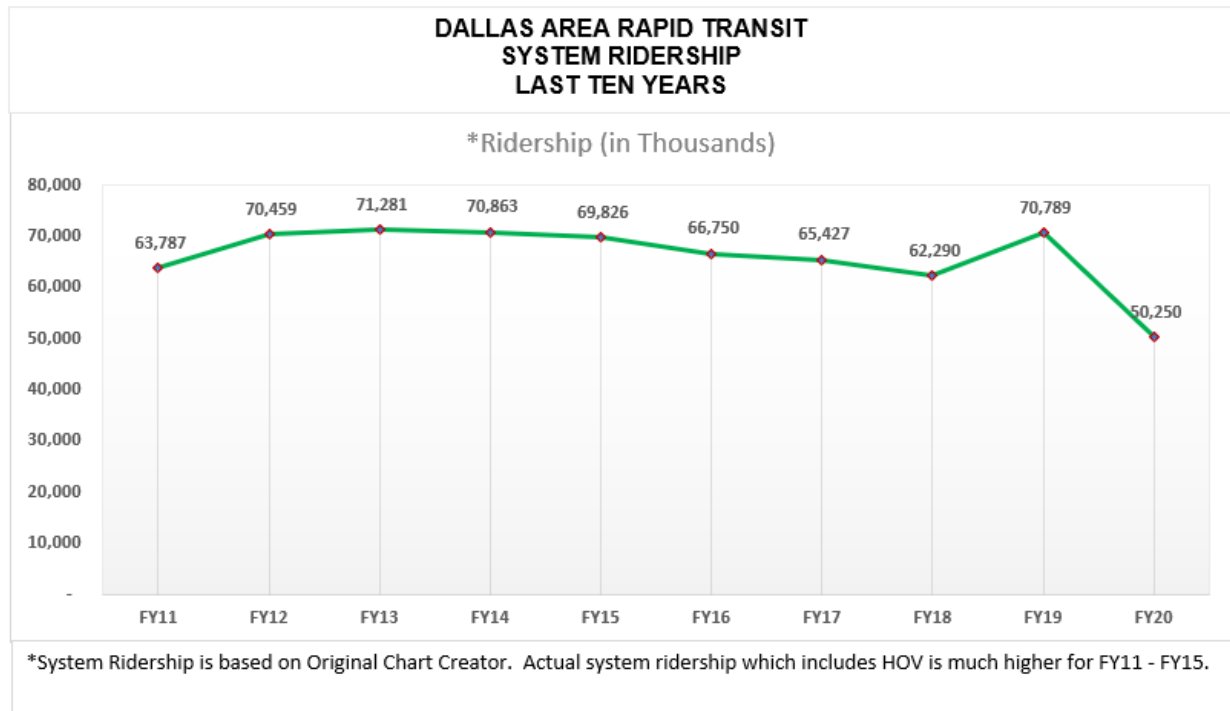


Exhibit 118 Revenue Miles

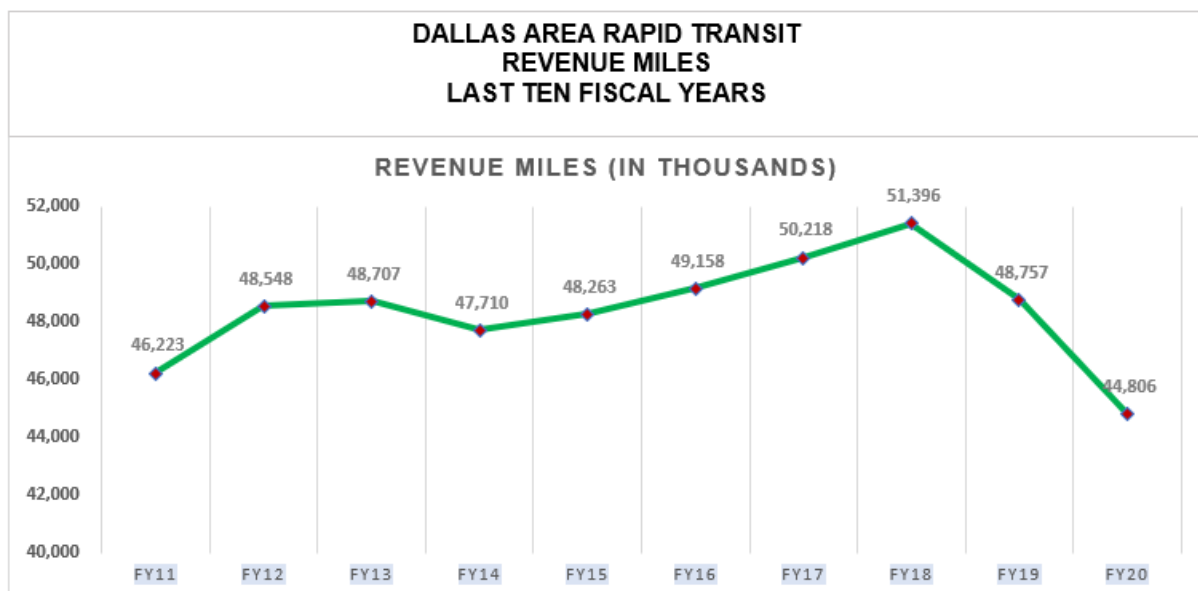




Exhibit 119 Revenue Hours

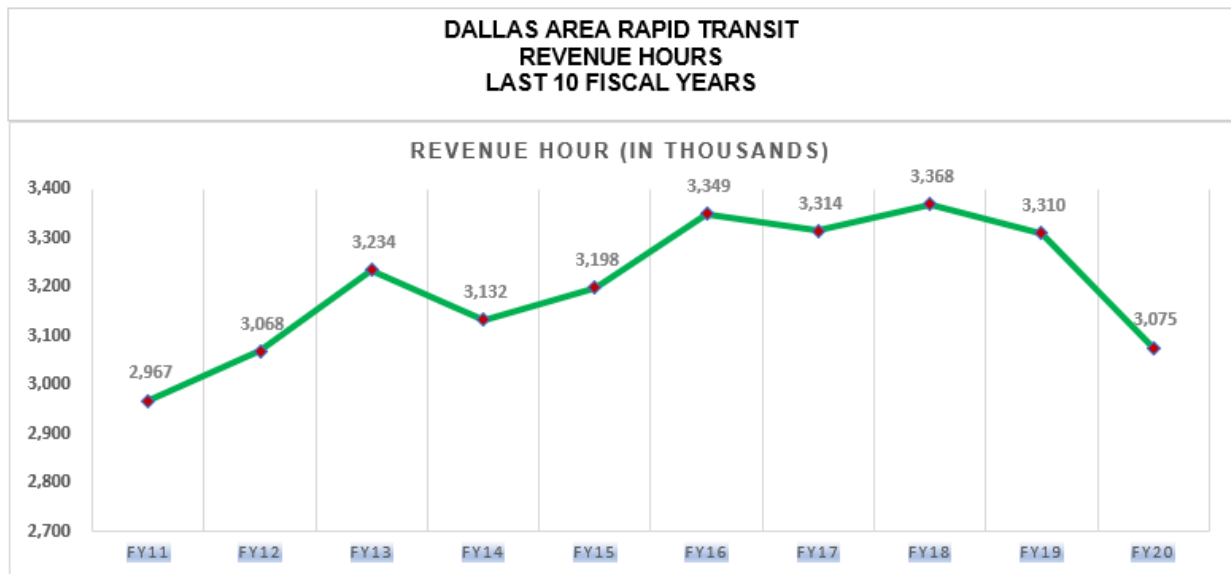




Exhibit 120

Number of Vehicles and Operating Facilities

DALLAS AREA RAPID TRANSIT NUMBER OF VEHICLES AND OPERATING FACILITIES LAST TEN FISCAL YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Number of vehicles available for service ¹										
Bus	663	658	629	650	861	744	648	580	640	681
Light Rail	122	163	163	163	163	163	163	162	162	162
Commuter Rail	44	47	35	35	35	32	32	32	35	34
Demand Response	209	209	209	175	165	107	96	96	96	117
Demand Response-Taxi	-	-	-	-	79	125	-	115	115	115
Vanpool	178	200	215	204	190	229	190	208	174	167
Total	1,216	1,277	1,251	1,227	1,493	1,400	1,129	1,193	1,222	1,276
Number of vehicles operated during weekday ¹										
Bus	556	507	509	527	544	535	533	530	537	561
Light Rail	76	77	78	102	103	105	104	107	109	117
Commuter Rail	18	18	18	18	23	18	18	23	23	23
Demand Response	190	186	186	148	148	92	106	96	96	107
Demand Response-Taxi	-	-	-	-	79	115	-	115	115	115
Vanpool	173	190	196	183	183	162	175	186	174	167
Total	1,013	978	987	978	1,080	1,027	936	1,057	1,054	1,090
Operating Facilities ²										
Bus	3	3	3	3	3	3	3	3	3	3
Number of operating garages	15	15	15	15	15	15	15	15	15	15
Number of transit centers	12,500	12,500	12,500	12,500	11,973	11,973	11,271	11,271	11,086	10,610
Light Rail	48	48	72	77	85	85	85	93	93	93
Miles of tracks	39	39	55	58	61	62	62	64	64	64
Number of operating garages	1	1	2	2	2	2	2	2	2	2
Commuter Rail	34	34	34	34	34	34	34	34	34	34
Miles of tracks	10	10	10	10	10	10	10	10	10	10
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of operating garages	1	1	1	1	1	1	1	1	1	1
Demand Response	1	1	1	1	1	1	1	1	1	1
Number of operating garages	1	1	1	1	1	1	1	1	1	1

Sources:

