

FY 2022 BUSINESS PLAN

DALLAS AREA RAPID TRANSIT



**INCREASED
FREQUENCY**



**LESS
TRAVEL
TIME**



BETTER ACCESS

**IMPROVED
SERVICE**



Including FY 2022 Annual Budget and 20-Year Financial Plan

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Plano, Farmers Branch

Mark Enoch
Garland, Rowlett,
Glenn Heights

Flora Hernandez
Dallas

Doug Hrbacek
Carrollton, Irving

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Gary Slagel
Richardson, University Park,
Addison, Highland Park

Rick Stopfer
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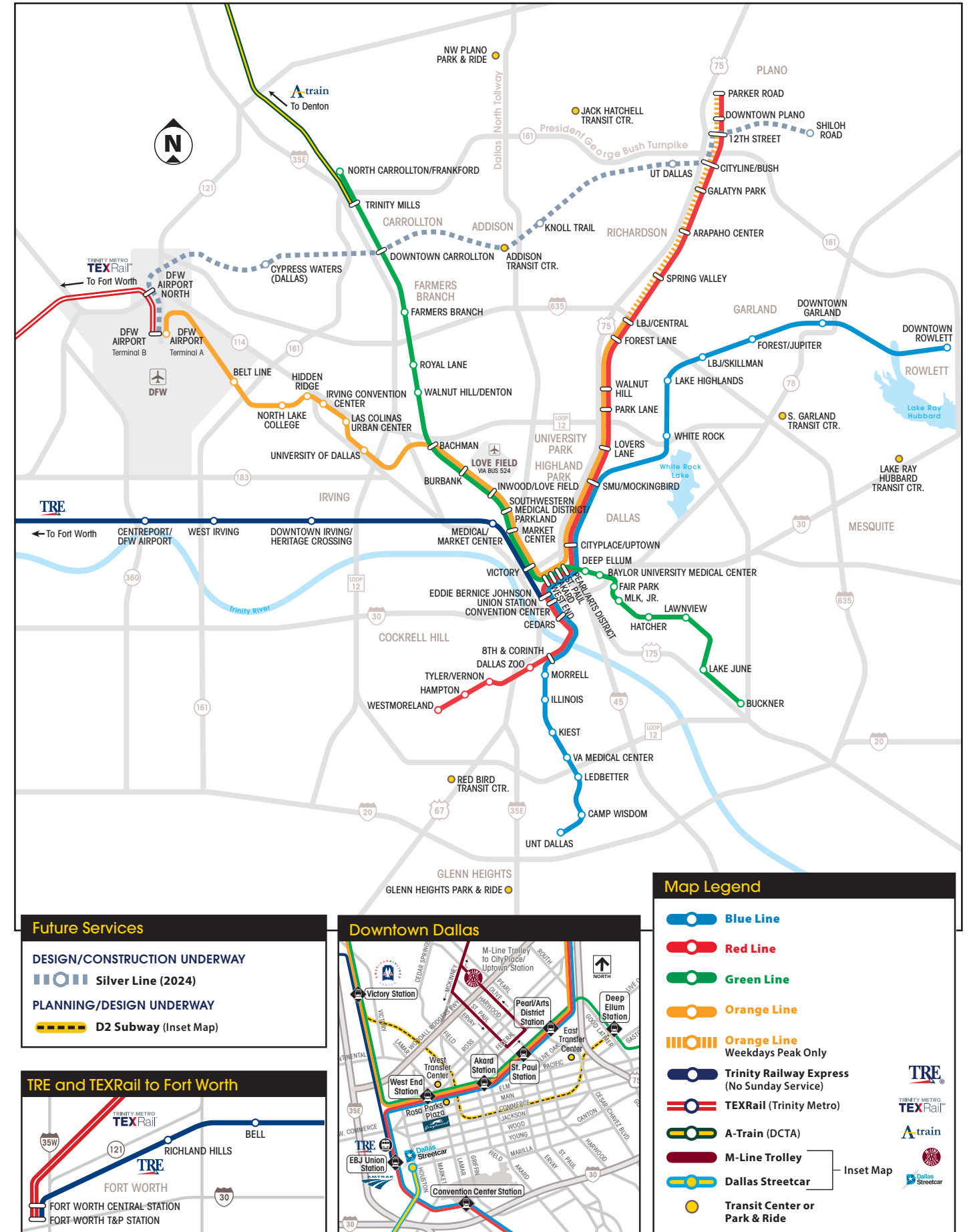
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Plano

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DART's Financial Information
is located online at:
[DART.org/FinancialInformation](https://www.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 2022 (FY 2022 – which is runs from October 1, 2021, through September 30, 2022) 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 2022 Twenty-Year Financial Plan and the FY 2022 Annual Budget, 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 2022 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.



Dallas Area Rapid Transit

FY 2022 Business Plan

(Including the FY 2022 Twenty-Year Financial Plan and
The FY 2022 Annual Budget)



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

August 6, 2021

Board of Directors
Dallas Area Rapid Transit

On behalf of the DART Executive Management Team, I am pleased to present the proposed Fiscal Year (FY) 2022 Annual Budget and Twenty-Year Financial Plan for Dallas Area Rapid Transit (DART).

First, I would like to thank all the men and women of DART who have continued working tirelessly throughout the COVID-19 pandemic to ensure that our riders have access to our nationally recognized transit system. Our employees continue to uphold DART's mission by demonstrating this unwavering commitment to our riders every single day.

Financial Overview

As we bring FY 2021 to a close, I am pleased to note that, despite the economic uncertainty of the pandemic and the commensurate impact on ridership, DART is in a very positive financial position – a credit to the prudent fiscal planning and cost control that has become standard operating procedure by the DART Board and staff. The proposed FY 2022 Annual Budget represents the use of increased resources to support our initiatives. The capital and debt service portions of the budget fund important projects that look to expand and enhance our service, as well as keep our commitment to maintaining our infrastructure in a “state of good repair.” The proposed FY 2022 Annual Budget is a balanced budget and meets all Board-adopted Financial Standards. The total proposed FY 2022 Annual Budget is broken down as follows (dollars in millions):

Operating	\$580.4
Capital & Non-Operating	841.9
Debt Service	206.5
Total Proposed FY 2022 Budget	\$1,628.8

The Twenty-Year Financial Plan represents a carefully considered long-term projection of the agency's operating revenues, funding, operating expenses, capital expenditures, and debt obligations. The Financial Plan demonstrates that DART has the financial capacity to achieve its strategic priorities over the next twenty years – with FY 2022 corresponding to the first of those twenty years.

Importantly, the coverage ratios in the proposed FY 2022 Twenty-Year Financial Plan, which covers the period from FY 2022 through FY 2041, meet the Board-adopted Financial Standards

throughout the twenty-year period. These standards require an internal ratio (revenues available to pay for operations, minus operating expense, divided by debt service) of 1.0 or higher, and an external coverage ratio (annual sales tax revenues divided by debt service) of 2.0 or higher. These ratios demonstrate the long-term financial health of the agency.

The sources of funds in the proposed FY 2022 Financial Plan total \$31.0 billion. This represents a \$716 million (2.4%) increase from the FY 2021 Financial Plan (which covered the period FY 2021 through FY 2040), as amended on May 25, 2021. Sales tax continues to exceed expectations. The proposed FY 2022 Financial Plan incorporates an upwardly adjusted sales tax forecast that is \$1.2 billion higher over the next twenty years. Partly offsetting this increase is a lower operating revenue forecast, reflecting decreased passenger revenue expectations. Note that debt issuances have decreased by \$400 million, reflecting revised timing of capital project expenditures, particularly in the later years.

The total uses of funds in the proposed FY 2022 Twenty-Year Financial Plan have increased by \$653 million (2.2%) to \$30.8 billion. The increase reflects a \$654 million (4.6%) increase in operating expense, partly offset by a decrease in capital expenditures and debt service, over the twenty-year time period.

The amended FY 2021 Financial Plan incorporated expected federal funding from COVID-19 pandemic-related legislation. This funding will enable the agency to set aside a portion of its sales tax revenues for new programs that will have dramatic and long-lasting benefit to our region. The proposed FY 2022 Financial Plan reflects the ability to invest in these programs, totaling \$443 million over 20 years, on a New Programs line item.

Accomplishments

Celebrating 25 Years of Rail

Among the many notable accomplishments for FY 2021, DART celebrated 25 years of providing light rail service to the residents of North Texas on June 14, 2021. The original light rail starter system that debuted on June 14, 1996, was 11.2 miles long: Blue Line service between Illinois Station and Pearl/Arts District Station and Red Line service between Westmoreland Station and Pearl/Arts District Station.

Over the last 25 years, and 500 million passengers later, the DART light rail system has grown into a 93-mile, 65 station network – the longest light rail system in the country – providing mobility and access to opportunities for all North Texas residents.

Hidden Ridge Station

In April, DART celebrated the opening of the Hidden Ridge Station at Carpenter Ranch in Irving, bringing our total to 65 stations in the DART network. Developed in partnership with the City of Irving and Verizon Communications, the new station is located on the Orange Line between North Lake College and Irving Convention Center stations.

Originally a part of the 3.9-mile Irving-2 opening of the Orange Line in December 2012, Hidden Ridge Station (formerly known as Carpenter Ranch Station) had been deferred in anticipation of Verizon Communications' Hidden Ridge development, a planned 110-acre mixed-use project featuring 1,200 apartments and residences, 80,000 square feet of restaurant and retail space, a hotel, and a two-acre green space with amenities.



As with all DART stations, the Art and Design Program elements reflect the community it serves. Marty Ray, a ceramic artist and former Professor Emerita of Art at Dallas College-North Lake Campus, created the artwork at Hidden Ridge Station. Since the station is located on Carpenter Ranch, once the homestead of Las Colinas founder Ben Carpenter, the art plays off the land's history. The installation also reflects the natural elements of the land, wildlife, and nearby creek.

Red and Blue Line Platform Extensions

Construction on the Red and Blue Line light rail platform extensions continued through a Full-Funding Grant Agreement (FFGA) which was awarded in late 2018. These modifications to 28 of our oldest stations outside of Downtown Dallas will add operational flexibility and additional people-carrying capacity by allowing the use of three-car train sets. Construction is scheduled to be completed in 2022.

Silver Line

The 26-mile 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 connectivity to major employment, population and activity centers in the northern part of the DART Service Area. Service is scheduled to begin in 2024.

D2 Subway

The D2 Subway project is DART's second light rail line through downtown Dallas, extending from Victory Park to Deep Ellum. Recognized as the Global Light Rail Awards "Vision of the Year" award in 2020 for excellence and innovation in the global light and urban rail sector, the project will both increase capacity and provide operating flexibility in the event of a service disruption. Feedback from residents, business owners, developers and agency staff has been

invaluable in shaping the project to minimize impacts and create an urban design vision. Revenue service is projected to begin in 2028.

Customer Service

The DART 5 Star Service Program will celebrate its 10-year anniversary this year. The mission of the 5 Star Service Program is for each member of DART's team to strive every day to create an extraordinary customer experience when interacting with colleagues, riders, partners, and the community.

New Ways to Tap

Beginning in September, DART riders will be able to pay for their DART trip with their contactless debit/credit card or contactless-enabled smartphone or device. To use the service, riders will tap at any validator installed across the DART Service Area. Users will also benefit from the same fare capping rewards awarded to all GoPass® Tap participants.

Digital Kiosks

We continue the installation of more than 300 interactive digital kiosks across the DART service network, empowering our riders to make travel decisions based on the schedules and modes that work best for them.

These new interactive kiosks allow residents and visitors to discover and rediscover North Texas with:

- Real-time transit information to enhance the overall travel experience
- Easy access to social services
- Translation in nine different languages
- Interactive guides to find things to do, places to go and deals along the way
- Localized and customized deals from area merchants and partners

The kiosks are also equipped with high-resolution cameras, increasing the video monitoring presence for the DART Police Department, and boosting safety measures across the system and the region.

Customer and Workforce Safety

DART has remained proactive in its response to the COVID-19 pandemic, aggressively expanding agency-wide cleaning and safety protocols and working closely with local, state and national health authorities, including the Texas Department of State Health Services and the Centers for Disease Control and Prevention (CDC).



For the safety of both employees and passengers and to combat the spread of disease onboard DART vehicles and properties, several programs have been implemented, including:

- COVID-19 plexiglass barriers installed on all 681 buses
- Use of existing on-board technologies – germicidal ultraviolet and Ionization Electric Air Cleaner Systems on buses
- Transit Center plexiglass barriers installed at station concierge workstations
- Hand sanitizer dispensers and mask dispenser units installed on all buses, light rail vehicles, and streetcars
- Terminal end-line cleaning for light rail vehicles for high touch points areas at least every 90 minutes
- Professional COVID-19 DART facility cleaning

Caring for Our Community

DART continues to develop innovative solutions to address individuals experiencing homelessness and mental health issues on the system while recognizing the need for all of our riders to feel safe and secure when using the system.