1) National Transit Database

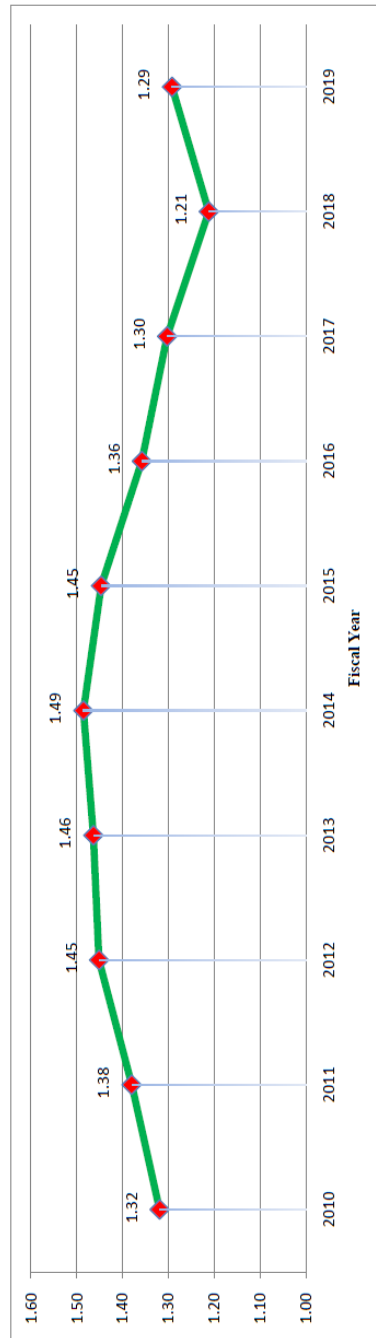
2) Internal DART records

Exhibit 121

Passengers per Revenue Mile and Revenue Hour

DALLAS AREA RAPID TRANSIT
PASSENGERS PER REVENUE MILE AND REVENUE HOUR
LAST TEN FISCAL YEARS

PASSENGERS PER REVENUE MILE



PASSENGERS PER REVENUE HOUR

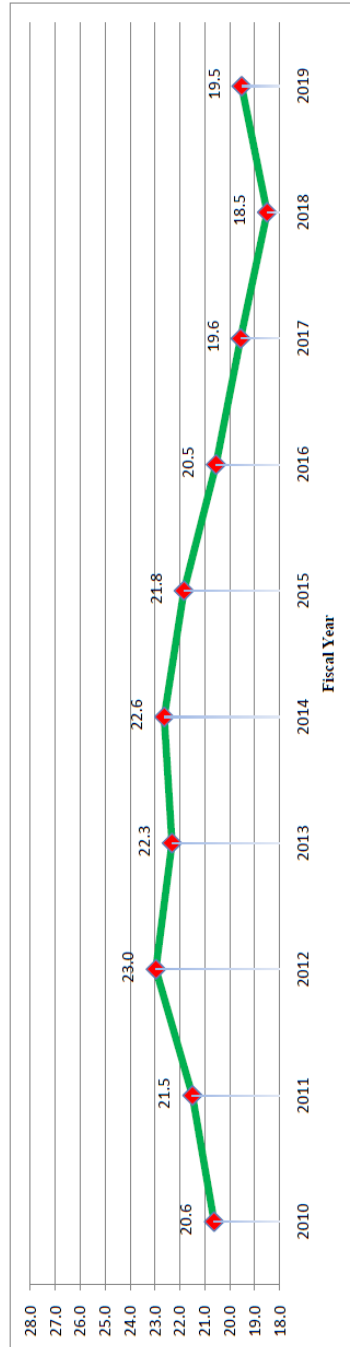




Exhibit 122 Cost of Capital Assets

DALLAS AREA RAPID TRANSIT COST OF CAPITAL ASSETS LAST TEN FISCAL YEARS (Amounts In Thousands)										
	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Non-Depreciable Capital Assets										
Land and right-of-way	\$397,997	\$548,904	\$554,714	\$578,169	\$609,498	\$616,728	\$615,709	\$619,026	\$619,043	\$618,596
Capital projects in progress	2,305,270	859,872	662,567	205,542	70,845	101,124	190,992	66,867	93,435	227,111
Total Non-Depreciable Capital Assets	2,703,267	1,408,776	1,217,281	783,711	680,343	717,852	806,701	685,893	712,478	845,707
Depreciable Capital Assets										
Transit-ways	1,631,987	2,779,751	3,188,305	3,696,268	3,845,836	3,860,836	3,861,876	4,019,867	4,050,153	4,054,449
Buildings and Improvements	419,849	696,102	702,179	745,314	746,585	748,445	749,160	749,860	750,296	753,648
Revenue and Non-Revenue Vehicles and Equipment	935,898	1,218,639	1,275,561	1,319,261	1,303,485	1,287,039	1,282,270	1,301,880	1,302,474	1,327,613
Furniture, Fixtures, and Leasehold Improvements	38,940	43,242	49,537	61,184	59,872	64,523	65,909	69,636	77,131	97,110
Total Depreciable Capital Assets	3,026,674	4,737,734	5,215,582	5,822,027	5,955,778	5,960,843	5,959,215	6,141,243	6,180,054	6,232,820
Less Accumulated Depreciation										
Transit-ways	508,156	593,902	690,650	820,845	931,205	1,060,638	1,190,044	1,324,572	1,460,616	1,597,555
Buildings and Improvements	221,232	240,967	265,881	292,055	316,802	341,810	366,599	391,305	415,950	440,564
Revenue and Non-Revenue Vehicles and Equipment	447,998	499,242	559,630	568,776	527,137	536,743	605,467	656,545	712,473	775,829
Furniture, Fixtures, and Leasehold Improvements	31,939	36,569	38,929	46,450	50,973	57,584	60,150	63,499	66,197	74,820
Total Accumulated Depreciation	1,209,325	1,370,680	1,555,090	1,728,126	1,826,117	1,996,775	2,222,260	2,435,921	2,655,236	2,888,768
Net Depreciable Capital Assets	1,817,349	3,367,054	3,660,492	4,093,901	4,129,661	3,964,068	3,736,955	3,705,322	3,524,818	3,344,052
Net Capital Assets	\$ 4,520,616	\$ 4,775,830	\$ 4,877,773	\$ 4,877,612	\$ 4,810,004	\$ 4,681,920	\$ 4,543,656	\$ 4,391,215	\$ 4,237,296	\$ 4,189,759

Source: Annual financial statements



Exhibit 123

Transit Agency Comparison (2017 NTD)

Transit Agency Comparison (2017 NTD)

Metric	Dallas (DART)	Boston (MBTA)	Denver (RTD)	Houston (METRO)	Los Angeles (LACMTA)	Philadelphia (SEPTA)	Portland (TRIMET)	San Diego (MTS)	St. Louis (METRO)
Service Area (Sq.Mi.)	698	3,244	2,342	1,306	1,419	839	378	720	558
Service Area Population	2,407,830	3,109,308	2,920,000	4,365,000	8,360,358	3,829,571	1,536,207	2,462,707	1,566,004
Annual Vehicles Revenue Miles (In Thousands)									
Bus	27,566	23,541	35,767	42,976	74,129	40,425	20,948	19,967	18,515
Heavy Rail	N/A	23,635	N/A	N/A	7,011	16,800	N/A	N/A	N/A
Commuter Rail	1,630	24,911	2,581	N/A	N/A	19,449	162	N/A	N/A
Light Rail	10,244	5,919	12,603	3,330	16,699	3,194	8,882	8,728	6,215
Demand Response	7,699	17,667	11,349	18,564	N/A	11,184	7,468	4,806	5,250
Annual Vehicles Revenue Hours (In Thousands)									
Bus	2,170	2,413	2,806	3,172	7,685	4,078	1,886	1,823	1,397
Heavy Rail	N/A	1,540	N/A	N/A	321	906	N/A	N/A	N/A
Commuter Rail	72	799	71	N/A	N/A	918	7	N/A	N/A
Light Rail	492	668	794	287	790	372	624	490	265
Demand Response	480	1,350	725	1,109	N/A	1,070	531	268	293
Annual Unlinked Trips (In Thousands)									
Bus	31,951	118,853	65,266	65,933	289,999	169,407	57,838	49,919	25,529
Heavy Rail	N/A	164,103	N/A	N/A	45,633	93,880	N/A	N/A	N/A
Commuter Rail	2,098	33,950	6,950	N/A	N/A	33,209	449	N/A	N/A
Light Rail	29,994	62,296	24,645	18,319	67,765	26,549	39,741	37,639	14,898
Demand Response	869	1,985	1,215	1,670	N/A	1,704	1,018	636	551
Fixed Guideway Directional Route Miles									
Bus	0	38.1	2.8	0	40.3	33	6.3	3	0
Heavy Rail	N/A	76.3	N/A	N/A	31.9	74.9	N/A	N/A	N/A
Commuter Rail	72.3	776.1	58.7	N/A	N/A	446.9	29.2	N/A	N/A
Light Rail	182.4	51	115.2	43.6	171.9	82.9	118.9	108.4	91.1
Vehicles Available/Operated for Maximum Service									
Bus	707/537	1359/827	1,078/867	1,233/1,002	2,348/1,883	1,454/1,223	658/550	621/512	395/318
Heavy Rail	N/A	432/336	N/A	N/A	104/68	361/286	N/A	N/A	N/A
Commuter Rail	32/23	480/436	66/20	N/A	N/A	404/350	6.0/4.0	N/A	N/A
Light Rail	162/106	219/156	172/159	76/54	196/181	159/122	143/116	130/97	87/58
Operating Expenses (In Thousands)									
Bus	\$260,332	\$467,577	\$327,515	\$395,608	\$1,198,459	\$643,994	\$261,867	\$166,398	\$155,918
Heavy Rail	N/A	\$355,050	N/A	N/A	\$161,559	\$202,060	N/A	N/A	N/A
Commuter Rail	\$28,267	\$399,040	\$39,236	N/A	N/A	\$269,646	\$7,153	N/A	N/A
Light Rail	\$175,198	\$187,120	\$115,181	\$65,169	\$366,355	\$72,513	\$138,797	\$82,473	\$76,333
Demand Response	\$35,232	\$103,494	\$52,834	\$52,915	N/A	\$63,679	\$40,912	\$19,782	\$24,322
Fare Revenue (In Thousands)									
Bus	\$27,640	\$111,025	\$77,199	\$52,752	\$231,152	\$176,595	\$65,513	\$51,433	\$26,690
Heavy Rail	N/A	\$228,678	N/A	N/A	\$35,622	\$101,684	N/A	N/A	N/A
Commuter Rail	\$8,867	\$218,383	\$20,274	N/A	N/A	\$136,979	\$474	N/A	N/A
Light Rail	\$27,713	\$83,192	\$38,157	\$5,969	\$52,570	\$21,288	\$49,385	\$38,968	\$15,373
Demand Response	\$2,243	\$6,071	\$5,066	\$2,335	N/A	\$13,527	\$8,887	\$2,878	\$2,620

SOURCE: 2017 National Transit Database Agency Profiles

NOTE: Fixed Guideway Directional Route Miles is reported as the mileage in each direction over which public transportation vehicles travel while in revenue service on fixed guideway (including HOV lanes), or exclusive Right-of-Way.

G. DART's Economic Environment

DART periodically contracts with the Center for Economic Development and Research at the University of North Texas to perform a study of the economic and fiscal impacts of capital and operating spending by DART. The following is the most recent study which was released in May 2017. This study is shown below and is located on DART.org.

The Economic and Fiscal Impacts of Development near DART Stations



PREPARED FOR DALLAS AREA RAPID TRANSIT

**PREPARED BY
MICHAEL C. CARROLL, PH.D.
CHRISTOPHER CARLYLE
MICHAEL SEMAN, PH.D.**

SECTION I: ECONOMIC AND FISCAL IMPACTS OF THE DART LIGHT RAIL SYSTEM: 1999 - 2013

INTRODUCTION

Since 1996, the DART Light Rail Transit (LRT) system has moved millions of people and sparked billions of dollars in development in the Dallas-Fort Worth economy. Since 1999, the University of North Texas and DART have partnered to derive the economic impacts of development near light rail stations. As noted, numerous times below, property values near DART LRT stations far exceed and grow much faster than those in similar areas without a light rail station. As DART celebrates the 20th anniversary of opening its light rail system in DFW, the Economics Research Group (formerly The Center for Economic Development and Research, CEDR) at the University of North Texas has compiled a review of the six studies done from 1999 to 2013. The purpose of this study is to merge all former UNT-DART studies and derive a comprehensive dollar value of properties near DART LRT stations since inception.

REVIEW OF ECONOMIC IMPACT STUDIES

The Initial Economic Impacts of the DART LRT System (1999)

In 1999, this office began the collaboration between UNT and DART. This first study concentrated on the change in property values, occupancy and rental rates, and retail sales of properties located near DART LRT stations from 1994 to 1998.

The study first compared nearly 700 commercial and residential property values within a quarter-mile¹ of 15 DART LRT stations with 160 properties in eight comparable areas. These comparable areas were deemed similar in both usage and neighborhood characteristics as those properties near DART stations. As seen from Table 1, retail property values increased 12.39% for those near DART stations compared with 7.79% for the comparable areas. Office property values rose substantially around DART stations, almost 29% compared with similar areas, where property values rose only slightly over 6%. Combining all properties studied, those near DART LRT stations on average increased nearly 16% compared with other properties, which rose just under 13%. Despite residential and vacant properties, the results of Table 1 show that proximity to DART LRT stations increased property values at an overall faster clip.

Table 1: Average Percent Change in Total Property Values (1994 – 1998)						
	Retail	Office	Residential	Industrial	Vacant	All Properties
Near DART LRT	12.39%	28.97%	11.02%	3.79%	-5.12%	15.98%
Comparable Areas	7.79%	6.32%	16.17%	0.0%	26.38%	12.86%

The 1999 study also looked at the change in rental and occupancy rates for office buildings, community and neighborhood centers, shopping malls, retail strips, and industrial properties over the same time period. Table 2 shows these changes. Rental rates per square foot for properties analyzed increased at least 20% for 5 out of the eight different property types. Moreover, occupancy rates for the different classes of office buildings were positive over the five-year period.

Table 2: Average Percent Change in Occupancy & Rental Rates (1994 – 1998)								
	Class A	Class B	Class C	Community	Neighborhood	Shopping	Retail	
	Office	Office	Office	Centers	Centers	Mall	Strip	Industrial
Rent/SF	47.4%	40.4%	20.9%	17.2%	6.25%	20%	18.4%	27.35%
Occupancy	10.4%	6.73%	3.5%	-2.12%	0.83%	0.81%	4.17%	15.99%

Finally, the 1999 study also looked at changes in gross retail sales in the Dallas Central Business District (CBD). Researchers used four DART LRT stations in the Dallas CBD, West End, Akard, St. Paul and Pearl/Arts District, and observed how retail sales changed since the opening of the DART light rail service. As can be seen from Table 3, gross retail sales increased 36.2% from the year beginning third quarter of 1997 when compared with the year beginning third quarter 1996. The change in gross retail sales for the rest of the city of Dallas was only 3.6% for the same time frame, according to the Texas Comptroller of Public Accounts.

Table 3: Changes in Gross Retail Sales, Dallas CBD (1996 – 1998, \$s in millions)				
Quarter	Amount	Quarter	Amount	Percent Change
2Q 98	\$202.3	2Q 97	\$113.2	78.7%
1Q 98	\$197.2	1Q 97	\$109.9	79.4%
4Q 97	\$177.5	4Q 96	\$169.2	4.9%
3Q 97	\$146.2	3Q 96	\$138.7	5.4%
Total	\$723.2		\$531	36.2%

Source: Texas Comptroller of Public Accounts

An Assessment of the DART LRT on Taxable Property Valuations and Transit-Oriented Development (2002)

In the analysis published in 2002, researchers at UNT again looked to the changes in property values for properties immediately surrounding DART LRT stations. The new study used only properties within a quarter mile from the stations, and similar to the previous study, a set of control properties to compare against. Unlike the previous study, this study focused on changes in median property values rather than averages.

The findings from this analysis confirmed results from the previous study: close proximity to DART stations have a positive impact on property values. Moreover, the authors asserted that “DART rail is an amenity-enhancing service most keenly affecting the market values of properties where people live and where there are comparatively high concentrations of [office] jobs.” The largest changes came from office properties, where those near DART stations saw a 24.7% increase in median property values compared with only an 11.5% increase from the control group. Residential properties also saw a substantial increase: 32.1% for properties within a quarter mile of DART stations versus a 19.5% increase in the control group. All changes to the different property types can be seen in Table 4.

Table 4: Changes in Median Property Values (1997 – 2001)					
	Retail	Office	Residential	Industrial	Vacant
Near DART LRT	28.3%	24.7%	32.1%	13.0%	11.1%
Control	30.4%	11.5%	19.5%	21.5%	0.0%

The Estimated Value of New Investment Adjacent to DART LRT Stations: 1999 – 2005

In 2005, almost a decade after the light rail began operating, the same office at UNT presented another study for DART LRT stations, but with a different approach. This study looked at newspaper articles and other community announcements about development within a quarter-mile proximity of DART stations. The announcements were categorized by station and aggregated to a total economic impact on the Dallas-Fort Worth economy (if property values were not announced in the articles, comparable figures were looked up at county appraisal districts).

The authors found that new investment with close proximity to DART stations had a total value of \$3.3 billion. The stations with the highest values in this report, Park Lane, Las Colinas and Mockingbird, continue to see investment and reinvestment to this day. Table 4A details these top three stations as well as the total impact of development near DART stations.

Table 4A: Estimated New Investment and Reinvestment of Selected Stations, Total (1999 – 09/2005)	
Station	Announced Development Value
Park Lane	\$610,000,000
Las Colinas	\$420,000,000
Mockingbird	\$270,000,000
Total	\$3,314,000,000

Assessment of the Potential Fiscal Impacts of Existing and Proposed Transit-Oriented Development in the DART Service Area (2007)

The following research done by this department again looks back at the property values surrounding DART stations since 1999 in tandem with the fiscal impacts of those property values. This report is an update of the previous. Methods used to acquire these property values were similar to the previous report (newspaper announcements for values and locations of development projects), but the authors of this report also utilized work in the field to identify projects not announced in local publications. The study found that values that could be directly attributed to the existence of a nearby DART station totaled \$4.26 billion, (values were excluded if the development would have occurred with or without the station, such as with a convenience store) as detailed in Table 5.

Table 5: Potential Fiscal Impacts of Existing & Proposed TOD	
Description	Value
Announced Value	\$ 4,902,800,000
Announced Value Attributable to DART	\$ 4,255,700,000
Cities (Annually)	
Taxable Property Value	\$ 2,843,779,000
Property Tax Revenues	\$ 16,785,000
Taxable Retail Sales	\$ 665,552,000
Sales Tax Revenues	\$ 6,656,000
Total Revenue to Cities	\$ 23,531,000
Total State and Local Tax Revenues	\$ 127,095,000

The results from this 2007 study update those done in the 2005 research. The value of properties near DART stations in the 2005 study (\$3.3 billion) increased nearly 50% in the 2007 study (\$4.9 billion) due to higher property values and more new development. While some of this increase

comes from properties that might have been overlooked in the 2005 study, overall development in the North Texas region increased in this time period as well, with an emphasis on transit-oriented development. The authors gave a favorable outlook for more development around DART stations when ridership and support for expansion were taken into account, and they anticipated that property values would continue to rise.

Economic and Fiscal Impacts of DART Light Rail System Buildout and System Operations (2009)

In 2009, DART was on the brink of finishing major extensions and opening new lines for the light rail system. The next study conducted by CEDR for DART looked at the capital projects in line with the completion of these DART lines as well as the projected impacts of operating expenditures for fiscal years 2009 and 2014.

In Table 6, the total impact of buildout of the Green Line and Orange Line, and extensions of the Blue Line are outlined. According to this report, expenditures for these lines totaled \$2.3 billion, which, when run through the economic input-output model, had a total economic impact of \$4.06 billion on the local economy. Additionally, these expenditures caused labor income in the area to increase by \$1.5 billion and the creation of over 32,000 jobs. Almost \$100 million in taxes were also generated from the spending on the completion of these DART light rail lines.

Table 6: Economic & Fiscal Impacts from DART System Buildout (All Lines)	
<i>Description</i>	<i>Impact</i>
Total Expenditures	\$2,337,000,000
Economic Activity	\$ 4,059,672,000
Labor Income	\$ 1,520,157,000
Employment	32,095
Other Property Income	\$ 432,140,000
Indirect Business Taxes	\$ 99,986,000

Moreover, this study aimed to estimate the operations spending in 2009 and 2014. DART operations spending supports other spending throughout the local economy despite DART's being a public entity. The spending helps to create direct impacts for local business and employees, as well as creating new jobs and subsequently, tax revenues. According to this 2009 report, DART spent \$411 million (Table 7) on operations, which include wages and salaries, goods, and services to support DART on a day-to-day basis. The operations spending, in turn, created a total economic impact of nearly \$544 million, almost 5,000 jobs and taxes above \$11 million. The paper also estimated what spending on operations might look like in 2014. This produced \$501 million of direct spending causing a total economic impact of \$663 million, over 5,300 jobs and taxes greater than \$13 million (Table 7).

Table 7: Economic and Fiscal Impacts of DART Operations		
Description	2009	2014
Total Expenditures	\$ 411,000,000	\$501,000,000
Economic Activity	\$ 543,984,000	\$663,106,000
Labor Income	\$325,921,000	\$412,013,000
Employment	4,955	5,327
Other Property Income	\$ 49,626,000	\$60,494,000
Indirect Business Taxes	\$ 11,289,000	\$13,760,000

Developmental Impacts of the DART Light Rail System (2013)

In the most recent study done by this office, property values surrounding DART stations were again compared against a set of control property values in similar locations. Like previous studies, the properties within close proximity to DART stations must have been within a quarter-mile radius of the station – a distance researchers agree yields a positive association with increased development. On top of this support for the quarter-mile distance, the authors conducted further analysis to verify its validity.

The analysis done in this study finds that, from 1996 to 2013, new development occurring within three years of the opening of a DART station (and still existing) had a value of \$1.5 billion compared with \$601 million for the control properties (Table 8). Similarly, the tax revenue generated from the DART station properties outpaced control properties by \$22 million (\$36 million for DART versus \$14 million for control).

Table 8: Estimated 2013 Property Values and Tax Contributions					
Property Type	Est. Value of All Properties		Est. Tax Contributions		Tax Differential
	DART	Control	DART	Control	
Industrial	\$23,473,050	\$19,481,050	\$556,311	\$461,701	\$94,610
Multi-Family	\$751,646,900	\$169,555,466	\$17,814,032	\$4,018,465	\$13,795,567
Office	\$224,798,649	\$45,121,010	\$5,327,728	\$1,069,368	\$4,258,360
Retail	\$393,286,515	\$300,039,538	\$9,320,890	\$7,110,937	\$2,209,953
Single Family	\$140,960,100	\$67,550,410	\$3,340,754	\$1,600,945	\$1,739,810
Total	\$1,534,165,214	\$601,747,474	\$36,359,716	\$14,261,415	\$22,098,300

The 2013 analysis then looked to announced values of upcoming planned and proposed development projects. As seen from Table 5 (page 7), the 2007 study found \$4.9 billion in existing and planned development. When this 2013 study was conducted, the authors found, as expected, that some properties slated for future development in the 2007 study were either paused or did not come to fruition, most likely because of the recession. In this analysis, when the properties were updated, planned and proposed developments near DART stations had a total value of \$3.8 billion. This summed together with the \$1.5 billion of existing property values above makes total property values since 1996 worth \$5.3 billion.

In the second section of the 2013 study, the authors looked at the effect of different office classes, ages of the structures, and whether the properties were within a quarter mile or between a quarter mile and a half-mile all on office lease rates. Regression analysis was used to estimate the effect of these variables. The most notable finding of this analysis shows that properties located within a quarter-mile of a DART station gained a \$2.61 statistically significant⁵ premium while controlling for office class and age of the building (Table 9). Furthermore, properties outside the quarter-mile radius did not attain the statistical significance nor the positive premium. This aligns with what has been studied in the literature and with the results of past studies done by this office.

Table 9: Regression Analysis of Office Lease Rates		
<i>Variables</i>	<i>Marginal Effect</i>	<i>P</i>
Constant	-36.47023	0.0010*
Class A Office	1.52042	0.0001*
Class B Office	1.03960	0.0001*
Year built	0.02577	0.0001*
Located Within 0.25 miles of station	2.61279	0.0001*
Located Within 0.5 miles of station	-0.25237	0.6170

**Statistically Significant at the 1% level*

CONCLUSION

UNT has conducted six economic impact studies of DART LRT stations from 1999 to 2013. These impact studies range from the change in rental rates over time to the aggregated value of properties surrounding DART LRT stations. Though different in methodologies, the studies done over the past 16 years document the positive effects property values derive from being located near a light rail station. Additionally, some studies highlight the substantial economic, fiscal and developmental impacts that result from capital and operational spending by DART.

In total, the value of properties within a quarter mile of DART LRT stations was \$5.3 billion as of 2013. What follows this summary of previous findings is the Economic Research Group's newest study of developmental impacts of properties near DART stations for 2014 and 2015.

SECTION II: THE ECONOMIC IMPACT OF PUBLIC PROJECTS AT DART STATIONS

This memorandum details the economic impact of public projects within a quarter mile of DART stations. The projects were not included in previous University of North Texas projects as the amounts were previously not available. The analysis in the memorandum covers projects that were developed from DART's early construction and therefore includes more projects completed in 2014-2015. This report excludes downtown stations because of their closeness to one another and the resulting overlap in the quarter-mile criteria.

SELECTED HIGHLIGHTS

- Public development had a property value of \$1.81 billion
- Public development produced an economic impact of \$3.36 billion for the Dallas-Fort Worth region
- Public development near DART stations created 20,741 construction jobs in the Dallas-Fort Worth region
- Public development created \$1.3 billion in employee compensation
- Public development generated \$105 million in state and local taxes, and \$278 million in federal tax revenue

METHODOLOGY

To understand how money being spent developing properties within a quarter mile of a DART station ripples through a regional economy, the first step is to define the region in question. This study uses the Dallas-Fort Worth region for analysis as its economy is strongly integrated. The U.S. Office of Management and Budget's (OMB) definition of the "Dallas-Fort Worth-Arlington Metropolitan Statistical Area" is used and the counties included are Collin, Dallas, Denton, Ellis, Hood, Hunt, Johnson, Kaufman, Parker, Rockwall, Somervell, Tarrant and Wise. Next, the values of the selected properties are placed into an Input/output economic model that examines how the money being spent on property development ripples through a regional economy. Input/output methodology allows for insight into forward and backward linkages that are present in any regional economy, highlighting how they add value to the initial dollar spent. The model – in this case facilitated by the IMPLAN software package – measures the total annual economic activity that results from inter- and intra-industry transactions.