The DART Discount GoPass Tap pilot program has been extended to ensure that riders who qualify have access to jobs, health care and educational opportunities. Making mobility more affordable for people helps reduce social and economic inequalities. Riders participating in any one of nine support assistance programs, listed below, receive a 50% discount on the regular price of a DART pass:

- CHIP (Children’s Health Insurance Program)
- TANF (Texas Temporary Assistance for Needy Families)
- CEAP (Comprehensive Energy Assistance Program)
- SNAP (Supplemental Nutrition Assistance Program)
- Housing Choice Vouchers
- DHA Housing Solutions for North Texas program
- Medicaid

- Medicare
- Texas WIC (Texas Special Supplemental Nutrition Program for Women, Infants, and Children)

Workforce Development

A Voluntary Retirement Incentive Program (VRIP) was offered to eligible employees in July 2020 to support DART's response to the COVID-19 pandemic. The program provided an opportunity for many DART employees to advance and take on new leadership responsibilities across the agency.

What's Coming in FY 2022

Looking ahead to FY 2022, DART has an exciting future. As a recent addition to the agency, I am eager to leverage the substantial investments in transit infrastructure and service to create a system that serves people impeccably well. The People's Transit System, a transit service network that focuses on the riders and puts people at the heart of all we do at DART, is the legacy that we are poised to deliver, beginning in this next fiscal year.

One of the most transformative things DART will do in FY 2022 to realize the vision of The People's Transit System is the launch of DARTzoom, our new bus network that reflects a dramatically updated understanding of today's travel patterns and mobility needs. It is the most extensive service change in the agency's history and is the culmination of several years of community and rider input to design the new bus network. DART's goal is to increase ridership and maintain coverage by increasing bus service hours and frequency, while also expanding access to on-demand service. This major initiative – DARTzoom: A New Bus Network – is scheduled to begin service on January 24, 2022.

The enclosed Budget and Financial Plan describe in further detail the large number of ongoing initiatives to achieve the Board's priority goals. The Annual Budget and Twenty-Year Financial Plan presented for FY 2022 provide confirmation that the DART team is highly focused on, and committed to, meeting our obligations to our riders and the residents of North Texas. We are proud of our accomplishments over the last year, and we stand ready to achieve even more in FY 2022, with renewed sense of purpose, in pursuit of The People's Transit System.

Kind regards,



Nadine S. Lee
President & Chief Executive Officer

Enclosure



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Dallas Area Rapid Transit
Texas**

For the Fiscal Year Beginning

October 01, 2020

Christopher P. Morill

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, 2020. 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.

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

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 understanding the travel and mobility needs of our customers. DART is becoming a true mobility integrator for North Texas – launching DARTzoom, our new bus network that reflects a dramatically updated understanding of today’s travel patterns and mobility needs. We understand that people expect enhancements and improvements in their rider experiences. As much as DART evolves, our mission stays the same: To provide a sustainable system of innovative, affordable, reliable, and safe mobility options for our riders that enhances the quality of life and stimulates economic development.

Organization

Dallas Area Rapid Transit (DART) is a sub-regional transportation authority was created by a voting majority of the citizens in the future service area 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, DART is authorized to collect 1% sales (tax) 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 expanded the light rail system 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) is the DART System Map.

On June 23, 2020, the DART Board approved a Voluntary Retirement Incentive Program (VRIP) for full-time, regular employees to reduce the agency workforce in response to the COVID-19 Pandemic. After 16 years as President/Executive Director, Gary Thomas, along with 369 other DART employees, took this program. Approximately 15% were Administrative employees who

took the VRIP and made their exit on November 20, 2020 against 85% Operations employees, making their departure dates effective December 15, 2020.

The VRIP provided an opportunity for many of the remaining DART employees to advance and take on new leadership responsibilities across the agency. After a nationwide search, the DART Board appointed Nadine Lee as the new President & Chief Executive Officer. Ms. Lee, an experienced transit industry leader and engineer who has worked in the transportation industry for nearly 30 years, assumed her new role on July 12, 2021.

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





DART Board Strategic Priorities - The DART Board has adopted strategic priorities to guide Agency initiatives which, in turn, drive the FY 2022 budget.

Strategic Priorities

1. Enhance the service and safety 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 – 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 MEMBERS FY 2022



Robert C. Dye
Asst. Secretary
Plano and
Farmers Branch



Mark C. Enoch
Garland,
Rowlett and
Glenn Heights



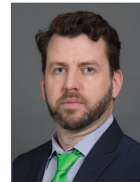
Flora Hernandez
Dallas



Doug Hrbacek
Carrollton
and Irving



Jonathan R. Kelly
Garland



**Patrick J.
Kennedy**
Dallas



**Jon-Bertrell
Killen**
Dallas



**Michele Wong
Krause**
Chair
Dallas



Eliseo Ruiz III
Dallas and
Cockrell Hill



Rodney Schlosser
Secretary
Dallas



Gary Slagel
Vice Chair
Richardson,
University Park,
Addison and
Highland Park



Rick Stopfer
Irving



**Dominique P.
Torres**
Dallas



Paul N. Wageman
Plano



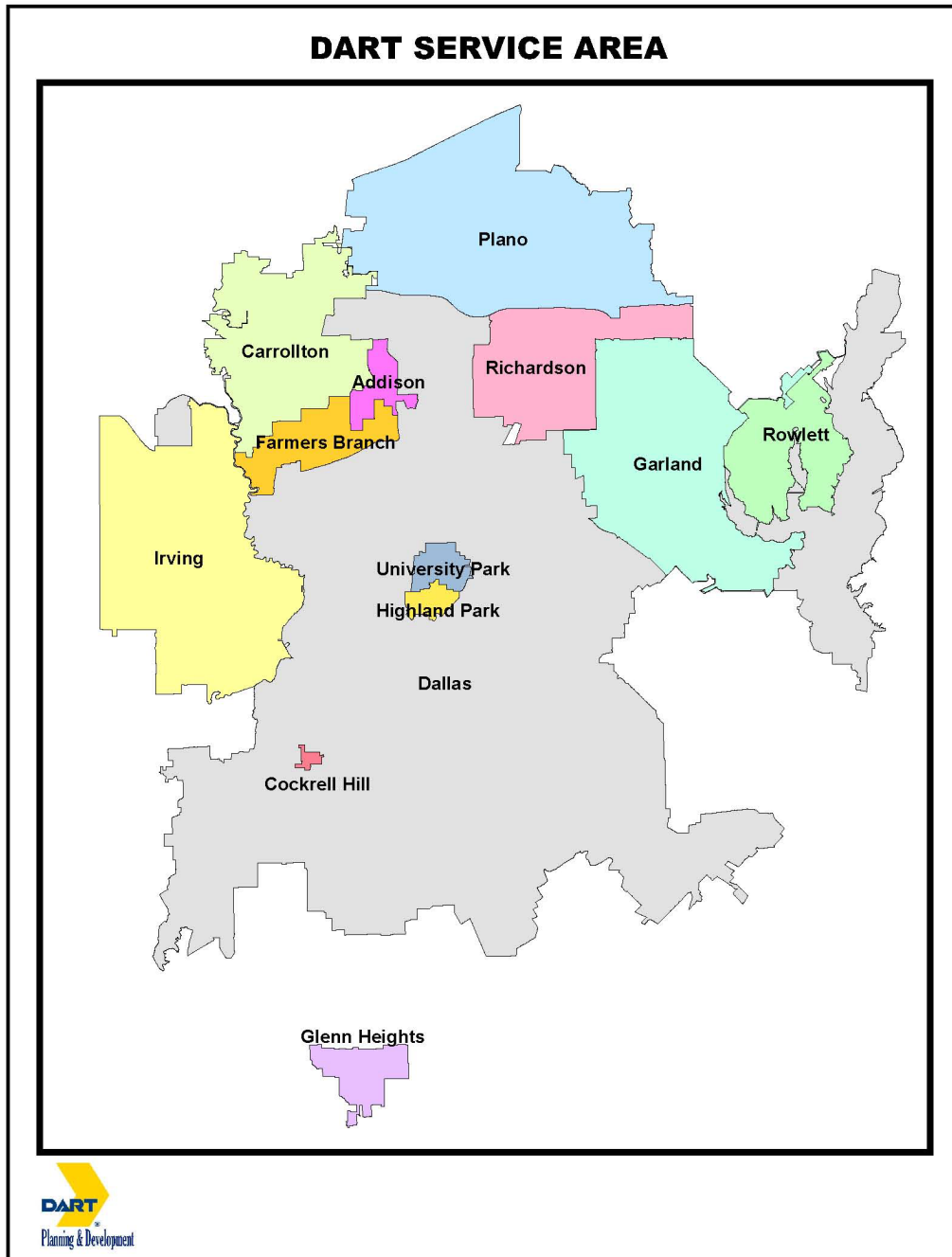
Hosanna Yemiru
Dallas

REV 10/2021

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 selects our President & Chief Executive Officer. The President & 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
Reports to DART Board of Directors		
Nadine Lee	President & Chief Executive Officer	2021
Chris Koloc	Director of Internal Audit	2008
Gene Gamez	General Counsel	2002
Nancy Johnson	Director of the Office of Board Support	1999
Divisions Reporting to President & Chief Executive Officer		
Customer Care & Service Delivery		
Carol Wise	Executive Vice President, Chief Operations Officer	2012
Alicia Walker	Interim Vice President, Bus Operations	2019
Doug Douglas	Vice President, Mobility Management Services	1990
Edward Addison	Interim Vice President, DART Chief of Police and Emergency Management	2012
Matt Walling	Interim Vice President, DART Chief of Police and Emergency Management	2012
James Joyce	Interim Vice President, Rail Operations	1996
Business & Innovative Solutions		
Nicole Fontayne-Bárdowell	Executive Vice President, Chief Administrative Officer	2014
Brad Cummings	Vice President, Procurement	2021
Gregory Elsborg	Vice President, Chief Innovation Officer	2019
Julius Smith	Vice President, Chief Information Officer	2016
Nevin Grinnell	Vice President, Chief Marketing Officer	2011
Rosa Medina-Cristobal	Vice President, Human Resources	2020
Growth/Regional Development		
Todd Plesko	Interim Executive Vice President, Growth/Regional Development	2009
Bonnie Murphy	Vice President, Commuter Rail	2017
David Ehrlicher	Interim Vice President, Capital Design & Construction	2002
Kay Shelton	Interim Vice President, Capital Planning	2000
Rob Smith	Interim Vice President, Planning & Development	2006
Departments Reporting to President & Chief Executive Officer		
Donna Johnson	Vice President, Chief Safety Officer	2004
Edie Diaz	Vice President, Government and Community Relations	2019
Gabriel Beltran	Interim Vice President, Diversity & Inclusion	2001
Nicole Fontayne-Bárdowell	Interim Chief Financial Officer	
<Vacant>	Chief of Staff to President & Chief Executive Officer	

Employees and Employee Relations

There are 3,762 full-time salaried and hourly positions included in the FY 2022 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.

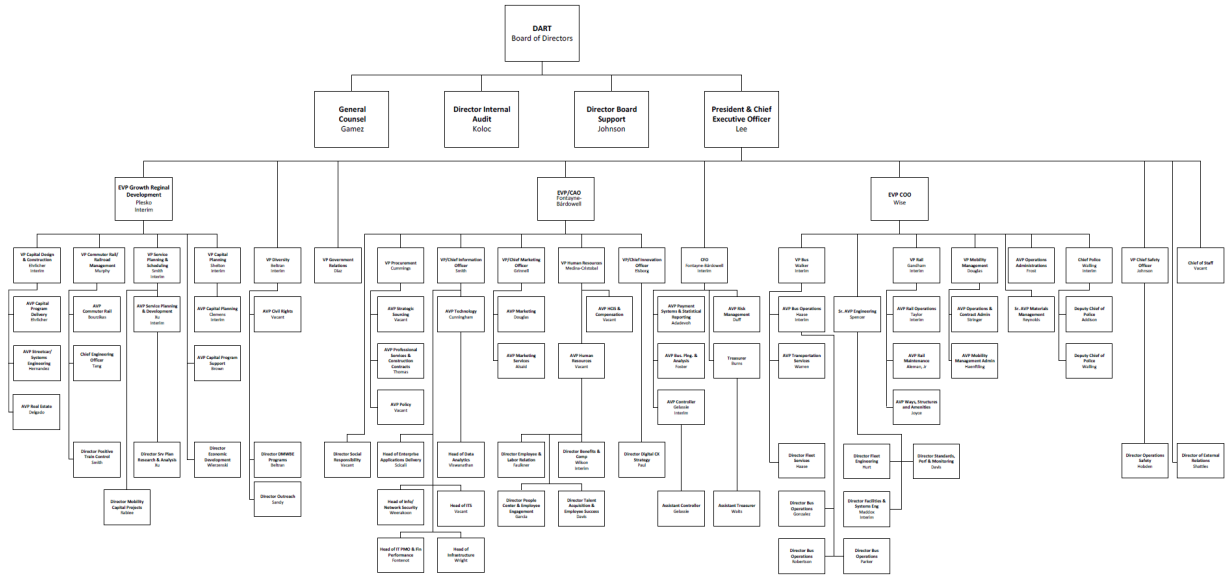
DART is organized broadly along the following functional lines (“organizational units”; see Exhibit 4 on the following page).