IMPLAN is an industry standard Input/output tool used to calculate the direct, indirect and induced impacts of spending and employment. The model first breaks the economy into 536 separate sectors, with each sector representing an individual industry, and then it uses a sectoring scheme developed by the IMPLAN Group. This scheme is closely related to the Bureau of Economic Analysis (BEA) REIS model and is a 536 X 536 (row x column) matrix showing all the economic activity among the individual sectors. The entries in the matrix are based on the dollar amount that each industry sells to (and purchases from) other industries in a regional economy. It measures the amount of final consumption by the residents of the region as well as how much each industry exports from the area. The model uses data collected at the county level, which is obtained from the IMPLAN Group and the BEA. County data are in turn aggregated or "rolled up" to form service areas such as local regions, states or larger geographic regions, such as the Southwest. Input/Output models are able to estimate economic impacts because the flow of goods and services within an economic region is relatively stable. Predictions can be made of an industry's total economic impact by examining the purchasing patterns of the individual sectors. The BEA collects extensive data on these regional trade flows and reports its findings annually.

After the region is selected and the data on spending are entered, how the spending flows through the region and impacts it can be calculated. The three levels of spending impacts analyzed are direct, indirect and induced. The direct impact includes the purchases of resources (labor, goods

and services) by real estate developers, builders and construction companies for the completion of a project. The indirect impact occurs through industry-to-industry purchases made by regional suppliers. Finally, the induced impact reflects the change in household demand as the employees of real estate developers, builders and construction companies and the employees of their suppliers earn dollars for consumer spending. Therefore, the total impact to the economy is the summation of the direct, indirect and induced components. The indirect and induced portions are commonly known as the multipliers and their impacts often referred to as the “multiplier effect.” It shows how the initial (direct) spending gets multiplied through the economy. Calculating the multipliers based on the supplier relationships and employee consumption patterns is much more accurate than simple multiplier tables.

The effects that the three levels of impacts and related spending have on employment is also calculated in the IMPLAN economic model. Employment is the total number of full-time wage and salary employees, plus the number of self-employed workers in a particular industry. Part-time workers’ hours are aggregated into full-time equivalents (2,080 hours) and reported with the full-time workers. An IMPLAN economic model will draw from multiple sources of data to offer employment estimates. This is due to the differences in how employment data is gathered by varying government agencies. In general, because of nondisclosure rules, the employment figure reported by government agencies often underestimates true employment in a given county. In accordance with U.S. Code Title 13, Section 9, no datum is published that would disclose the operations of an individual employer or put an individual employer at an unfair disadvantage.

By carefully combining employment figures reported by the U.S. Department of Labor, Bureau of Economic Analysis, U.S. Census Bureau and Internal Revenue Service, a fairly comprehensive employment figure can be reconstructed. The raw data are then “sectored” into the appropriate North American Industry Classification System (NAICS) and, in turn, combined into the necessary industry vectors and IMPLAN matrices. The result of this process is a “total employment” impact figure that is a result of the three levels of economic impacts associated with the initial spending. An IMPLAN economic model also calculates employee compensation, which includes all salaries, wages and benefits paid to the industry’s employees resulting from the direct, indirect and induced employment impacts. The figure includes the proprietors’ income of self-employed people in the industry. The figures reported are gross amounts and taken from the IMPLAN data set.

Input/Output methodology and IMPLAN software allow one to leverage and integrate the enormous amount of data collected by government agencies. As such, a reliable model of how spending affects a regional economy can be developed. These models take into account not only how money is initially spent in the “direct” stage of an event, but also inter- and intra-industry transactions. These transactions establish forward and backward linkages in a regional economy during the “indirect” and “induced” stages. In addition to spending, these models also estimate the resulting change in employment. The end product is a comprehensive economic analysis of a given event and its effect on a region.

RESULTS

The following section reports the economic impact of public projects within a quarter mile of DART Light Rail stations. The table below details the direct, indirect, induced and total effects on employment, labor income, value added and output as a result of the development projects. These effects show the dollar amount of the output and employment impacts for development spending in the DFW area.

Public Project Impacts

Spending on public projects includes properties built for health care, city halls, school campuses and other public use properties. To correctly analyze the development spending impact, properties were held to a strict quarter-mile radius around DART stations. The dollar amounts and announcements were derived using information from The Dallas Morning News, Dallas Business Journal and other local sources. The property values have been cross-checked with the Dallas and Collin county central appraisal districts and verified using a third-party firm (Cushman & Wakefield). A list of the properties used follows (Table 1).

Table 1: Public Properties within 1/4 mile of DART Stations	
<i>Station</i>	<i>Project Name</i>
Irving Convention Center	Irving Convention Center
Mockingbird	Bush Library
Galatyn Park	Eisemann Center
Cedars	DCCCD District Office
	Dallas Police Headquarters
Downtown Plano	Courtyard Theater
Hatcher	Hatcher Station Health Center
Illinois	DART Police Station
Baylor Medical Center	Sammons Cancer Center
Downtown Rowlett	Rowlett City Hall
	Rowlett Public Library
SW Medical Center/Parkland	New Parkland Hospital
UNT Dallas	UNT Dallas

After making the appropriate adjustments, public property spending amounted to \$1,815,333,100. This direct impact generated an additional \$682,884,872 of indirect activity as contractors and construction firms purchased raw materials. Finally, the induced impacts amounted to \$858,142,497, which represents the spending of wages by employees of those suppliers in the study area. The total economic impact (summation of the direct, indirect and induced effects) from development spending within a quarter mile of DART stations amounts to \$3,356,360,469 as shown in Table 2.

Table 2: Impact Summary of Public Properties				
<i>Impact Type</i>	<i>Employment</i>	<i>Labor Income</i>	<i>Value Added</i>	<i>Output</i>
Direct Effect	12,046	\$739,317,390	\$938,939,188	\$1,815,333,100
Indirect Effect	3,206	\$239,001,840	\$374,503,750	\$682,884,872
Induced Effect	5,490	\$292,459,862	\$510,154,127	\$858,142,497
Total Effect	20,741	\$1,270,779,092	\$1,823,597,065	\$3,356,360,469

Also, from Table 2, the description of employment created by public development spending can be seen. The jobs created by the direct spending total 12,046. Additionally, indirect and induced effects generated 3,206 and 5,490 jobs, respectively. The total number of jobs created as a consequence of development of public properties amounts to 20,741. Moreover, value added, a measure that can be seen as gross regional product, shows how the development of public projects adds to the local economy. Total value added summed to \$1,823,597,065 for public projects.

Fiscal Impacts

The effects of public projects within a quarter-mile radius of DART stations generated a total of \$278,141,545 in federal tax revenue and \$105,302,562 in state and local taxes. For ease of comparison, the various federal, state and local taxes have been grouped into four categories: employee compensation-related taxes, production-related, household and corporate taxes. State and local and federal details are presented in Table 3.

Table 3: Tax Impacts of Public Properties		
<i>Description</i>	<i>Total State and Local Tax</i>	<i>Total Federal Tax</i>
Employee Compensation	\$1,342,609	\$112,220,297
Proprietor Income	N/A	\$10,570,114
Tax on Production and Imports	\$94,555,162	\$16,891,166
Households	\$9,096,993	\$105,446,215
Corporations	\$307,798	\$33,013,753
Total	\$105,302,562	\$278,141,545

SECTION III: THE ECONOMIC AND FISCAL IMPACTS OF DEVELOPMENT NEAR DART STATIONS 2014 – 2015

Executive Summary

The purpose of this document is to identify and calculate economic impacts of real estate development projects within a quarter-mile radius of DART light-rail stations. The study is a follow-up to the 2013 analysis completed by this office and analyzes development projects in 2014 and 2015. The values of all projects included in the analysis were determined through a combination of steps, including the use of their estimated values as published in the sources analyzed, cross-checking the properties with the Dallas and Collin county appraisal districts where possible, and augmenting all information with a review by analysts at Cushman & Wakefield. IMPLAN software was used to create an economic input-output model to measure the direct, indirect and induced impacts of the development projects on the Dallas-Fort Worth region.

Highlights

- A total of 27 private projects were announced in the two-year period, 16 of which were characterized as “Completed or Under Construction” and 11 as “Planned or Proposed.”
- Projects “Completed or Under Construction” are responsible for \$2.03 billion in total spending throughout the region supporting over 12,000 jobs paying \$703 million in salaries, wages and benefits.
- Projects “Completed or Under Construction” generated \$69 million in state and local tax revenue.
- Potential spending for projects “Planned or Proposed” could result in \$5.1 billion of total spending in the region, which would support over 31,000 jobs and pay almost \$2 billion.
- Potential spending for projects “Planned or Proposed” could generate \$160 million in state and local tax revenue.

Introduction

In 2013, our office examined the economic impacts associated with construction near DART rail stations. This study is a follow-up to that analysis and examines the impacts of projects that were proposed, planned, underway or completed near DART stations in 2014 and 2015. As with the previous study, construction activity is only considered if it took place within a quarter mile of a DART station. Further, this study does not include downtown stations. While our focus is only on projects within a quarter mile of a DART station, it is likely that the effects of station proximity spread beyond this impact zone.

Methodology and Data

The underlying data used for the calculation of impacts – the real estate development projects – were gathered through an ongoing review of publicly announced projects in publications such as The Dallas Morning News, Dallas Business Journal and assorted community newspapers and online resources. A total of 27 projects were identified, then organized by type and status of completion. First, details of the projects were examined, which helped assign them to one of four

categories: “Non-Residential,” “Multi-Family,” “Single-Family,” and “Health Care.” The next step was to establish their stage of completion. Of the total number of projects, 16 were assessed as “Completed or Under Construction” and 11 as “Planned or Proposed.” Intermittent consultation with a DART representative over the two-year period helped refine what emerged as a database of properties proposed, planned, underway or completed during 2014 and 2015. The values of all projects included in the database were determined through a combination of steps, including the use of their estimated values as published in the sources analyzed, cross-checking the properties with the Dallas and Collin county appraisal districts where possible, and augmenting all information with a review for accuracy by commercial real estate analysts.

To understand how the effects of development projects constructed within a quarter mile of DART stations ripple throughout the economy of the Dallas-Fort Worth region, IMPLAN was used to create economic models based on the spending data provided. To better understand this process, a brief look at how impacts are calculated for the development of a property is helpful. Direct effects are the result of the money initially spent in the region by real estate developers, builders and construction companies for the completion of a project. This includes money spent to pay employee salaries, purchase supplies and maintain other operating expenses. Indirect effects are the result of business-to-business transactions. When suppliers to the companies driving the development (e.g., an accounting firm) purchase services or supplies, they create the indirect effect. When the employees of the real estate developers, builders, construction companies and their suppliers spend their income, this causes the induced effect. If the sum of all the activity from direct, indirect and induced impacts is greater than the combined spending of the developer, this is referred to as the multiplier effect. For more detail concerning how the economic impacts were calculated in this study, please see Appendix A.

Results

What follows are descriptions of the economic and fiscal impacts for “Projects: Completed and Under Construction” and “Projects: Planned or Proposed.” It should be noted that the economic impacts for projects not yet in the construction phase are offered as economic scenarios of what may happen if the projects in question come to fruition. It is reasonable to assume that some of the projects planned or proposed may never make it to the construction phase. It is also important to keep in mind that while dollar values are associated with projects as they are announced, once reaching the construction phase projects may be expanded or contracted in scale and material costs may have fluctuated from initial projections. These uncertainties can result in direct spending on a project that is higher or lower than previous expectations.