- ***Customer Care and Service Delivery*** is charged with providing efficient, effective, safe, secure transportation service.
- ***Growth/Regional 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*** acts as a strategic business partner to its internal and external customers influencing major business decisions and providing 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 Functional Organization Chart





The DART Transportation System

Our current public transportation services include:

- Bus Transit service, including GoLink 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 2021 and FY 2022.

**Exhibit 5
Ridership by Mode
(in Millions)**

Fiscal Year	Bus	LRT*	Commuter Rail	Paratransit	Vanpool	Total **
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
2020	27.8	20.3	1.3	0.6	0.3	50.3
2021B	25.8	19.2	1.3	0.9	0.6	47.9
2022B	22.4	16.4	1.0	0.6	0.1	40.5

* 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, rail 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 17 zones.

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

Light Rail Transit is an electrically-powered rail system that primarily operates at-grade. 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 commuter railroad services on the TRE Corridor between Dallas and Fort Worth in mixed traffic with freight and passenger railroad operations. The 34-mile corridor is jointly owned by DART and the Fort Worth Transportation Authority, which brands 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 and 2021. Pursuant to Trackage Rights Agreements, the Burlington Northern Santa Fe, Dallas, Garland and Northeastern, the Union Pacific, and Amtrak railroads pay a fee for the right to operate 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), to provide 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 to improve 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)

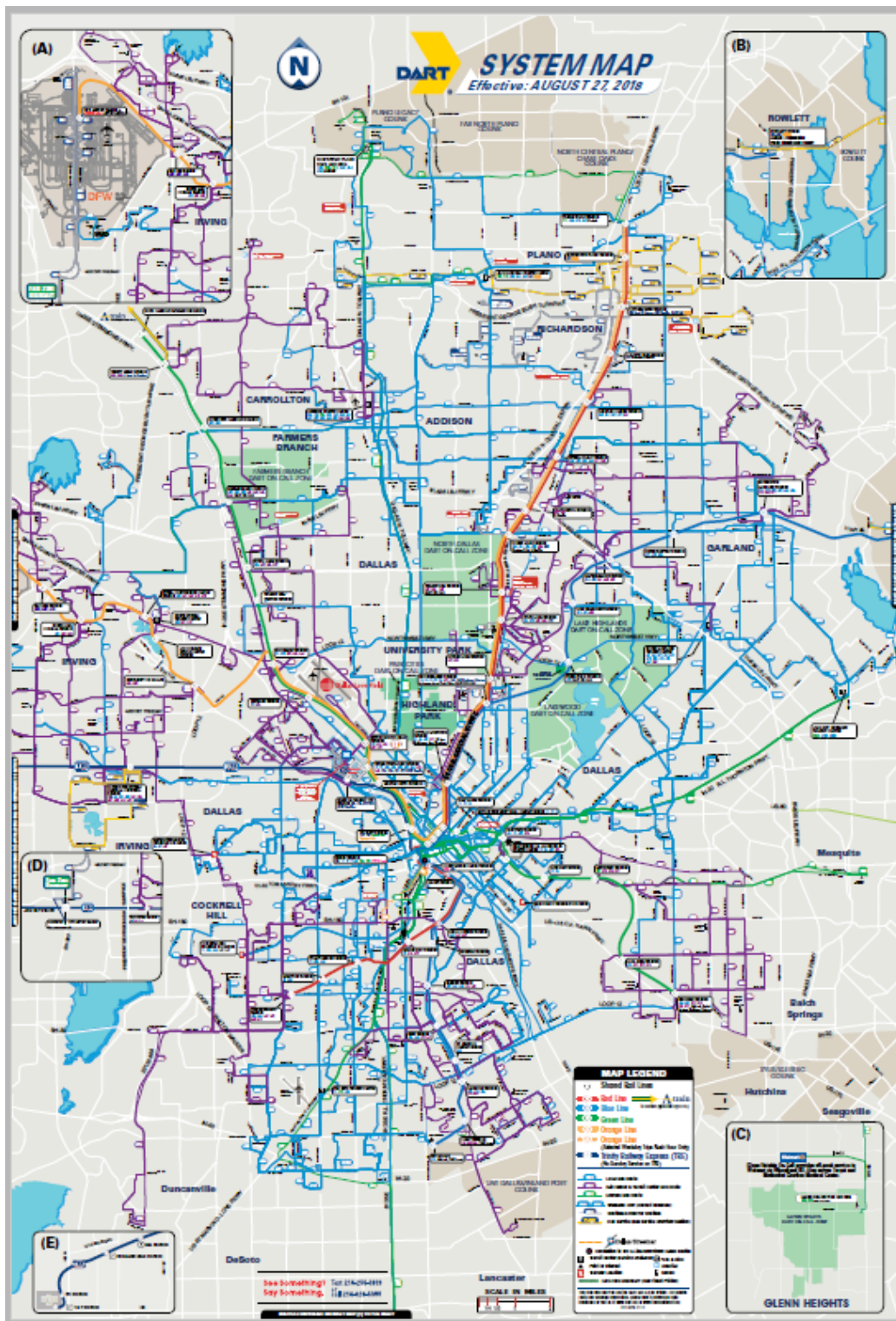
DART collaborates with area employers to develop strategies for reducing employee vehicle trips through such programs as carpools, vanpools, and flexible work schedules. We provide funding for our vanpool program, which is operated through a third-party contractor. We also assist customers in forming 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. Since 2019, President & Chief Executive Officer Nadine Lee has served as a member of the Leadership APTA Committee. The American Public Transportation Association (APTA) is a nonprofit international association of more than 1,500 public and private organizations involved in transit. Ms. Lee is also a past director of the WTS International board.



DALLAS AREA RAPID TRANSIT

DART earned many industry awards in 2021 including, Best-in-State Employer by Forbes. This marks DART's second year in a row being recognized for this award. The Best-in-State Employer award winners, given out by Forbes and Statista Inc., were chosen from a sample of 80,000 Americans working for businesses with at least 500 employees across the U.S. Surveys were conducted on a rolling basis from October 2020 to June 2021 and were anonymous, allowing participants to freely share their opinions. DART is ranked #23 out of the 101 businesses to make the Texas state list.

A complete list of DART's industry awards earned in 2021 follows:

Forbes

America's Best-In-State Employer

Government Finance Officers Association

Distinguished Budget Presentation Award

South West Transit Association (SWTA)

2021 SWTA Spotlight Award

Campaign Awards

South West Transit Association (SWTA)

2021 SWTA Hit the Spot

Special Events Awards

South West Transit Association (SWTA)

2021 SWTA Hit the Spot

Social Media Awards

DFW Clean Cities Fleet

2021 DFW Clean Cities Shining Star for both NOX & GGE reductions

Gold Fleet Awards



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FY 2022 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.

The FY 2022 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

Last year DART was dealing with the worst of the pandemic. Vaccines were not yet a certainty, ridership had fallen by over 50%, sales tax revenues were down, and staffing adjustments were under consideration.

This year DART is in a much better place. Vaccines are widely available and life is beginning to return to something closer to normal. Our sales tax receipts are now exceeding pre-pandemic levels, and as stated below, DART has been the recipient of additional rounds of federal funds that will greatly assist in supporting the agency over the next few years. The agency has received \$229.6 million in new federal revenues under the CARES (Coronavirus Aid, Relief, and Economic Security) Act in FY 2020. We also expect \$128.5 million from CRRSAA (Coronavirus Response and Relief Supplemental Appropriations Act) in FY2021, as well as \$300 million from ARPA (American Rescue Plan Act) in FY 2022.

This funding, coupled with strong fiscal stewardship, has enabled the agency to weather the pandemic storm and turn to addressing the post-pandemic future.

A major initiative that will come to fruition in FY 2022 is DARTzoom – a redesign of the DART bus system network. DARTzoom will completely transform the DART's bus system with the most extensive service change in the agency's history. Over several years, DART has gathered community and rider input to design the new bus network. DART's goal is to increase ridership and maintain coverage by increasing bus service hours and frequency, while also expanding on-demand services. This major bus service change will take place on January 24, 2022, when DART converts the current bus system into the redesigned bus system.

DARTzoom represents the latest step in improving mobility options for the residents of North Texas. Leading up to this, DART has developed a transportation system that includes a Light Rail System totaling 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 for 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) has completed 30% of the design work. The project will both increase capacity and provide operating flexibility in the event of a service disruption. It is scheduled to open in 2028
- The Dallas Streetcar Central Link project 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 service along the Cotton Belt corridor in the northern part of the DART Service Area is underway. This line, known as the Silver Line, runs from Plano through Richardson, North Dallas, Addison, and Carrollton into DFW International Airport. It has been designed to link up with TEXRail, operated by Trinity Metro (formerly known as the Fort Worth Transportation Authority) at DFW Airport. TEXRail 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 in 2024. 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 2022 Twenty-Year Financial Plan illustrates the affordability of its capital and operating plans, contains \$4.6 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 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 2022 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 2022 Annual Budget and Twenty-Year Financial Plan on September 14, 2021.

Financial Plan Format

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

Each category in the FY 2022 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 2022 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 2022 Highlights

DART continues to work toward the implementation of the Program of Interrelated Projects (the Core Capacity program). Full-Funding Grant Agreement (FFGA) was awarded for the platform extension, and the platform extensions are under construction with an expected completion date of 2022. The Streetcar and D2 projects are expected to be completed by 2028.

The construction work on the development of regional rail service on the Silver Line corridor has begun. It will be followed by utility relocation and bridge foundation work. Completion of this project is expected in 2024.

The additional infill station at the Hidden Ridge along the Orange Line in Irving began service in April 2021 and was completely funded by external contributions. The other additional infill station at Loop 12 along the Orange Line is in planning stage and will be completely funded by external contributions. Service at Loop 12 will be scheduled after an ILA with the City of Irving is executed. Both are expected to generate additional ridership...



DART is in the process of developing a 2045 Transit System Plan as a new update to our prior system plan. The Draft 2045 Transit System Plan is planned for public release this Fall and is organized in three sections: Our System, Our Opportunity, and Our Guide. Our System will

highlight what we do and how it's changing, the evolution of our system, who we serve, and future trends and conditions. Our Opportunity will highlight how we are preparing for our future mobility by focusing on opportunities under five themes: Rider Experience, Mobility and Innovation, Service and Expansion, Land Use and Economic Development, and Collaboration. The final section, Our Guide, will document how we implement our future mobility by outlining a set of goals and actions for each theme and include timeframes, responsibilities, and financial considerations.

Exhibit 7 is a summary of the changes in sources and uses of funds between the FY 2021 Financial Plan and the FY 2022 Financial Plan, for the 20-year period of FY 2022 through FY 2041.