Projects: Completed or Under Construction — Total

Construction activity within a quarter mile of DART rail stations in 2014 and 2015 resulted in significant economic activity for the Dallas-Fort Worth region. The projects either in the construction phase or completed in this time frame resulted in over \$986 million in direct spending and a total economic impact of \$2.03 billion for the region. This activity created more than 12,000 construction-related jobs paying almost \$69 million in salaries, wages and benefits (Table 1).

Table 1. Projects: Completed or Under Construction, 2014 – 2015	
Description	Impact
Direct Impact	\$986,175,066
Total Impact	\$2,030,315,970
Labor Income	\$703,717,303
Employment	12,157
State and Local Taxes*	\$69,232,886
* Includes state and local sales and use taxes, property taxes, and license and permit fees. Source: IMPLAN	

When the projects are grouped together according to function, further insight is gained concerning the economic effects of differing types of development.

Projects: Completed or Under Construction — Non-Residential

Impacts generated by activity in the non-residential sector are the largest out of all the sectors. The non-residential sector includes office buildings, retail stores, hotels, training facilities, mixed-use developments and public projects such as libraries, convention centers and police headquarters. Direct spending of \$181 million on non-residential real estate development projects resulted in a total economic impact of \$336 million for the Dallas-Fort Worth region. This activity supported just over 2,000 construction-related jobs paying \$127 million in salaries, wages and benefits. State and local fiscal impacts amounted to \$10.5 million (Table 2).

Table 2. Projects: Completed or Under Construction – Non-Residential, 2014 - 2015	
Description	Impact
Direct Impact	\$181,752,260
Total Impact	\$336,040,875
Labor Income	\$127,231,184
Employment	2,077
State and Local Taxes*	\$10,542,958
* Includes state and local sales and use taxes, property taxes, and license and permit fees. Source: IMPLAN	

Projects: Completed or Under Construction — Multi-Family Residential Impacts

The multi-family residential sector includes apartment complexes and multi-family residential units within a quarter mile radius of DART stations. Multi-family residential projects were directly responsible for \$796 million in direct spending, creating significant indirect and induced impacts for a combined total impact of over \$1.6 billion. This activity supported almost 10,000

construction-related jobs paying \$570 million in salaries, wages and benefits. State and local taxing entities received \$58 million as a result of these development projects (Table 3).

Table 3. Projects: Completed or Under Construction – Multi-Family Residential, 2014 – 2015	
Description	Impact
Direct Impact	\$796,422,799
Total Impact	\$1,678,363,786
Labor Income	\$570,754,859
Employment	9,980
State and Local Taxes*	\$58,132,516
* Includes state and local sales and use taxes, property taxes, and license and permit fees. Source: IMPLAN	

Projects: Completed or Under Construction — Single-Family Residential

The single-family residential sector showed the weakest economic impact out of the categories analyzed. A total of \$8 million in spending provided a modest \$15 million in total economic impacts for the Dallas-Fort Worth region. This activity facilitated 101 construction-related jobs paying \$5.7 million in wages, salaries and benefits. State and local tax revenues from single-family residential development are also comparably low, with \$557,412 reaching city and state coffers (Table 4).

Table 4. Projects: Completed or Under Construction – Single-Family Residential, 2014 – 2015	
Description	Impact
Direct Impact	\$8,000,000
Total Impact	\$15,911,309
Labor Income	\$5,731,266
Employment	101
State and Local Taxes*	\$557,412
* Includes state and local sales and use taxes, property taxes, and license and permit fees. Source: IMPLAN	

Projects: Planned or Proposed — Totals

As the spending for projects under construction or completed suggests, real estate development has recovered from the 2007-2009 recession in the Dallas-Fort Worth region. In addition, the region is one of the fastest-growing nationwide in terms of population and continues to be the destination for corporate relocations.^{6 7} As a result, many real estate development projects were proposed or in the planning stages in 2014 and 2015 that fall within a quarter-mile of DART rail stations. To gain perspective of the magnitude of these projects and their potential impacts on the

Dallas-Fort Worth region, the reported details (e.g., square footage, construction value, use classification) of 11 projects were captured from various media outlets, placed into a database, then verified by a third party to ensure accuracy of the media reports.

The estimated value of the 11 projects either in the planning stages or proposed in 2014 and 2015 offers potential for significant economic impact on the Dallas-Fort Worth region. Potential direct spending of \$2.7 billion to complete the projects in question would result in potentially \$5.1 billion in total economic impact for the region. This activity would create more than 31,000 jobs paying almost \$2 billion in salaries, wages and benefits and generate \$160 million in state and local tax revenues (Table 5).

Table 5. Projects: Planned or Proposed, 2014 - 2015	
Description	Impact
Direct Impact	\$2,746,789,671
Total Impact	\$5,103,459,207
Labor Income	\$1,924,425,687
Employment	31,490
State and Local Taxes*	\$160,779,265
* Includes state and local sales and use taxes, property taxes, and license and permit fees. Source: IMPLAN	

As with projects that are completed or under construction, when the projects are grouped together according to function, further insight is gained concerning the potential economic effects. Unlike projects that are completed or under construction, projects proposed or already in the planning stages are less varied in scope and fall into the “Non-Residential” and “Multi-Family” categories.

Projects: Planned or Proposed — Non-Residential

The office buildings, mixed-use developments, public projects and more that are proposed or in the planning stages are estimated to provide \$2.6 billion in direct spending, which would result in a total economic impact of almost \$5 billion for the Dallas-Fort Worth region. This activity would provide for just over 30,000 construction-related jobs paying over \$1.8 billion in salaries, wages and benefits. State and local fiscal impacts would amount to close to \$154 million (Table 6).

Table 6. Projects: Planned or Proposed – Non-Residential, 2014 - 2015	
Description	Impact
Direct Impact	\$2,650,329,668
Total Impact	\$4,900,181,530
Labor Income	\$1,855,297,812
Employment	30,281
State and Local Taxes*	\$153,738,452
* Includes state and local sales and use taxes, property taxes, and license and permit fees. Source: IMPLAN	

Projects: Planned or Proposed — Multi-Family Residential Impacts

If fully realized, the apartment complexes and multi-family residential units planned or proposed within a quarter-mile radius of a DART station may result in \$96 million in direct spending and \$203 million of total economic impact. This activity would support 1,208 construction-related jobs paying nearly \$69 million in salaries, wages and benefits. State and local taxing entities would receive \$7 million in revenues if these development projects were completed (Table 7).

Table 7. Projects: Planned or Proposed – Multi-Family, 2014 - 2015	
Description	Impact
Direct Impact	\$96,460,004
Total Impact	\$203,277,677
Labor Income	\$69,127,875
Employment	1,208
State and Local Taxes*	\$7,040,811
* Includes state and local sales and use taxes, property taxes, and license and permit fees. Source: IMPLAN	

Conclusion

The Dallas-Fort Worth region's economy weathered the recessionary period between 2007 and 2009 better than most metropolitan regions in the United States. The substantial development within a quarter mile of DART stations analyzed in our last report attests to the region's economic health. The current building boom the region is experiencing is reflected in the number of projects "Completed or Under Construction" while the continued health and growing strength of the region's economy is portrayed in the billions of dollars of projects currently in the planning stages or being proposed.

As this office has done over the past 16 years, the total values of properties near DART stations has been aggregated over the 2014-2015-time period. In Table 8, we add to this the values found in Section II of this report for public projects, as well as Section I values from previous studies. Over the 2014-2015-time period, the total property values, including "Completed or Under Construction" and "Planned or Proposed," summed to \$3.7 billion. When added to the previous totals, total property values near DART stations amount to \$10.8 billion (Table 8).

Table 8. Total Property Values 1999 - 2015	
1999-2013: Private	\$5,300,000,000
1999-2015: Public	\$1,800,000,000
2014-2015: Private	\$3,700,000,000
Total Property Value	\$10,800,000,000

The trend to develop properties near light rail stations extends across the nation. Connectivity and multimodal access are increasingly important in a Texas that is rapidly urbanizing – this is especially true in the Dallas-Fort Worth region. The 27 projects completed, under construction, planned or proposed represent not only the region's commitment to multimodal transportation options and an urban landscape that reflects the importance of those options, but billions of dollars in economic activity and tens of thousands of jobs throughout the region.



H. DART FACTS

Dallas Area Rapid Transit (DART) is a regional transit agency authorized under Chapter 452 of the Texas Transportation Code and was created by voters and funded with a one-cent local sales tax on August 13, 1983. The service area consists of 13 cities: Addison, Carrollton, Cockrell Hill, Dallas, Farmers Branch, Garland, Glenn Heights, Highland Park, Irving, Plano, Richardson, Rowlett, and University Park.

DART has the longest light rail system in the U.S. Please see inside the back cover of this document for a map of our light rail system, and the *Who We Are Section* for a map of our service area. Exhibit 125 provides general information about DART.

Exhibit 124 DART Fast Facts

SECTION	FASTFACTS		
2.0 AGENCY OVERVIEW			
<ul style="list-style-type: none">• 15 Board Members• 13 participating cities providing 1 cent sales tax	<ul style="list-style-type: none">• FY18 sales tax revenue \$595.6 million• 700 square mile Service Area• Service Area population 2.6 million (2018 NCTCOG)	<ul style="list-style-type: none">• 16-county region population 7.4 million (2018 NCTCOG)• 3,816 employees (FY18)• Contracted service with Mesquite	
3.0 RIDERSHIP			
MODE	FY18 ANNUAL		FY18 AVERAGE WEEKDAY
Bus	30.2 million		100,800
Light Rail	28.9 million		93,400
Commuter Rail	2.0 million		7,000
Paratransit	819,200		2,860
Vanpool	596,000		2,300
Total System	62.5 million		206,560

Exhibit 124 DART Fast Facts (cont.)

4.0 OPERATIONS AND PERFORMANCE (FY18)		
<ul style="list-style-type: none"> • Annual Bus Revenue Miles – 25,512,309 • Annual Demand Response Revenue Miles – 8,257,777 • Annual LRT Revenue Car Miles – 10,250,759 • Annual Commuter Rail Revenue Car Miles – 1,627,050 	Service Quality-On-Time Performance <ul style="list-style-type: none"> • Bus 82.5% • LRT 92.3% • TRE 97.4% 	<ul style="list-style-type: none"> • Subsidy per Passenger – Total System \$6.93 • Subsidy per Passenger – Fixed Route \$6.51
5.0 FLEET OVERVIEW		
BUS	LIGHT RAIL	COMMUTER RAIL
<ul style="list-style-type: none"> • 475 NABI Transit (CNG) Buses <ul style="list-style-type: none"> ◦ Vehicle length: 30 feet and 40 feet ◦ Capacity: Up to 37 seats • 123 Arboc Buses (CNG) <ul style="list-style-type: none"> ◦ Vehicle length: 26 feet ◦ Capacity: 17 seats • 46 New Flyer (CNG) <ul style="list-style-type: none"> ◦ Vehicle length: 40 feet ◦ Capacity: 39 	<ul style="list-style-type: none"> • 163 Kinkisharyo Super LRVs <ul style="list-style-type: none"> ◦ Vehicle length: 123' 8" ◦ Capacity: 94 seated/274 crush (165 peak per DART policy) 	<ul style="list-style-type: none"> • 9 TRE locomotives <ul style="list-style-type: none"> ◦ Vehicle length: 58' 2" • 17 bi-level coaches <ul style="list-style-type: none"> ◦ Vehicle length: 85 feet ◦ Capacity: 152 seats • 8 bi-level cab cars <ul style="list-style-type: none"> ◦ Vehicle length: 85 feet ◦ Capacity: 132 to 138 seats
	PARATRANSIT	
	<ul style="list-style-type: none"> • 80 Starcraft <ul style="list-style-type: none"> ◦ Vehicle length: 22 feet ◦ Capacity: 6-10 seated/2-3 wheelchair • Non-dedicated fleet of 116 Braun entervans 	DALLAS STREETCAR <ul style="list-style-type: none"> • 4 Dual-Mode Brookville Equipment Corporation <ul style="list-style-type: none"> ◦ Vehicle length: 66' 5" ◦ Capacity: 36 seats
	NON REVENUE VEHICLE	
	<ul style="list-style-type: none"> • 735 vehicles 	

Exhibit 124 DART Fast Facts (cont.)

SECTION	FAST FACTS	
6.0 FACILITIES		
BUS	LIGHT RAIL	COMMUTER RAIL
<ul style="list-style-type: none">• 11,086 bus stops• 1,229 shelters, 56 enhanced shelters, 1,442 benches• 14 bus transit centers/transfer centers/transfer locations/park-and-rides• 3 maintenance and operations facilities	<ul style="list-style-type: none">• 64 stations – 52 at-grade, 9 aerial, 2 below-grade, 1 tunnel• 2 maintenance and operations facilities	<ul style="list-style-type: none">• 10 stations (5 in DART Service Area)• 1 maintenance and operations facility
7.0 INFRASTRUCTURE		
<ul style="list-style-type: none">• Dallas Streetcar (City of Dallas owned)• 2.4 miles• 6 stations	<ul style="list-style-type: none">• 93 LRT miles• 64 LRT stations• 3.2 miles in tunnel	<ul style="list-style-type: none">• 33.8 TRE miles• 10 TRE stations
8.0 OPERATING AND CAPITAL BUDGET (FY19)		
<ul style="list-style-type: none">• \$291.5 million Capital and Non-Operating Budget• \$544.3 million Operating Budget• \$628.1 million Sales Tax Revenue	FAREBOX RECOVERY <ul style="list-style-type: none">• Bus 9.8%• Light Rail 17.7%• Commuter Rail 29.6%• Total 19.0%	BUDGET SUBSIDY PER PASSENGER <ul style="list-style-type: none">• Bus \$8.28• Light Rail \$5.11• Commuter Rail \$8.89• Paratransit \$44.97• Vanpool \$(0.30)
9.0 RAIL EXPANSION PROGRAM		
<ul style="list-style-type: none">• Future projects in planning, design, or construction:<ul style="list-style-type: none">• Red/Blue Line platform modifications (Construction Starts 2019)• Cotton Belt Regional Rail Project (Design/Build Starts 2019)• D2 Subway Second CBD Alignment (Planning/Design Underway)• Dallas Streetcar Central Link (Planning/Design Starts 2019)• Dallas Streetcar Loop - Extension 2 (Planning/Design Starts 2019)		
10.0 ECONOMIC AND FISCAL IMPACTS		
<ul style="list-style-type: none">• Existing, under construction and planned developments around DART stations total \$10.8 billion.• Several studies are available on www.DART.org/economicdevelopment that assess economic and fiscal impacts of DART.		



DART currently consists of the following member jurisdictions: Addison, Carrollton, Cockrell Hill, Dallas, Farmers Branch, Garland, Glenn Heights, Highland Park, Irving, Plano, Richardson, Rowlett, and University Park. The DART Service Area is approximately 700 square miles and includes approximately 2.3 million people. Exhibit 126 contains population and employment breakdown by city.

Exhibit 125
Population and Employment (Service Area & Region)

City	Population 2010 Census	Population 2019 NCTCOG Forecast	% Population Change	Employment 2010 Census
Addison	13,056	15,790	20.9%	54,500
Carrollton	119,097	136,170	14.3%	77,600
Cockrell Hill	4,193	4,190	-0.1%	750
Dallas	1,197,816	1,301,970	8.7%	1,158,500
Farmers Branch	28,616	31,780	11.1%	119,000
Garland	226,876	237,270	4.6%	107,000
Glenn Heights	11,278	11,680	3.6%	1,350
Highland Park	8,564	8,500	-0.7%	2,500
Irving	216,390	240,420	11.1%	219,500
Plano	259,841	284,070	9.3%	135,400
Richardson	99,223	113,710	14.6%	120,500
Rowlett	56,199	59,300	5.5%	11,200
University Park	23,068	22,910	-0.7%	9,700
Total Service Area	2,264,217	2,467,760	9%	2,017,500
16-County NCTCOG Region	6,539,950	7,390,080	13%	4,006,300

Sources: 2010 Census and North Central Texas Council of Governments (NCTCOG) 2019 population estimates.



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I. GLOSSARY

A

Accessible – As defined by FTA, a site, building, facility, or portion thereof that complies with defined standards and that can be approached, entered, and used by persons with disabilities.

Accessible Service – A term used to describe service that is accessible to non-ambulatory riders with disabilities. This includes fixed-route bus service with wheelchair lifts or paratransit service with wheelchair lift-equipped vehicles.

Accidents per 100,000 Miles – Measures vehicle accidents reported (Bus, Light Rail, TRE and Paratransit) per 100,000 miles of actual fixed route mileage. Management's objective is to reduce this ratio.

$$\text{Calculation} = [(\text{Vehicle Accidents} / \text{Actual Mileage}) * 100,000]$$

Accounting Basis – DART uses the accounting principles and methods appropriate for a government enterprise fund. Financial statements are prepared on the accrual basis of accounting under which revenues and expenses are recognized when earned or incurred.

Accrual Method of Accounting – An accounting method that measures the performance and position of a company by recognizing economic events in the period they occur regardless of when cash transactions occur (i.e., recognize revenue in the period in which it is earned rather than when the cash is received and recognize expenses when incurred rather than when cash is paid).

ADA (The Americans with Disabilities Act of 1990) – This federal act requires changes to transit vehicles, operations, and facilities to ensure that people with disabilities have access to jobs, public accommodations, telecommunications, and public services, including public transit.

ADA Paratransit Service – Non-fixed-route paratransit service utilizing vans and small buses to provide pre-arranged trips to and from specific locations within the service area to certified participants in the program.

Administrative Ratio – Measures administrative costs as a percentage of direct operating costs. It is management's objective to reduce this ratio. Administrative costs include (but are not limited to) executive management, finance, purchasing, legal, internal audit, human resources, marketing, board support, and administrative services. Administrative revenues include (but are not limited to) advertising revenue.

$$\text{Calculation} = [(\text{Administrative Costs} - \text{Administrative Revenues}) / (\text{Direct Costs} + \text{Start-up Costs})]$$

Ambulatory Disabled – A person with a disability that does not require the use of a wheelchair. This would describe individuals who use a mobility aid other than a wheelchair or have a visual or hearing impairment.

American Recovery and Reinvestment Act (ARRA) – The American Recovery and Reinvestment Act was signed into law by President Barack Obama on February 17, 2009. ARRA included appropriations and tax law changes totaling approximately \$787 billion to support government-wide efforts to stimulate the economy. Goals of the statute include the preservation or creation of jobs and the promotion of an

economic recovery, as well as the investment in transportation, environmental protection, and other infrastructure providing long-term economic benefits.

Arbitrage – Investment earnings representing the difference between interest paid on bonds and the interest earned on the investments made using bond proceeds.

Average Fare (calculated by mode) – Represents the average fare paid per passenger boarding on each mode of service during the period.

Calculation = (Modal Passenger Revenue - Commissions & Discounts) / (Modal Passenger Boardings)

Average Weekday Ridership – The average number of passenger boardings on a weekday. This measurement does not include ridership on Saturdays, Sundays, or holidays.

B

Balanced Budget – A budget in which projected revenues equal projected expenses during a fiscal period.

Bond Refinancing/Refunding – The redemption (payoff) and reissuance of bonds to obtain better interest rates and/or bond conditions. This results in the defeasance of the earlier debt. See also *Defeasance*.

Bus Rapid Transit (BRT) – BRT combines the quality of rail transit and the flexibility of buses. It can operate on exclusive transitways, High Occupancy Vehicle (HOV) lanes, expressways, or ordinary streets. A BRT system combines intelligent transportation systems, technologies, transit signal priority (TSP), cleaner and quieter vehicles, rapid and convenient fare collection, and integration with land use policies.

C

Capital – Funds that finance construction, renovation, and major repair projects or the purchase of machinery, equipment, buildings, and land.

Capital Expenditure – A cost incurred to acquire a new asset or add capacity/improve the functionality of an existing asset or extend the useful life of an existing asset beyond its original estimated useful life. The asset will have an expected life of one or more years and a value of \$5,000 or more.

Car Mile or Vehicle Mile – A single bus, rapid transit car, light rail vehicle, or commuter rail car traveling one mile.

CAFR – Comprehensive Annual Financial Report. It includes audited financial statements, financial notes, and related materials.

Certified Riders – Passengers who have been deemed eligible for Paratransit services because their disability inhibits them from functionally accessing fixed route services. Eligibility is determined in accordance with the criteria outlined in the Americans with Disabilities Act of 1990.

CMAQ – Congestion Mitigation and Air Quality. A federal program to fund transportation projects that will contribute to the attainment of national ambient air quality standards.

Complaints per 100,000 Passengers – Modal quality ratio that measures the number of service complaints per 100,000 passenger boardings (or per 1,000 boardings for Paratransit). Management's objective is to reduce this ratio.

$$\text{Calculation} = [(\text{Service Complaints Received} / \text{Modal Passenger Boardings}) * 100,000]$$

Cost per Revenue Mile – Efficiency ratio that measures the cost of providing a revenue mile of service. This measurement is based on fully loaded costs and excludes operating revenues. Management's objective is to reduce this ratio.

$$\text{Calculation} = [\text{Total Operating Expenses} / \text{Revenue Miles}]$$

Crimes against persons – Monitoring provides an overview of patron safety by detailing the frequency of crimes that occur on the DART system. Management's objective is to reduce this ratio.

$$\text{Calculation} = [\text{Crimes Against Persons} / \text{Total Incidents}]$$

Crimes against property – Monitoring provides an overview of the safety of our customer's property. Management's objective is to reduce this ratio.

$$\text{Calculation} = [\text{Crimes Against Property} / \text{Total Incidents}]$$

D

Debt Service – The payment of interest and the repayment of principal on long-term borrowed funds according to a predetermined schedule.

Debt Service Coverage – The measure of the Agency's ability to meet debt service payments. It is a ratio of cash flows to debt service requirements. See also *External Coverage Ratio* and *Internal Coverage Ratio*.

Defeasance of Bonds – The redemption of older higher-rate debt prior to maturity usually with replacement by new securities bearing lower interest rates.

Demand Responsive – Paratransit passengers call to request service; therefore, that service is provided on demand, and is considered to be demand responsive, rather than scheduled service. In addition, DART provides some non-traditional demand responsive service that may not be Paratransit related, such as DART OnCall.

Depreciation – Expiration in the service life of fixed assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy, and obsolescence. The portion of the cost of a fixed asset, other than a wasting asset, charged to expense during a particular period.

E

Enterprise Fund – Gives the flexibility to account separately for all financial activities associated with a broad range of government services. It establishes a separate accounting and financial reporting mechanism for services for which a fee is charged. Revenues and expenses of the service are segregated into a fund with financial statements separate from all other activities.

Express Bus or Route – A suburban or intercity route that operates a portion of the route without stops or with a limited number of stops.

External Coverage Ratio – The ratio of gross sales tax revenues to annual debt service. DART standards (and the financial markets in general) require that this ratio be at least two.

F

Farebox Recovery Ratio – The proportion of operating cost that is generated by passenger fares.

$$\text{Calculation} = [\text{Modal Farebox Revenue} / \text{Modal Operating Expense}]$$

Farebox Revenue – All revenue from the sale of passenger tickets, passes, or other instruments of fare payment.

Fares – The amount charged to passengers for use of various services.

FAST Act – Fixing America’s Surface Transportation Act – FAST Act was signed into law in December 2015 to provide funding for surface transportation.

FEMA – Federal Emergency Management Agency – An agency of the U.S. Department of Homeland Security. This agency provides grant money to transit systems under the Freight Rail Security Grant Program and other such programs.

FTA (Federal Transit Administration) – The FTA is the federal agency that helps cities and communities provide mobility to their citizens. Through its grant programs, FTA provides financial and planning assistance to help plan, build, and operate bus, rail, and paratransit systems.

Fiscal Year – DART’s fiscal year is from October 1 through September 30 of the following year.

Fixed-Route Service – Service that operate according to fixed schedules and routes (for DART that service is bus, light rail, commuter rail, and streetcar).

Formula Grant – Allocations of federal funding to states, territories, or local units of government determined by distribution formulas in the authorizing legislation and regulations. To receive a formula grant, the entity must meet all the eligibility criteria for the program, which are pre-determined and not open to discretionary funding decisions.