Exhibit 7
20-Year Sources and Uses of Funds Comparison FY 2022 – FY 2041 (Millions)

Line	Description	FY21 Plan	FY22 Plan	\$ Variance	% Variance
SOURCES OF FUNDS					
1	Sales Tax Revenues	\$19,933.3	\$20,396.6	\$463.4	2.3%
2	Operating Revenues	2,525.7	2,199.6	(326.1)	(12.9%)
3	Interest Income	436.4	558.6	122.2	28.0%
4	Formula Federal Funding	1,679.7	2,079.1	399.4	23.8%
5	Discretionary Federal Funding	1,214.3	1,231.3	17.0	1.4%
6	Long-term Debt Issuances	3,734.7	3,395.5	(339.2)	(9.1%)
7	Commercial Paper Issuances	500.0	400.0	(100.0)	(20.0%)
8	Other Operating Contributions	490.6	497.3	6.7	1.4%
9	Other Capital Contributions	269.8	280.9	11.2	4.1%
10	Total Sources of Funds	\$30,784.4	\$31,039.1	\$254.7	0.8%
USES OF FUNDS					
Operating Expenses:					
11	Bus	7,253.7	7,455.2	\$201.6	2.8%
12	Light Rail Transit	4,542.3	4,604.9	62.7	1.4%
13	Streetcar	130.0	129.8	(0.2)	(0.2%)
14	Commuter Rail/RR Management	1,393.9	1,477.2	83.3	6.0%
15	Paratransit	1,324.3	1,273.3	(51.0)	(3.8%)
16	General Mobility - TDM	54.4	54.3	(0.1)	(0.2%)
17	Total Operating Expenses	\$14,698.5	\$14,994.8	\$296.2	2.0%
Capital and Non-Operating:					
18	Agency-Wide	515.0	539.3	\$24.4	4.7%
19	Bus	1,261.6	1,220.2	(41.5)	(3.3%)
20	Light Rail Transit	4,065.4	4,073.1	7.7	0.2%
21	Streetcar	104.8	104.8	0.0	0.0%
22	Commuter Rail/RR Management	2,107.5	1,787.7	(319.8)	(15.2%)
23	Paratransit	5.8	5.0	(0.8)	(13.2%)
24	General Mobility - Road Impr./ITS	22.2	24.2	2.0	9.0%
25	Non-Operating	21.2	22.7	1.5	7.0%
26	Capital P & D, Start-Up	373.0	369.4	(3.6)	(1.0%)
27	Total Capital and Non-Operating	\$8,476.5	\$8,146.4	(\$330.0)	(3.9%)
Debt Service					
28	Principal Payments - Long-term Debt	\$3,014.2	3,025.2	\$11.0	0.4%
29	Long-term Debt Interest Expense	\$4,142.9	3,668.3	(474.6)	(11.5%)
30	Commercial Paper Interest Expense	\$175.3	68.8	(106.5)	(60.8%)
31	Debt-Related Fees	\$12.7	12.7	0.0	0.0%
32	Total Debt Service	\$7,345.1	\$6,775.0	(\$570.1)	(7.8%)
33	Commercial Paper Debt Repayment	\$420.0	\$420.0	\$0.0	0.0%
34	Total Uses of Funds	\$30,940.1	\$30,336.2	(\$603.9)	(2.0%)

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 2022 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 needs to be issued in order to pay for operating expenses during any year of the Plan. For example, FY 2022 operating expenses are \$580.4 million. These ongoing obligations are funded by annual sources of funds, including operating revenues (\$51.9 million), interest income (\$2.0 million), federal formula funds for preventive maintenance (\$382.8 million), local funding contributions for TRE (from Trinity Metro) and Streetcar (from the City of Dallas) operations, other sources (\$16.4 million), and sales taxes (\$127.4 million). Exhibit 8, on the following page, illustrates how DART's sources of funds will be applied to uses of funds over the next 20 years. Following Exhibit 8, the FY 2022 Financial Plan is shown as Exhibit 9.





Exhibit 8 FY 2022 – FY 2041 Structural Budget Balance (in Millions)

	Category	2022	2023	2024	2025	2026	Near-Term	Long-Term (2027- 2041)	20 Years 2022-2041
1	Total Sources of Funds	\$2,034.3	\$1,502.9	\$1,557.3	\$1,647.1	\$2,000.2	\$8,741.7	\$22,297.3	\$31,039.1
2	Sales Tax Revenues	\$673.2	\$715.0	\$751.2	\$788.8	\$820.4	\$3,748.5	\$16,648.1	\$20,396.6
3	Operating Revenues	51.9	69.1	77.6	85.5	93.7	377.8	1,821.8	2,199.6
4	Interest Income	2.0	11.9	20.3	24.0	31.1	89.2	469.4	558.6
5	Formula Federal Funding	387.3	89.7	87.2	87.2	87.2	738.6	1,340.5	2,079.1
6	Discretionary Federal Funding	29.3	158.5	170.0	273.0	175.9	806.7	424.6	1,231.3
7	Long-term Debt Issuances	860.8	420.9	412.3	257.5	644.0	2,595.5	800.0	3,395.5
8	Commercial Paper Issuances	0.0	0.0	0.0	100.0	100.0	200.0	200.0	400.0
9	Other Operating Contributions	16.4	16.6	17.6	20.0	21.5	92.2	405.2	497.3
10	Other Capital Contributions	13.5	21.3	21.1	11.0	26.3	93.2	193.3	286.5
11	Operating Expenses	\$580.4	\$592.3	\$606.9	\$639.5	\$659.0	\$3,078.1	\$11,916.6	\$14,994.8
	Funding Sources:								
12	Operating Revenues	\$51.9	\$69.1	\$77.6	\$85.5	\$93.7	\$377.8	\$1,821.8	\$2,199.6
13	Interest Income	2.0	11.9	20.3	24.0	31.1	89.2	469.4	558.6
14	Formula Funds (incl. CARES Act)	382.8	85.2	82.7	82.7	82.7	716.2	1,273.5	1,989.7
15	FWTA TRE Ops / Dallas Streetcar Contributions	15.9	15.8	16.7	19.0	20.5	87.9	387.2	475.1
16	Other Non-Operating Sources	0.5	0.8	1.0	1.0	1.0	4.3	17.9	22.2
17	Sales Taxes allocated to Operations	127.4	409.5	408.7	427.2	430.0	1,802.7	7,946.8	9,749.5
18	General Operating Fund (existing cash)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	Total Funding Sources	\$580.4	\$592.3	\$606.9	\$639.5	\$659.0	\$3,078.1	\$11,916.6	\$14,994.8
20	Capital/Non Operating Expenditures	\$841.9	\$753.6	\$650.5	\$995.8	\$686.1	\$3,927.9	\$4,218.5	\$8,146.4
	Funding Sources:								
21	Formula Funds	4.5	4.5	4.5	4.5	4.5	22.4	67.1	89.4
22	Discretionary Grant Funds	29.3	158.5	170.0	273.0	175.9	806.7	424.6	1,231.3
23	Current Debt Issuances	794.7	420.9	412.3	357.5	479.4	2,464.7	856.6	3,321.4
24	Other Capital Sources	13.5	21.3	21.1	11.0	26.3	93.2	193.3	286.5
25	Sales Taxes Allocated to Capital	0.0	76.3	42.6	120.5	0.0	239.5	2,343.9	2,583.4
26	General Operating Fund/Prior Debt Issues	0.0	72.1	0.0	229.3	0.0	301.4	333.0	634.4
27	Total Funding Sources	\$841.9	\$753.6	\$650.5	\$995.8	\$686.1	\$3,927.9	\$4,218.5	\$8,146.4
28	New Programs	\$15.0	\$35.0	\$45.4	\$46.5	\$45.6		\$255.7	\$255.7
	Funding Sources:								
29	Existing cash/prior year COVID Relief	\$15.0	\$35.0	\$45.4	\$46.5	\$45.6	187.5	\$255.7	\$443.2
30	Debt Service Costs (incl CP repayment)	\$226.5	\$229.1	\$227.7	\$241.1	\$260.9	\$1,185.4	\$6,009.7	\$7,195.0
	Funding Sources:								
31	Sales Taxes Allocated to Debt Service	\$206.5	\$229.1	\$227.7	\$241.1	\$260.9	\$1,165.4	\$5,609.7	\$6,775.0
32	CP Retirement (existing cash/prior year sales tax)	\$20.0	\$0.0	\$0.0	\$0.0	\$0.0	\$20.0	\$400.0	\$420.0
33	Total Uses of Funds	\$1,663.9	\$1,610.0	\$1,530.5	\$1,922.8	\$1,651.7	\$8,378.8	\$22,400.6	\$30,779.4
34	Net Differential Between Sources and Uses	\$370.5	(\$107.1)	\$26.8	(\$275.8)	\$348.5	\$362.9	(\$103.2)	\$259.6



Exhibit 9
FY 2022 20-Year Financial Plan (in Millions - Inflated Dollars)

Line	Description	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOURCES OF FUNDS											
1	Sales Tax Revenues	\$673.2	\$715.0	\$751.2	\$788.8	\$820.4	\$820.9	\$854.0	\$896.7	\$950.5	\$998.1
2	Operating Revenues	51.9	69.1	77.6	85.5	93.7	95.0	96.9	104.7	106.0	107.1
3	Interest Income	2.0	11.9	20.3	24.0	31.1	40.8	44.9	42.1	34.9	27.7
4	Formula Federal Funding	387.3	89.7	87.2	87.2	87.2	87.8	89.5	89.5	89.5	89.5
5	Discretionary Federal Funding	29.3	158.5	170.0	273.0	175.9	172.8	139.7	35.6	12.9	8.6
6	Long-term Debt Issuances	860.8	420.9	412.3	257.5	644.0	550.0	250.0	0.0	0.0	0.0
7	Commercial Paper Issuances	0.0	0.0	0.0	100.0	100.0	100.0	100.0	0.0	0.0	0.0
8	Other Operating Contributions	16.4	16.6	17.6	20.0	21.5	22.3	22.9	23.5	24.1	24.8
9	Other Capital Contributions	13.5	21.3	21.1	11.0	26.3	20.2	25.8	3.9	12.8	6.5
10	Total Sources of Funds	\$2,034.3	\$1,502.9	\$1,557.3	\$1,647.1	\$2,000.2	\$1,909.7	\$1,623.7	\$1,196.0	\$1,230.8	\$1,262.2
USES OF FUNDS											
Operating Expenses:											
11	Bus	\$308.9	\$315.7	\$322.1	\$327.9	\$333.1	\$338.9	\$346.1	\$353.2	\$360.2	\$367.5
12	Light Rail Transit	187.7	191.6	195.4	198.9	201.5	206.8	209.9	218.4	224.5	229.1
13	Streetcar	1.7	1.8	1.9	2.0	4.9	6.0	6.2	6.5	6.7	7.0
14	Commuter Rail/RR Management	36.4	36.4	38.5	59.5	66.4	68.3	70.1	72.0	73.9	75.9
15	Paratransit	43.4	44.6	46.7	48.6	50.7	53.5	55.0	56.5	58.1	60.5
16	General Mobility - TDM	2.2	2.3	2.3	2.4	2.4	2.5	2.5	2.6	2.6	2.7
17	Total Operating Expenses	\$580.4	\$592.3	\$606.9	\$639.5	\$659.0	\$676.0	\$689.8	\$709.2	\$726.0	\$742.6
	<i>Operating+P&D+Start Up</i>	<i>\$594.9</i>	<i>\$607.2</i>	<i>\$632.5</i>	<i>\$656.4</i>	<i>\$675.3</i>	<i>\$692.1</i>	<i>\$708.4</i>	<i>\$726.7</i>	<i>\$743.1</i>	<i>\$760.0</i>
Capital Projects and Non-Operating:											
18	Agency-Wide	\$42.2	\$49.6	\$35.6	\$30.2	\$21.0	\$16.9	\$14.9	\$10.5	\$14.6	\$15.5
19	Bus	36.2	27.3	24.5	107.1	135.1	101.0	64.9	22.1	24.7	13.5
20	Light Rail Transit	125.2	325.2	395.2	629.5	420.4	506.4	338.7	89.1	28.9	31.7
21	Streetcar	0.0	4.3	12.1	31.7	37.0	18.4	0.0	0.0	0.1	0.3
22	Commuter Rail/RR Management	615.4	324.4	148.2	174.3	56.0	57.8	73.2	43.8	36.0	20.5
23	Paratransit	0.0	0.0	0.2	0.1	0.0	0.0	0.9	0.0	0.4	0.3
24	General Mobility - Road Impr./ITS	4.2	6.4	7.9	5.7	0.0	0.0	0.0	0.0	0.0	0.0
25	Non-Operating	4.1	1.6	1.3	0.2	0.2	1.4	0.4	0.2	1.5	0.8
26	Capital P & D, Start-Up	14.6	14.9	25.6	17.0	16.3	16.1	18.6	17.5	17.1	17.5
27	Total Capital and Non-Operating	\$841.9	\$753.6	\$650.5	\$995.8	\$686.1	\$718.0	\$511.6	\$183.3	\$123.3	\$100.0
#28	New Programs	\$15.0	\$35.0	\$45.4	\$46.5	\$45.6	\$44.8	\$43.9	\$43.1	\$42.2	\$41.3
Debt Service											
28	Principal Payments - Long-term Debt	\$134.6	\$154.3	\$155.0	\$163.8	\$177.0	\$203.7	\$224.5	\$229.5	\$224.7	\$219.4
29	Long-term Debt Interest Expense	0.0	0.0	0.0	1.6	5.3	8.8	12.3	14.0	12.3	8.1
30	Commercial Paper Interest Expense	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6
31	Debt-Related Fees	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
32	Total Debt Service Costs	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
33	Commercial Paper Debt Repayment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
34	Total Uses of Funds	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
35	Net Inc (Dec) in cash	\$370.5	(\$107.1)	\$26.8	(\$275.8)	\$348.5	\$165.2	\$45.3	(\$90.0)	(\$115.4)	(\$86.2)
36	Change in Balance Sheet Accts	100.4	6.1	(32.4)	59.4	(47.3)	(4.0)	(45.4)	(75.2)	(31.4)	(13.5)
37	Cash, End of Period	941.9	840.8	835.2	618.8	920.0	1,081.3	1,081.2	916.0	769.2	669.6
38	Less: Cash Reserves & Restricted Fund	(81.9)	(81.8)	(81.7)	(81.7)	(81.7)	(81.7)	(81.6)	(81.5)	(81.4)	(81.3)
39	Less: Savings from Refunding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(1.0)	(2.0)
40	Less: Working Cash Requirement	(145.1)	(148.1)	(151.7)	(159.9)	(164.8)	(169.0)	(172.4)	(177.3)	(181.5)	(185.6)
41	Less: Capital Reserve	(37.3)	(37.8)	(38.7)	(40.1)	(41.7)	(43.4)	(45.2)	(47.1)	(49.0)	(51.0)
42	Unrestricted Cash (Net Available Cash)	\$677.6	\$573.1	\$563.0	\$337.2	\$631.8	\$787.2	\$781.9	\$610.0	\$456.2	\$349.7
43	External Coverage Ratio	3.27	3.13	3.31	3.30	3.22	2.77	2.67	2.67	2.78	2.80
44	Internal Coverage Ratio	1.22	1.34	1.53	1.53	1.55	1.32	1.31	1.33	1.40	1.42
45	Total CP O/S End-of-Year	\$154.2	\$154.2	\$154.2	\$254.2	\$354.2	\$454.2	\$554.2	\$554.2	\$454.2	\$354.2
46	Total Long-Term Debt O/S End-of-Year	\$3,948.6	\$4,295.2	\$4,635.3	\$4,817.7	\$5,383.6	\$5,840.9	\$5,995.1	\$5,888.7	\$5,771.7	\$5,635.2



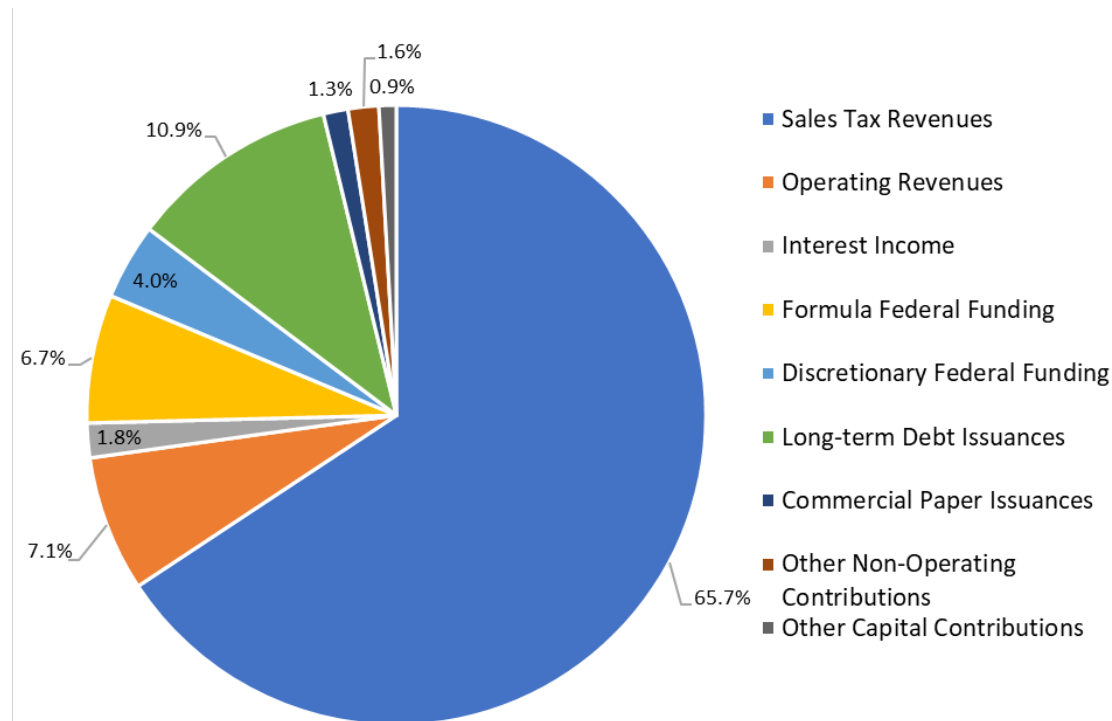
Exhibit 9 (cont.)
FY 2022 20-Year Financial Plan(in Millions - Inflated Dollars)

Line	Description	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	20-Year Total
SOURCES OF FUNDS												
1	Sales Tax Revenues	\$1,038.0	\$1,069.1	\$1,069.1	\$1,111.9	\$1,167.5	\$1,237.5	\$1,299.4	\$1,351.4	\$1,391.9	\$1,391.9	\$20,396.6
2	Operating Revenues	115.3	116.9	118.0	126.7	128.0	129.2	140.1	141.5	142.9	153.5	2,199.6
3	Interest Income	23.8	21.3	21.9	25.1	29.3	31.4	33.6	33.8	31.0	27.8	558.6
4	Formula Federal Funding	89.5	89.5	89.5	89.5	89.5	89.5	89.5	89.5	89.5	89.5	2,079.1
5	Discretionary Federal Funding	0.0	3.4	0.0	0.0	0.0	0.0	17.7	18.3	9.0	6.6	1,231.3
6	Long-term Debt Issuances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,395.5
7	Commercial Paper Issuances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	400.0
8	Other Operating Contributions	25.4	26.1	26.8	27.5	28.3	29.0	29.8	30.7	31.5	32.4	497.3
9	Other Capital Contributions	9.4	8.6	9.8	8.3	8.3	7.3	10.5	7.9	16.1	32.3	280.9
10	Total Sources of Funds	\$1,301.4	\$1,334.9	\$1,335.1	\$1,389.0	\$1,450.8	\$1,524.0	\$1,620.7	\$1,673.0	\$1,711.9	\$1,734.0	\$31,039.1
USES OF FUNDS												
Operating Expenses:												
11	Bus	\$374.6	\$381.8	\$389.1	\$396.9	\$404.4	\$412.2	\$418.2	\$426.4	\$434.8	\$443.4	\$7,455.2
12	Light Rail Transit	233.4	238.0	242.3	247.2	251.8	256.6	261.1	266.2	269.8	274.5	4,604.9
13	Streetcar	7.2	7.5	7.8	8.1	8.3	8.6	8.9	9.2	9.6	9.9	129.8
14	Commuter Rail/RR Management	77.9	80.0	82.1	84.4	86.6	89.0	91.3	93.9	96.3	98.3	1,477.2
15	Paratransit	62.9	65.4	68.0	70.8	73.6	76.6	79.6	82.9	86.2	89.7	1,273.3
16	General Mobility - TDM	2.7	2.8	2.8	2.9	2.9	3.0	3.1	3.1	3.2	3.2	54.3
17	Total Operating Expenses	\$758.6	\$775.6	\$792.1	\$810.3	\$827.7	\$846.0	\$862.2	\$881.7	\$899.9	\$918.9	\$14,994.8
	<i>Operating+P&D+Start-Up</i>	<i>\$776.5</i>	<i>\$793.8</i>	<i>\$810.6</i>	<i>\$829.1</i>	<i>\$846.9</i>	<i>\$865.6</i>	<i>\$882.2</i>	<i>\$902.1</i>	<i>\$920.6</i>	<i>\$940.0</i>	<i>\$15,364.2</i>
Capital Projects and Non-Operating:												
18	Agency-Wide	\$18.0	\$22.8	\$19.4	\$36.3	\$22.2	\$87.5	\$36.7	\$18.1	\$14.7	\$12.7	\$539.3
19	Bus	43.7	23.6	11.0	5.4	4.4	145.9	180.9	133.1	87.9	27.9	1,220.2
20	Light Rail Transit	15.9	21.8	19.9	25.4	25.1	38.9	39.0	240.4	396.8	359.9	4,073.1
21	Streetcar	0.0	0.1	0.0	0.0	0.3	0.0	0.0	0.0	0.2	0.4	104.8
22	Commuter Rail/RR Management	17.7	24.1	24.6	13.6	13.3	12.5	15.1	17.6	39.5	60.0	1,787.7
23	Paratransit	0.2	0.2	0.1	0.1	1.1	0.1	0.6	0.1	0.5	0.1	5.0
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	24.2
25	Non-Operating	1.5	3.1	0.3	0.3	1.8	0.3	0.6	2.0	0.3	1.0	22.7
26	Capital P & D, Start-Up	17.8	18.1	18.5	18.9	19.2	19.6	20.0	20.3	20.7	21.1	369.4
27	Total Capital and Non-Operating	\$114.8	\$114.0	\$93.7	\$99.8	\$87.4	\$304.8	\$292.8	\$431.5	\$560.5	\$483.1	\$8,146.4
#28	New Programs	\$40.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$443.2
Debt Service												
28	Principal Payments - Long-term Debt	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
29	Long-term Debt Interest Expense	213.1	206.0	198.8	191.2	183.5	175.5	167.1	158.3	149.0	139.3	3,668.3
30	Commercial Paper Interest Expense	4.9	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	68.8
31	Debt-Related Fees	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	12.7
32	Total Debt Service Costs	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
33	Commercial Paper Debt Repayment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
34	Total Uses of Funds	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
35	Net Inc (Dec) in cash	(\$90.3)	(\$34.2)	\$71.9	\$101.7	\$151.7	(\$18.6)	\$63.1	(\$42.7)	(\$152.4)	(\$72.4)	\$259.7
36	Change in Balance Sheet Accts	(2.2)	(3.4)	(2.3)	(5.1)	(10.2)	37.2	(5.1)	23.2	29.8	(9.8)	(31.4)
37	Cash, End of Period	577.1	539.5	609.0	705.7	847.1	865.7	923.6	904.1	781.5	699.3	699.3
38	Less: Cash Reserves & Restricted Funds	(81.1)	(80.9)	(80.7)	(80.4)	(80.1)	(79.7)	(79.3)	(78.8)	(78.3)	(77.2)	(77.2)
39	Less: Savings from Refunding	(3.0)	(4.0)	(5.0)	(6.0)	(7.0)	(8.0)	(9.0)	(10.0)	(11.0)	(12.0)	(12.0)
40	Less: Working Cash Requirement	(189.7)	(193.9)	(198.0)	(202.6)	(206.9)	(211.5)	(215.6)	(220.4)	(225.0)	(229.7)	(229.7)
41	Less: Capital Reserve	(52.9)	(55.0)	(57.2)	(59.4)	(61.7)	(64.0)	(66.5)	(69.1)	(71.7)	(74.5)	(74.5)
42	Unrestricted Cash (Net Available Cash)	\$250.3	\$205.6	\$268.2	\$357.3	\$491.4	\$502.4	\$553.2	\$525.8	\$395.4	\$305.9	\$305.9
43	External Coverage Ratio	2.79	2.83	2.84	2.95	3.05	3.16	3.23	3.36	3.45	3.45	n/a
44	Internal Coverage Ratio	1.43	1.45	1.42	1.51	1.60	1.72	1.82	1.90	1.95	1.92	n/a
45	Total CP O/S End-of-Year	\$254.2	\$154.2	\$154.2	\$154.2	\$154.2	\$154.2	\$154.2	\$154.2	\$154.2	\$154.2	n/a
46	Total Long-Term Debt O/S End-of-Year	\$5,476.0	\$5,304.8	\$5,126.9	\$4,941.5	\$4,741.6	\$4,526.0	\$4,291.2	\$4,047.8	\$3,793.7	\$3,529.4	n/a

Sources of Funds

Total sources of funds for the period FY 2022 through FY 2041 are projected to increase \$254.7 million (0.8%) from that period in the amended FY 2021 Plan. This reflects the net effect of several items. 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 2022 – 2041. Each source of funding is detailed below.