Formula grants typically fund activities of a continuing nature and may not be confined to a specific project. Common elements in formulas include population, proportion of population below the poverty line, and other demographic information.

Full Funding Grant Agreement (FFGA) – The Federal Transit Administration uses a FFGA to provide financial assistance for new start projects and other capital projects. The FFGA defines the project, including cost and schedule, commits to a maximum level of federal financial assistance (subject to appropriation), covers the period of time for the project, and helps to manage the project in accordance with federal laws and regulations. The FFGA assures the grantee of predictable federal financial support for the project while placing a ceiling on the amount.

Full-Time Equivalent – A measurement equal to one staff person working a full-time work schedule for one year (2,080 hours).

Fund Balance – The difference between a fund’s assets and liabilities (also called Fund Equity). Often this term refers to moneys set aside or earmarked for future needs. DART uses “reserves” as well as “funds” to ensure resources are available for anticipated and unanticipated needs. See **Funds and Fund Balances** at the end of the Twenty-Year Financial Plan portion of this document for yearly amounts, and Board-adopted financial policies regarding funds and reserves in the preceding pages of this Reference section.

G

General Operating Account – The operating account that is used to account for all financial resources and normal recurring activities except for those required to be accounted for in another fund.

Grants – Monies received from local, federal, and state governments to provide capital or operating assistance.

H

Headway – The time span between service vehicles (bus or rail) on a specified route.

I

Internal Coverage Ratio – A ratio which has a numerator of gross sales tax revenues plus operating revenues plus interest income less operating expenses, and a denominator of annual debt service on long-term debt. DART standards state the goal that this ratio be at least one—i.e., total revenues less operating expenses should be at least as great as total annual debt service.

L

Labor Expenditure – The cost of wages and salaries (including overtime) to employees for the performance of their work.

Line Item – An appropriation that is itemized on a separate line in a budget or financial plan.

Linked Trip – A single one-way trip without regard for the number of vehicles boarded to make the trip. For example, a commute from home to work achieved by boarding a bus to a train, and then taking another bus after leaving the train, represents one linked trip. See also *Unlinked Trip*.

M

Maintenance Expenditure – Expenditures for labor, materials, services, and equipment used to repair and service transit and service vehicles and facilities.

Major Capital Transit Investment Program – A federal grants program providing capital assistance for new fixed guideway, extensions of existing fixed guideway, or a corridor-based bus rapid transit system. This program includes New Starts, Small Starts, and Core Capacity projects.

Mean Distance Between Service Calls – Quality ratio that measures the average number of miles a vehicle operates before a service call occurs. Management's objective is to increase this ratio.

$$\text{Calculation} = [\text{Total Miles Operated} / \text{Total \# of Service Calls}]$$

N

New Starts Program – A federal program which provides funding for fixed guideway transit projects which utilize and occupy a separate right-of-way or other high occupancy vehicle.

O

Obligations – Funds that have been obligated/committed to a specific purpose but have not yet been expended.

Off-Peak – Non-rush hour time periods.

On-Time Performance – Quality ratio that measures how often a service is on time (i.e., at a designated pick-up spot within a predetermined timeframe). The timeframe differs based on mode and frequency of service. Bus Operations currently uses 59 seconds early and 4 minutes and 59 seconds late. Light rail uses 1 minute early and 4 minutes late. Commuter rail uses 5 minutes late as required by FRA. Paratransit uses 20 minutes early and late. Management's objective is to increase this ratio.

$$\text{Calculation} = [(\# \text{ Scheduled Trips Sampled} - \# \text{ of Times Early or Late}) / \text{Total \# of Scheduled Trips Sampled}]$$

Operating Budget – The planning of revenue and expenditures for a given period of time to maintain daily operations.

Operating Expenses – Includes the expenses required to operate DART's revenue services, and general mobility projects. Operating expenses do not include the cost of road improvements or the staff costs associated with DART's capital programs.

Operating Revenues – Includes the revenues obtained from the farebox, special events service, advertising, signboard rentals, leases, pass sales, operating grants, shuttle services, other and other miscellaneous income. Operating revenues do not include sales tax revenue, interest income, or gain on sale of assets.

P

Paratransit Service – Any transit service required by the 1990 Americans with Disabilities Act (ADA), generally characterized by pre-arranged curb-to-curb service provided by accessible vehicles.

Passenger Canceled Trips Ratio – Measures the percentage of times that Paratransit users schedule a trip, then cancel the trip. Total scheduled trips include actual trips made, cancellations, and no-shows.

$$\text{Calculation} = [\# \text{ of Canceled Trips} / \text{Total \# of Scheduled Trips}]$$

Passenger Mile – A single passenger traveling one mile.

Passenger No-Show Ratio – Quality measurement for Paratransit service that measures the number of times a Paratransit user makes a reservation and does not show-up for the ride. This measurement is different from a cancellation. Management's objective is to reduce this number so that other trips can be scheduled in that timeframe. Users can lose the ability to access the Paratransit system if they have an excessive number of no-shows.

$$\text{Calculation} = [\# \text{ of No Shows} / \text{Total \# of Scheduled Trips}]$$

Passengers per Hour – Actual – The total number of Paratransit passengers actually carried, divided by the total hours of revenue service. Management's objective is to increase this number.

$$\text{Calculation} = [\text{Actual Passenger Boardings} / \text{Revenue Hours}]$$

Passengers per Hour - Scheduled – The total number of Paratransit passengers scheduled per hour of revenue service. Management's objective is to increase this number.

$$\text{Calculation} = [\text{Scheduled Passenger Boardings} / \text{Revenue Hours}]$$

Passengers per Mile – Effectiveness ratio that measures route productivity by comparing the number of passenger boardings to the number of revenue miles. Management's objective is to increase this ratio.

$$\text{Calculation} = [\text{Passenger Boardings} / \text{Revenue Miles}]$$

Peak Period – Morning or evening rush hour.

Percentage of Trips Completed – Quality measurement for Paratransit service that measures the number of times DART completes a scheduled passenger pick-up. Management's objective is to increase this ratio.

$$\text{Calculation} = [(\# \text{ of Actual Trips} - \# \text{ of Trips Missed}) / \# \text{ of Actual Trips}]$$

Principal – The amount borrowed, or the amount still owed on a loan, separate from the interest.

R

Reduced Fares – Discounted fares for children elementary through middle school, seniors and non-Paratransit disabled with valid ID; high school fares are applicable on bus and rail on Monday through Friday only; college/trade school valid on bus and rail with a DART Student ID.

Repurchase Agreement – A money-market transaction in which one party sells securities to another while agreeing to repurchase those securities at a later date.

Reserves – DART uses “reserves” as well as “funds” to ensure resources are available for anticipated and unanticipated needs. See **Funds and Fund Balance** at the end of the Twenty-Year Financial Plan portion of this document for yearly amounts, and Board-adopted financial policies regarding funds and reserves in the preceding pages of this Reference section.

Revenue Bond – A bond on which debt service is payable solely from a restricted revenue source (or sources)—for example sales tax revenues.

Revenue Car Miles – Total miles operated by LRT or TRE trains in revenue service multiplied by the number of cars operated as part of each train. Power consumption and maintenance requirements are driven by the number of car miles operated. As a result, one area of management focus is to optimize the number of cars operated per train based on ridership and Board-adopted loading standards.

$$\text{Calculation} = \text{Sum for all trips of } [\# \text{ of Revenue Train Miles operated} * \# \text{ of cars in the train}]$$

Revenue Miles or Hours – Measures the number of miles, or hours, that a vehicle is in revenue service (i.e., available to pick up passengers) and includes special events service. This measure does not include "deadhead miles" which are the miles between the bus maintenance facility and the beginning and/or end of a route.

Reverse Commute – City-to-suburb commute. This phrase refers to the fact that most riders commute from the suburbs to the city.

Ridership – For the total system, this is the total number of passengers boarding a DART vehicle. Transfers are included in total ridership and passenger boarding counts (e.g., if a person transfers from one bus to another bus or from a bus to rail, this is counted as two passenger boardings). Fixed route ridership counts passenger boardings (including transfers) for bus, light rail, streetcar, and commuter rail only. See also *Unlinked Trip*.

S

Sales Taxes for Operating Expenses – Measures the amount of sales taxes required to subsidize operations. 100% minus this percentage is the amount of sales taxes available for capital and road improvement programs. Management's objective is to reduce this ratio.

$$\text{Calculation} = [(\text{Operating Expenses} - \text{Operating Revenues} - \text{Interest Income}) / \text{Sales Tax Revenues}]$$

Scheduled Miles Per Hour – Represents the average overall speed of the modal service as reflected in the schedule, with stops and recovery time included. This value reflects both the composition of the service (i.e., express and local routes for bus mode) and the efficiency of the schedule (e.g., reducing recovery time in the schedule improves average speed).

$$\text{Calculation (for bus)} = [\text{Scheduled Miles} / \text{Scheduled Hours}]$$

$$\text{Calculation (for rail)} = [\text{Scheduled Train Miles} / \text{Scheduled Train Hours}]$$

Service Hours – Paratransit service hours are also known as revenue hours. They are calculated from the time of the first passenger pick-up until the time of the last passenger drop-off. Travel time to and from the garage is not included.

Service Levels – Also known as Telephone Service Factor (TSF), measures the response to calls within a specified period. This measurement is being used to monitor the effectiveness of the main call center (CI: 214-979-1111) within 1 minute, the response to Paratransit scheduling issues within 1 minute, and the response to Where's My Ride inquiries within 2 minutes.

$$\text{Calculation} = (\# \text{ of Calls Answered}) / (\# \text{ of Calls Received Within the Specified Time Period})$$

Start-Up Costs – Costs associated with the implementation of a major new light rail, commuter rail, or streetcar expansion that are incurred prior to the service implementation (e.g., vehicle and system testing).

State of Good Repair (SGR) – Capital investment in infrastructure maintenance in order to improve the condition of current transit facilities and provide safe, reliability service.

Subscription Service – Paratransit passengers traveling at least three times per week to the same location at the same time can be placed on "subscription service." This service is "automatically" scheduled for the passenger, and it is not necessary for the passenger to call and schedule the service.

Subsidy per Passenger – Efficiency ratio, which measures the tax subsidy required for each passenger boarding for a mode or combination of modes. Management's objective is to reduce this ratio.

$$\text{Calculation} = [(\text{Operating Expenses} - \text{Operating Revenues}) / \text{Passenger Boardings}]$$

T

Total Vehicle Miles – The sum of all miles operated by passenger vehicles, including mileage when no passengers are carried.

Transit Asset Management (TAM) – Measurement of the condition of capital assets such as equipment, rolling stock, infrastructure, and facilities.

Transit-Oriented Development (TOD) – Mixed-use development of residential, commercial, and retail uses within walking distance of a transit station or bus route.

Transit Signal Priority – Transit signal priority either gives or extends a green signal to public transit vehicles under certain circumstances to reduce passenger travel times, improve schedule adherence, and reduce operating costs.

TIGER (Transportation Investment Generating Economic Recovery) – A program administered by The U.S. Department of Transportation for capital investments in surface transportation infrastructure that are to be awarded on a competitive basis for projects that will have a significant impact on the Nation, a metropolitan area, or a region with regards to fostering economic development.

U

Unlinked Trip – A trip involving a single boarding and alighting from a transit vehicle. For example, a commute from home to work achieved by boarding a bus to a train, and then taking another bus after leaving the train, represents three unlinked trips. See also *Linked Trip*.

V

Vanpool – Consists of a group of 5 to 15 people who regularly travel together to work (typically 30 miles or more roundtrip) in a DART-provided van.

Vehicle Revenue Mile – Vehicle mile during which the vehicle is in revenue service (i.e., picking up and/or dropping off passengers).

Y

Yield to worst – The lowest yield that you can earn from a bond when holding to maturity, absent a default. It is a measure that is used in place of **yield to maturity** with callable bonds. As callable bonds can be bought back before their stated maturity date, **yield to maturity** does not provide an accurate picture of what an investor can expect to earn. **Yield to worst** allows apples to apples comparisons of bonds with varying call features and coupon payments.