Exhibit 10
FY 2022 – FY 2041 Distribution of Sources of Funds



Sales Tax Revenues (line 1 of the Financial Plan)

Sales tax revenues comprise 65.7% of DART’s total projected sources of funds through FY 2041 (74.9% of total sources excluding debt issuances). This is virtually the same percentage as contained in the FY 2021 Financial Plan for the same 20-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. 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. Sales taxes have trended above forecast for the last five years, with year-over-year growth averaging 3.53% from FY 2016 – FY 2020. Through July year-to-date FY 2021 sales taxes receipts were 7.57% higher than FY 2020.

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. During the early stages of the pandemic, there were significant uncertainties around the impacts on this revenue source. The actual experience has turned out to be not as dire as feared. April 2020 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.

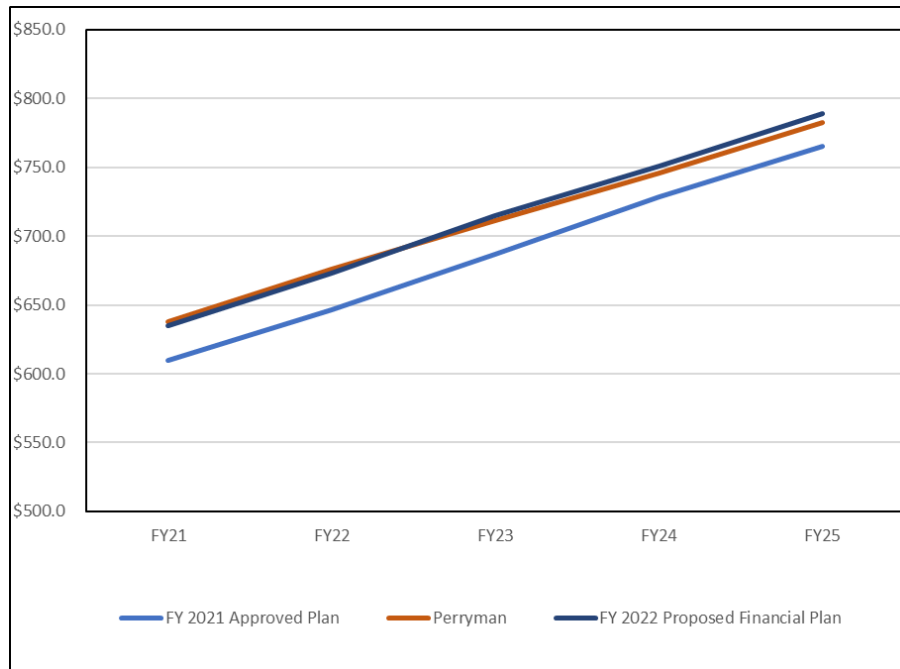
After a series of drops from February 2020 through February 2021 compared to prior year receipts, March 2021 sales tax receipt increased by 19.7% from March 2020. April 2021 rebounded and was 41.7% above the same month in the prior year. Sales tax continues to exceed expectations and May 2021 sales taxes increased by 19.6% from May 2020. We now expect FY 2021 sales tax to finish above the amount in the amended FY 2021 Financial Plan. This is primarily attributed to the state and county's meaningful efforts to lift many of the restrictions that were established in early 2020 in response to the pandemic, as well as impacts on sales tax collections related to the *South Dakota v. Wayfair, Inc.* Supreme Court decision on the collection of sales tax from out of state sellers. Consequently, we have upwardly revised our 20-year forecast.

A comparison of the projections from Dr. Ray Perryman and the FY 2022 Financial Plan is contained in Exhibits 11.1 and 11.2 in tabular and graphic form, respectively.

Exhibit 11.1
5-Year Sales Tax Receipts FY 2021 – FY 2025 (in Millions)

Year	FY 2021 Approved Plan	Perryman	FY 2022 Proposed Financial Plan
FY21	\$610.0	\$637	\$635
FY22	\$646.7	\$676	\$673
FY23	\$686.9	\$712	\$715
FY24	\$728.6	\$746	\$751
FY25	\$765.0	\$782	\$789
5-Year Total	\$3,437	\$3,554	\$3,563

Exhibit 11.2
5-Year Sales Tax Receipts FY 2021 – FY 2025)(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 regarding incorporating sales taxes into the Financial Plan. Instead of using the straight-line approach to sales tax growth which has been 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 \$1.33 billion (6.1%) 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 was no impact on the Financial Plan, it certainly lessened the overall impact of the pandemic on the Financial Plan than 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 2021 Plan, the FY 2022 Plan, and the Perryman projections is shown in Exhibit 11.3 and 11.4.

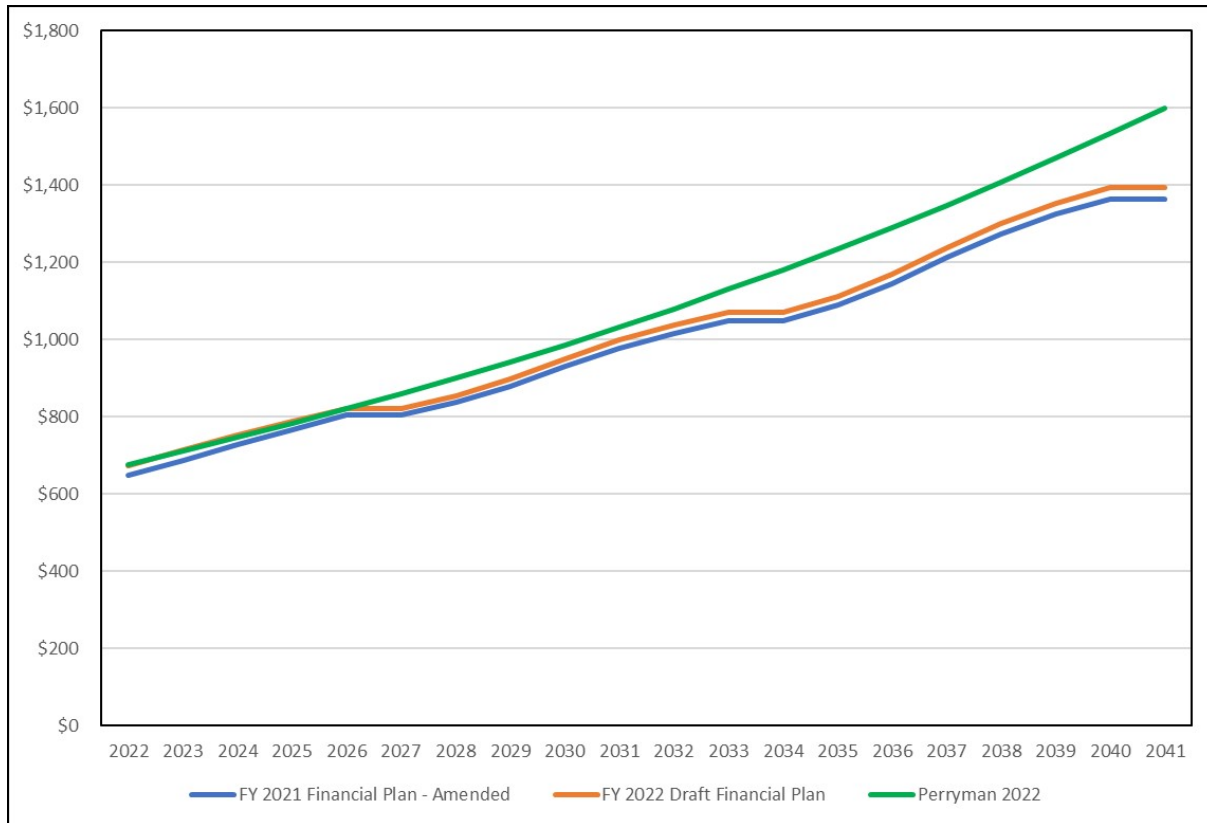


Exhibit 11.3
20-Year Sales Tax Receipts FY 2022 – FY 2041(in Millions)

Year	FY 2021 Financial Plan - Amended		FY 2022 Financial Plan		Perryman 2022	
	%	\$	%	\$	%	\$
2022	6.0%	646.7	6.0%	673.2	6.1%	676.1
2023	6.2%	686.9	6.2%	715.0	5.3%	711.6
2024	6.1%	728.6	5.1%	751.2	4.9%	746.2
2025	5.0%	765.0	5.0%	788.8	4.8%	782.3
2026	5.0%	803.3	4.0%	820.4	4.8%	819.8
2027	0.1%	803.8	0.1%	820.9	4.8%	858.9
2028	4.0%	836.3	4.0%	854.0	4.7%	899.6
2029	5.0%	878.1	0.0%	896.7	4.7%	941.9
2030	6.0%	930.8	6.0%	950.5	4.7%	986.0
2031	5.0%	977.4	5.0%	998.1	4.6%	1,031.8
2032	4.0%	1,016.5	4.0%	1,038.0	4.6%	1,079.5
2033	3.0%	1,047.0	3.0%	1,069.1	4.6%	1,129.0
2034	0.0%	1,047.0	0.0%	1,069.1	4.6%	1,180.5
2035	4.0%	1,088.8	4.0%	1,111.9	4.5%	1,233.9
2036	5.0%	1,143.3	5.0%	1,167.5	4.5%	1,289.4
2037	6.0%	1,211.9	6.0%	1,237.5	4.5%	1,347.0
2038	5.0%	1,272.5	5.0%	1,299.4	4.4%	1,406.8
2039	4.0%	1,323.4	4.0%	1,351.4	4.4%	1,468.8
2040	4.0%	1,363.1	3.0%	1,391.9	4.4%	1,533.0
2041	0.0%	1,363.1	0.0%	1,391.9	4.4%	1,599.8
20-Year Total		\$19,933.3		\$20,396.6		\$21,721.7

** Note: There is a small increase in sales taxes in 2027 (a zero-growth year) in the FY 2022 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
20-Year Sales Tax Receipts FY 2022 – FY 2041(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 \$2.2 billion (7.1%) of DART's sources of funds through FY 2041. Exhibit 12 details projected operating revenues for the next 20 years.



Exhibit 12 Operating Revenues(in Millions)

Operating Revenues	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Fixed Route Passenger Revenues	\$37.8	\$53.2	\$61.0	\$68.2	\$75.6	\$76.5	\$77.9	\$85.2	\$86.2	\$86.7
Other Passenger Fares	2.5	3.5	3.9	4.3	4.7	4.8	4.8	4.9	4.9	5.1
Total Passenger Revenues	\$40.4	\$56.8	\$64.9	\$72.4	\$80.3	\$81.2	\$82.7	\$90.1	\$91.1	\$91.7
Leases & Rentals	\$7.8	\$8.0	\$8.2	\$8.3	\$8.5	\$8.7	\$8.9	\$9.1	\$9.3	\$9.5
Advertising	2.4	2.7	2.9	3.0	3.2	3.3	3.5	3.6	3.8	4.0
Vanpool (NCTCOG/FHWA)	0.5	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.9
DCTA Access & Impact Fees	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.9	0.9
Other	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1
Total Operating Revenues	\$51.9	\$69.1	\$77.6	\$85.5	\$93.7	\$95.0	\$96.9	\$104.7	\$106.0	\$107.1

Operating Revenues	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	20-Year Total
Fixed Route Passenger Revenues	\$94.0	\$95.3	\$95.9	\$104.0	\$104.7	\$105.3	\$115.2	\$115.8	\$116.5	\$126.4	\$1,781.6
Other Passenger Fares	5.5	5.7	5.8	5.9	6.1	6.2	6.8	7.0	7.2	7.3	107.0
Total Passenger Revenues	\$99.6	\$101.0	\$101.7	\$110.0	\$110.8	\$111.5	\$122.0	\$122.8	\$123.7	\$133.8	\$1,888.5
Leases & Rentals	\$9.7	\$9.9	\$10.1	\$10.3	\$10.5	\$10.8	\$11.0	\$11.2	\$11.4	\$11.7	\$193.0
Advertising	4.1	4.0	4.2	4.3	4.5	4.8	5.0	5.2	5.4	5.7	79.7
Vanpool (NCTCOG/FHWA)	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.2	18.9
DCTA Access & Impact Fees	0.9	0.9	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	18.1
Other	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.4
Total Operating Revenues	\$115.3	\$116.9	\$118.0	\$126.7	\$128.0	\$129.2	\$140.1	\$141.5	\$142.9	\$153.5	\$2,199.6

Passenger revenues are the primary component of operating revenues, representing approximately \$1.89 billion, or 85.9% of operating revenues. Because of the impact of COVID-19 on Ridership, this represents approximately \$367 million reduction from the same 20-year period in the FY 2021 Financial Plan. Passenger revenue continues to struggle. Ridership & passenger revenue reflects bus network redesign but revised downward. The FY 2022 financial plan reflects a more modest growth in ridership.

Actions to improve passenger revenue:

- DARTzoom service improvements and promotion
- Europay, Mastercard, and Visa (EMV) payment method
- Introducing new programs on the Fare policy such as the flexible corporate program and loyalty program



- Continuous Station fare reinforcing activities and other actions to reinforce platform tapping
- Review of validator placements on platforms to make it easier to pay / remind customers to tap or activate

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 reduction in ridership due to COVID-19 has also impacted the 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
FY22	\$0.70	\$1.00	\$3.00	\$0.94
FY23 - FY25	\$0.90	\$1.09	\$3.28	\$1.15
FY26 - FY28	\$0.98	\$1.20	\$3.59	\$1.19
FY29 - FY31	\$1.08	\$1.31	\$3.92	\$1.30
FY32 - FY34	\$1.18	\$1.43	\$4.29	\$1.41
FY35 - FY37	\$1.29	\$1.56	\$4.69	\$1.54
FY38 - FY40	\$1.41	\$1.71	\$5.13	\$1.69

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 \$558.6 million (1.8%) of total sources of funds for the next 20 years. This is a \$122.2 million (28.0%) increase from the amount contained in the FY 2021 Plan primarily reflecting upwardly revised interest rates and higher invested (cash) balances.

Interest income rates are estimated to average 0.30% throughout 2022, increasing up to nearly 4% by 2026. 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 2022, they also include ARP 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 FAST Act was extended by one year in 2020. The FAST Act extension includes \$13.6 billion to maintain the Highway Trust Fund's solvency at current funding levels (\$47.1 billion for highway programs and \$12.3 billion for transit programs) through fiscal year 2021. This extension will provide much-needed funding certainty to state and local governments navigating significant revenue shortfalls due to the COVID-19 pandemic. 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 COVID-19 Pandemic, the federal government passed multiple relief laws designed to mitigate the negative economic impact of the pandemic. In 2022 DART expects to receive nearly \$300 million in ARP 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 and maintenance costs.

Formula funds are \$2.08 billion (6.7% of total sources of funds) through FY 2041. This is an increase over the FY 2021 Plan based on the ARP 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 2024, it will generate additional formula funds beginning in 2026. An estimate of \$2.3 million has been made for these additional funds annually, based on current federal apportionment values.

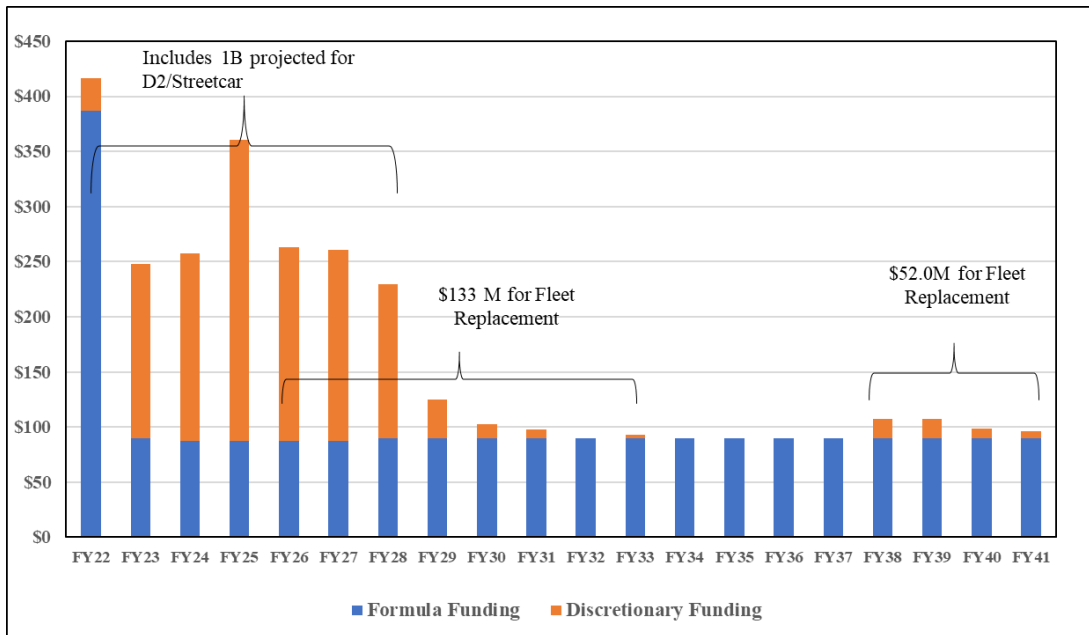
Discretionary Federal Funding (line 5 of the Financial Plan)

Discretionary federal funding comprises \$1.23 billion (4.0% of total sources) through FY 2041. This is a \$17.0 million (1.4%) increase over the FY 2021 Plan. The increase is primarily due to increased projection of the grant value for second rail corridor through downtown Dallas (D2). The FY 2021 Plan had assumed a \$650 million grant for the D2 subway. For the amended FY 2021 Plan, this has been increased to \$952 million. The application for these funds is expected to be completed in 2022, and if the grant is awarded the money will be expected to be received between 2024 and 2028.

DART has been very conservative regarding 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 \$91 million mainly for core capacity and streetcar system expansion and various projects (2022 – 2026), \$185 million between 2026 and 2041 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 2022 – FY 2041) (in Millions)



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

DART plans to issue approximately \$3.4 billion in new long-term debt over the next 20 years. The issuances include \$1.04 billion during FY 2024 - FY 2028 for the Core Capacity Program (D2 & Streetcar Line) mentioned above, \$700 million for light rail vehicle rehab and replacement, and \$686 million for the Silver Line project.

\$63.5 million for TRE vehicle replacement and other infrastructure projects. DART has been approved for a \$908 million loan from the Federal Railroad Administration’s Railroad Rehabilitation & Improvement Financing (RRIF) program, approximately \$50,000 of which has been received to date, to finance the project.

Commercial Paper Issuances (line 7 of the Financial Plan)

DART will issue \$400 million through 2028 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 FY2022.



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 \$497.3 million between FY 2022 and FY 2041 and represent 1.6% of total sources of funds for that same period. This category of funds increased \$6.7 million (1.4%) compared to the same period in the FY 2021 Plan, primarily due to the City of Dallas's related contribution to operating costs.

Uses of Funds

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

- In FY 2022, 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,



- Looking a little further down the road, the Plan includes even more service enhancements.
- One new infill station along the Orange Line in Irving (Loop 12). Another station along the Hidden Ridge was completed in May 2021,
- Commuter Rail service along the Silver Line corridor from Plano to DFW Airport in 2024,
- An expanded Streetcar Rail network in 2028, and
- The second light rail alignment through downtown

Dallas (D2), currently anticipated to begin service in 2028.

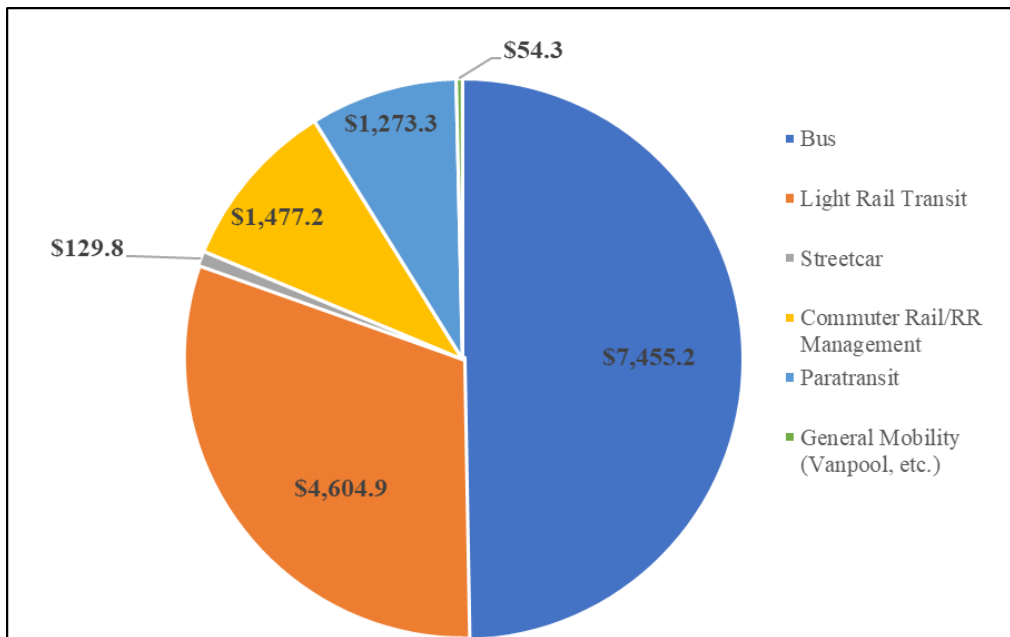
Total operating expenses for FY 2022 through FY 2041 are projected to be approximately \$15.0 billion, an increase of \$296.2 million (2.0%) from the amount in the FY 2021 Plan over the same period of time, primarily due to service changes of DARTzoom.

DART's FY 2022 Operating Budget is \$580.4 million, which is the same as the amended FY 2021 operating budget.

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 2022 – FY 2041 (in Millions)



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

Exhibit 16 compares the projected 20-year modal operating expenses (2022 - 2041) based on the FY 2022 Financial Plan.

Exhibit 16
20-Year Modal Expense Comparison FY 2022 – FY 2041(in Millions)

	FY21 FP	FY22 FP	\$ Variance FY20 to FY21	% Variance FY20 to FY21
Bus	\$7,253.7	\$7,455.2	\$201.6	2.8%
Light Rail Transit	4,542.3	\$4,604.9	62.7	1.4%
Streetcar	130.0	\$129.8	(0.2)	(0.2%)
Commuter Rail/RR Management	1,393.9	\$1,477.2	83.3	6.0%
Paratransit	1,324.3	\$1,273.3	(51.0)	(3.8%)
General Mobility (Vanpool, etc.)	54.4	\$54.3	(0.1)	(0.2%)
Total Operating Expenses	\$14,698.5	\$14,994.8	\$296.2	2.0%

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.



Even with the light rail system more than doubling since 2009, bus expenses still represent the largest modal portion of DART's operating costs (49.7%) over the next twenty years. The bus mode includes DART's Innovative Services, namely GoLink and site-specific shuttle services. Twenty-year bus modal costs have increased by \$201.6 million (2.8%) from the FY 2021 Financial Plan as a result of service changes (DARTzoom).

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. Light rail operating costs have increased from 21.1% of the FY 2009 operating budget to 32.3% of the FY 2022 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 TEXRail, 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.

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 20-year period 2022 – 2041 from the FY 2022 Plan to the amended 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 (2022 – 2041)(in Millions)

	FY21 FP	FY22 FP	\$ Variance FY21 to FY22	% Variance FY21 to FY22
Agency-Wide	\$515.0	\$539.3	\$24.4	4.7%
Bus	1,261.6	1,220.2	(41.5)	(3.3%)
Light Rail Transit	4,065.4	4,073.1	7.7	0.2%
Streetcar	104.8	104.8	0.0	0.0%
Commuter Rail/RR Management	2,107.5	1,787.7	(319.8)	(15.2%)
Paratransit	5.8	5.0	(0.8)	(13.2%)
General Mobility - Road Impr./ITS	22.2	24.2	2.0	9.0%
Non-Operating	21.2	22.7	1.5	7.0%
Capital P & D, Start-Up	373.0	369.4	(3.6)	(1.0%)
Total Capital Expenditures	\$8,476.5	\$8,146.4	(\$330.0)	(3.9%)

Capital and Non-Operating expenditures are budgeted at \$841.9 million for FY 2022 and \$8.1 billion for the 20 years through FY 2041. This is 3.9% less from the FY 2021 Plan over the same period. This reflects the revised cash flows.

The list of major Capital and Non-Operating projects (including all new projects) is shown as Exhibit 18, beginning on page 29.

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 \$24.2.0 million over the next 20 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 \$22.7 million through 2041.

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 \$14.6 million for FY 2022 (1.7% of the operating budget), and \$369.4 million over the 20-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 2022 Financial Plan includes \$4.6 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 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 2022 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)	\$1,940.1
2	Silver Line Regional Rail Project	\$1,899.0
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	COMMS P25 Radio System Upgrade	\$30.0
8	Bus Repower Program	\$21.0
9	Consolidated Dispatch Facility	\$18.5
10	LRV Repower Programs	\$18.3
11	Bi-level & Cab Car Overhauls	\$17.4
12	Enterprise Asset Management System	\$15.2
13	Comprehensive Fare Payment System	\$15.0
14	Loop 12 Rail Station	\$12.0
15	LRV HVAC Upgrade Project	\$10.3

Dallas CBD Second Light Rail Alignment (D2 Subway)

Total Budget: 1,940,000,000

Funding Source(s): Grant: \$950,000,000; Debt/General Fund: \$990,000,000

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.