Z

Zero Denials – A Federal mandate that in effect states that a provider cannot systematically deny Paratransit trips on an on-going basis.

J. Acronyms

000s	Thousands
AAC	American Airlines Center
ABC	Activity-Based Costing
ADA	Americans with Disabilities Act of 1990
AHJ	Authority Having Jurisdiction
AM	Asset Management
AMS	Analysis, Modeling, and Simulation
APC	Automatic Passenger Counters
APT	Area Personal Transit (Las Colinas)
APTA	American Public Transportation Association
APTS	Advanced Public Transportation Systems
APU	Auxiliary Power Unit
AREMA	American Railway Engineering & Maintenance-of-Way Association
ARRA	American Reinvestment & Recovery Act of 2009
ATIS	Advanced Traveler Information Systems
ATMS	Advanced Traffic Management Systems
ATU	Amalgamated Transit Union
AVA	Automated Voice Announcements
AVL	Automated Vehicle Locator
AVP	Assistant Vice-President
B	Billions
BABs	Build America Bonds
BBL	Barrel
BI	Business Intelligence
BNSF	Burlington, Northern & Santa Fe Railroad
BPP	Business Planning Parameter
BRT	Bus Rapid Transit
CABs	Capital Appreciation Bonds
CAD	Computer-Aided Dispatch
CAR	Condition Assessment Report
CBD	Central Business District
CCART	Collin County Area Rural Transit
CCTV	Closed Circuit Television
CDHP	Consumer-Directed Health Care Plan
CDL	Commercial Driver's License
CEO	Customer Experience Officer
CPS	Comprehensive Payment System
CIP	Capital Investment Plan
CIT	Continuous Improvement Team



J. Acronyms

CMAQ	Congestion Mitigation/Air Quality
CMGC	Construction Manager/General Contractor
CNG	Compressed Natural Gas
COA	Comprehensive Operations Analysis
COGNOS	Budget Software
COOP	Continuity of Operations
COPS	Community Oriented Policing Services (grant)
CP	Commercial Paper
CPTED	Crime Prevention Through Environmental Design
CPU	Central Processing Unit
CR	Commuter Rail
CROF	Central Rail Operating Facility
CRT	Customer Response Team
CS	Central Services
CSSAC	Construction Safety and Security Advisory Committee
CSSP	Construction Safety and Security Program
CST	Customer Service Team
CTC	Centralized Traffic Control
CVB	Convention and Visitors Bureaus
CY	Current Year
D2	Dallas Central Business District Second Alignment
DART	Dallas Area Rapid Transit
DB	Defined Benefit Retirement Plan
DC	Defined Contribution Retirement Plan
DCTA	Denton County Transportation Authority
DCURD	Dallas County Utility and Reclamation District
DFW	Dallas/Fort Worth International Airport
DGE	Diesel Gallon Equivalent
DGNO	Dallas, Garland, and Northeastern Railroad
DLM	Division Level Measurement
DMU	Diesel Multiple Unit
DMWBE	Disadvantaged, Minority, and Woman-Owned Business Enterprise
DOE	Department of Energy
DOT	Department of Transportation
DSC	DART Safety Committee
EA	Environmental Assessment
EA	Enterprise Application
EAP	Employee Assistance Program

J. Acronyms

ED	East Dallas Operating Facility
EEO	Equal Employment Opportunity
EEO/AA	Equal Employment Opportunity/Affirmative Action Plan
EMS	Emergency Management System
EOY	End of Year
EPA	Environmental Protection Agency
EVP	Executive Vice President
FAA	Federal Aviation Administration
FAST	Fixing America's Surface Transportation Act
FE	Fleet Engineering
FFGA	Full Funding Grant Agreement
FGM	Fixed-Guideway Modernization
FHWA	Federal Highway Administration
FICA	Federal Insurance Contributions Act
FLSC	Fire Life Safety Committee
FP	Financial Plan
FRA	Federal Railroad Administration
FSE	Facility and Systems Engineering
FS-B	Financial Standards-Business Planning Parameter
FS-D	Financial Standards-Debt Service
FS-G	Financial Standards-General
FT	Full-Time
FTA	Federal Transit Administration
FY	Fiscal Year
FYxxA	Actual year-end cost for FY (xx)
FYxxB	Budget cost for FY (xx)
FYxxP	Projected cost for FY (xx)
G&A	General & Administrative
GAAP	General Accepted Accounting Principles
GASB	Government Accounting Standards Board
GLO	General Land Office
GM	General Mobility
GPS	Global Positioning System
HEP	Head End Power
HMO	Health Maintenance Organization
HQ	Headquarters
HRA	Health Reimbursement Account

J. Acronyms

HVAC	Heating, Ventilation, Air Conditioning
IACP	International Association of Chiefs of Police
ICM	Integrated Corridor Management
IH	Interstate Highway
ILA	Interlocal Agreement
IMA	Information Management & Analytics
IRV	Irving
IT	Information Technology
ITC	Intermodal Transportation Center
ITIL	IT Infrastructure Library
ITP	Integrated Test Plan
ITS	Intelligent Transportation System
IVR	Interactive Voice Response
JHA	Jurisdictions Having Authority
JV	Joint Venture
K	Thousands
kHz	Kilohertz
KPI	Key Performance Indicator(s)
kWh	Kilowatt Hour
LAN	Local Area Network
LAP/CMS	Local Assistance Program/Congestion Management System
LBJ	Lyndon B. Johnson Freeway
LCD	Liquid Crystal Display
LED	Light Emitting Diode
LEED	Leadership in Energy and Environmental Design
LGC	Local Government Corporation
LPA	Locally Preferred Alternative
LPIS	Locally Preferred Investment Study
LRT	Light Rail Transit
LRV	Light Rail Vehicle
LRWPP	Light Railway Worker Protection Plan
LT or LTD	Long-Term Debt or Long-Term Disability
M	Millions
MaaS	Mobility as a Service
MAIF	Mobility Assistance and Innovation Fund
MAP-21	Moving Ahead for Progress in the 21st Century

J. Acronyms

MATA	McKinney Avenue Transit Authority
MAX	Metro Arlington Express
MBE	Minority-Owned Business Enterprise
MDC	Mobile Data Computer
MDT	Mobile Data Terminal
MIS	Major Investment Study
MLK	Martin Luther King, Jr.
MMS	Mobility Management Services
MOU	Memorandum of Understanding
MOWIS	Maintenance of Way Information System
MPH	Miles Per Hour
MPLS	Multi-Powered Label Switching
MS	Microsoft
MV	MV Transportation, Inc. (Paratransit Provider)
NABI	North American Bus Industries (now part of New Flyer Industries, Inc.)
NC LRT	North Central Light Rail Transit
NCIC	National Criminal Information Center
NCTCOG	North Central Texas Council of Governments
NETRMA	Northeast Texas Regional Mobility Authority
NFC	Near Field Communications
NIMS	National Incident Management System
NOC	Network Operations Center
NOx	Nitrogen Oxide
NRV	Non-Revenue Vehicle
NSO	Network Security Operations
NTD	National Transit Database
NTTA	North Texas Tollway Authority
NW	Northwest Corridor
NW-1A	Northwest LRT Line Section (Downtown to American Airlines Center/Victory Station)
NW-1B	Victory Station to Inwood Station
NW-2	Inwood Station to Northwest Highway
NW-3	Northwest Highway to Valley View (Farmers Branch)
NW-4	Valley View to Frankford Rd (North Carrollton)
NWROF	Northwest Rail Operating Facility

J. Acronyms

O&M	Operations & Maintenance
O/S	Operating System
O/S EOY	Outstanding End-of-Year
OC	Oak Cliff
OCC	Operations Control Center
OCIP	Owner-Controlled Insurance Program
OCL	Operations Communications Liaisons
OCS	Overhead Catenary System
ODC	Operations Document Control
OEM	Original Equipment Manufacturer
OPEB	Other Post-Employment Benefits
Ops	Operations
OSHA	Occupational Safety Hazard Administration
OSS	Operations Support System
OTP	On-time performance
P&D	Planning & Development
PA/VMB	Public Announcement/Variable Message Boards
PACE	Professionals Achieving Communication Excellence
PASS	Principal Arterial Street System
PBX	Private Branch Exchange
PCA	Personal Care Attendant
PCI	Payment Card Industry
PE/EIS	Preliminary Engineering/Environmental Impact Statement
PEC	Passenger Emergency Call
PMOC	Project Management Oversight Committee
PMP	Performance Management Plan
PMSA	Primary Metropolitan Statistical Area
PNM	PayNearMe
POS	Point of Sale
PPO	Preferred Provider Organization
PPP	Public/Private Partnership
PT	Part-Time
PTC	Positive Train Control
PTO	Paid Time Off
PTP	Pay-to-Platform
Q	Quarter
R	Registration (mark)

J. Acronyms

RFI	Request for Information
RFID	Radio Frequency Identification
RITA	Research and Innovative Technology Administration
RMS	Records Management System
ROTC	Refresher Operator Training Class
ROW	Right-of-Way
RPD	Rail Program Development
RPM	Reaching Performance Milestones
RR	Railroad
RRIF	Railroad Rehabilitation & Improvement Financing
RRM	Railroad Management
RTC	Regional Transportation Council
RTR	Regional Toll Roads
RWP	Roadway Worker Protection
S&I	Service & Inspection
S&W	Salaries & Wages
SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users
SAP	Shift Assignment Pay
SDC	Secondary Data Center
SE	Southeast Corridor
SE-1A	Southeast LRT Line Section – Downtown to Fair Park
SE-1B	Fair Park to Hatcher
SE-2	Hatcher to Buckner Blvd.
SEAF	System Expansion & Acquisition Fund
SEJ	South East Junction
SGR	State of Good Repair
SH	State Highway
SIP	Service Incentive Pay
SLRV	Super LRV (LRV with additional low-floor section)
SM	Service Mark
SMS	Short Message Service
SMS	Safety Management System
SOCBOF	South Oak Cliff Bus Operating Facility
SOP	Standard Operating Procedure
SPM	Standards, Performance & Monitoring
SS	Support Services

J. Acronyms

SSCRT	System Safety Certification Readiness Team
SSPP	System Safety Program Plan
ST	Short-Term (debt)
STD/FMLA	Short-Term Disability/Family Medical Leave Act
STP/MM	Surface Transportation Program/Metropolitan Mobility
SU	Start-Up
T&P	Texas & Pacific Station
TBD	To be determined
TC	Transit Center
TCEQ	Texas Commission on Environmental Quality
TCIC	Texas Criminal Information Center
TDM	Transportation Demand Management
TES	Traction Electrification System
TIGER	Transportation Investment Generating Recovery
TIF	Tax Increment Financing
TIP	Transportation Improvement Program
TLETS	Texas Law Enforcement Telecommunications System
TMA	Transportation Management Association
TMF	Texas Mobility Funds
TOD	Transit-Oriented Development
TPSS	Traction Power Sub-Station
TRE	Trinity Railway Express
TRIM	Ticket Reader / Issue Machine
TSA	Transportation Security Administration
Trinity Metro	Formerly known as Fort Worth Transportation Authority (FWTA)
TSM	Transportation System Management
TSP	Transit System Plan or Traffic Signal Priority
TTI	Texas Transportation Institute
TVM	Ticket Vending Machine
TxDOT	Texas Department of Transportation
UAFP	Urbanized Area Formula Program
ULEV	Ultra-Low-Emission Vehicles
UNT	University of North Texas
UP	Union Pacific
UPS	Uninterruptible Power Supply
US	United States
USC	United States Code
UT	University of Texas



J. Acronyms

UTA	University of Texas at Arlington
VAF	Vehicle Acceptance Facility
VBS	Vehicle Business System
VE	Value Engineering
VIPER	Visible Intermodal Protection Response
VMB	Variable Message Boards
VoIP	Voice over Internet Protocol
VP	Vice President
VRDN	Variable Rate Demand Note
WAN	Wide-Area Network
WBE	Women-Owned Business Enterprise
WSA	Ways, Structures & Amenities
XPB	X-Press Booking



let's go.

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