The 30% project cost estimate is \$1.94 billion. DART plans to pursue an approximately 50/50 funding share between local/federal sources, and the project is currently programmed to be completed in 2028 (subject to change).



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, and the 30% design package was submitted on October 30, 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. The final EIS/Record of Decision was issued by FTA on April 9, 2021.

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. SDEIS public hearings were held on June 11, 2020 (virtually) and on June 25, 2020 (in person). A public hearing for the Service Plan Amendment was held September 22, 2020. Coordination continues to occur with Council, (approved Parkland easements on November 11, 2020), Park and Recreation Board, Texas Historic Commission (Programmatic Agreement signed and filed with ACHP), Transportation and Infrastructure Committee (briefed on November 16, 2020, January 19, 2021), and Urban Design Peer Review Panel (UDPRP).

Project Issues

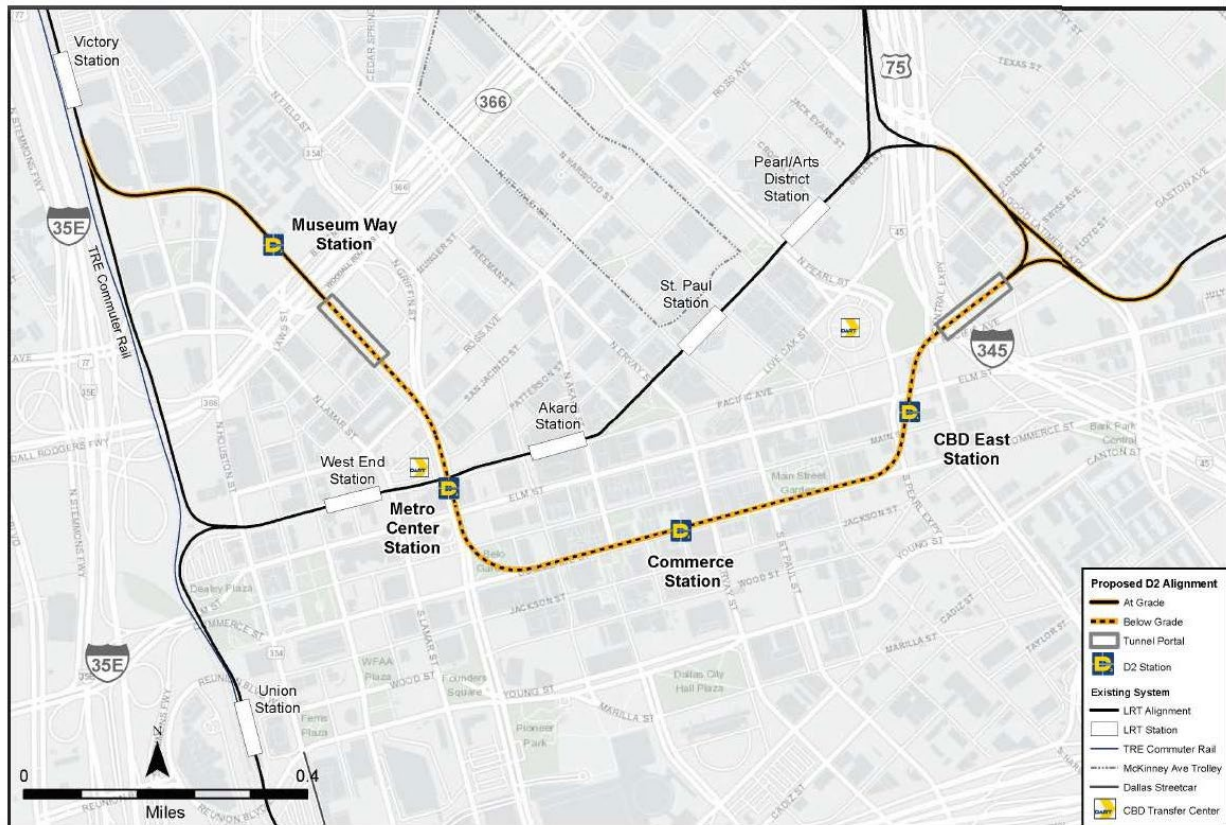
Regular meetings will continue with TxDOT to review IH-345 design concepts and implementation details. TxDOT stated in late 2020 that all options, including a below-grade IH-345 concept, still appear to work with the D2 Subway portal as designed. An agreement or deal points are being developed.

The Dallas City Council approved the Service Plan Amendment on March 24, 2021, with conditions, including but not limited to additional future evaluation and review of D2 project refinements; enhancements and/or modifications on the east end of the corridor. An Interagency (TxDOT, DART, City of Dallas, NCTCOG) East End Evaluation effort that will address the City’s conditions is underway. Revisions to the project resulting from this effort, will be taken back to

City Council no later than March 2022 for re-approval. This will allow the project to remain on schedule. Delays beyond this period as well as the extend of proposed changes on the east end may affect the ability to remain eligible for core capacity program.

Potential early ROW acquisition may be needed.

D2 Subway Locally Preferred Alternative – Commerce via Victory/Swiss



Silver Line Corridor Regional Rail Project

Total Budget: \$1,899,000,000

Funding Source(s): Grant: \$144,325,599; Funding Partners/General Fund: \$846,674,401; Debt: Railroad Rehabilitation & Improvement Financing (RRIF): \$908,000,000

Project Description



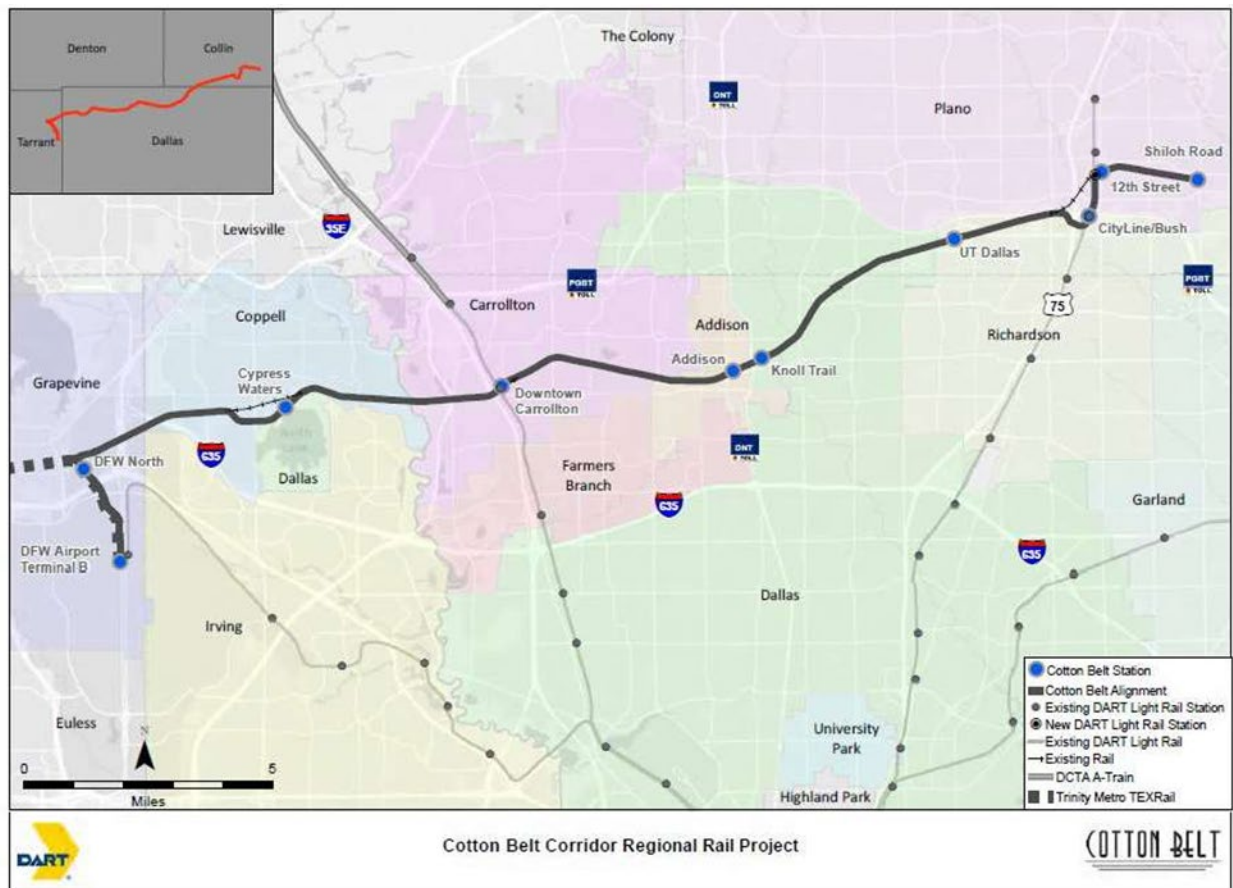
The 26-mile-long regional rail Silver Line (aka Cotton Belt) Corridor extends from Dallas-Fort Worth International Airport (DFWIA) through the northern portion of the DART Service Area to Shiloh Road in Plano. The corridor passes through the cities of Grapevine, Coppell, Carrollton, Addison, Dallas, 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 TEXRail 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 both the Cypress Waters Option (diverting from the Cotton Belt to provide a station near North Lake) and the Red Line South Option (diverting from the Cotton Belt to provide a station at City Line before returning to the Cotton Belt), terminating at Shiloh Road.

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) will serve as a Cooperating Agency, and the Federal Railroad Administration (FRA) will serve as a Participating Agency. Funding for the project is being provided through the FRA-administered 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. 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.



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 Cotton Belt 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 and April 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 concluded in August 2019. All Art & Design and Community Betterment meetings have been concluded. DART is establishing and reaffirming the selections made with the communities and cities.

The design-builder is working to progress design development from the 10% level to 30%, 60%, 100%, and IFC levels of design. The design-builder has submitted 439 of 542 design packages, totaling to nearly 80% 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 completed and Phase II design is complete. Franchise utility relocations continue to progress along the corridor.

COVID-19 impacts were 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. Design of the Coit and Hillcrest intersections are near completion.

New alignments at existing Mercer Yard in Downtown Carrollton are also being investigated to avoid property acquisition concerns. DART is leaning towards the two-up alignment with no improved property acquisition. This will require taking vacant properties. This alignment change was approved by DART, and a Supplemental Agreement is to be issued to the design-builder soon.

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 I design is in progress. 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 on January 3, 2020, for vehicle options including a 15-year Vehicle and EMF maintenance option. The vehicle design was approved as noted in September 2020 and vehicle car body manufacturing is in progress in Hungary. As of the end of April 2021, car bodies for the first two vehicles and the trucks for the first vehicle had been completed and shipped to Salt Lake City, UT for assembly. As of the end of April 2021, due to the significantly high Irving EMF construction cost estimates received from the CM/GC, a decision had been made to stop efforts to construct a Silver Line EMF in Irving, Texas, and to work towards modifying the DCTA Operations Maintenance Facility (OMF) in Lewisville, Texas, for use as a temporary or permanent

Silver Line EMF. Planning is in progress for the temporary and subsequently permanent use of the DCTA OMF as Silver Line EMF. A draft ILA for the modification and joint (DART/DCTA) use of the DCTA facilities to support the Silver Line vehicle reception and maintenance is under review.

The anticipated date for project completion, which is March 2023 following extension of time granted to Hillcrest and Coit changes, 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 into 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. DGNO and KCS agreements have been drafted and are under review by railroads and DART.

Agreements with Service Area Cities

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

Pending Change Issue – Silver Line Hike and Bike Trail

DART worked 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 was based on the 10% design under development by the NCTCOG was more than the NCTCOG's budget. DART evaluated cost drivers to narrow down the budgetary gap. An agreement has been finalized with NCTCOG for funding. NCTCOG will pay \$14.9M for 100% design of the trail. Construction will be subject of a separate agreement. Issuance of a change to the design-build contract, beyond the authorized 30% design, is pending approval of the funds by FTA and issuance of the Letter of No Prejudice (LONP).

*City of Dallas Design Approvals and Permits Status*

- Hillcrest AT&T Permit – Approved; boring to start in October 2021
- Guideway Design Hydraulics – Approved
- Coit Bridge Layout – Approved; anticipated start of construction in October 2021
- Intersection Design – Open; Diagnostic Review Conducted on August 26, 2021.

Red & Blue Line Platform Extensions (RBPE)

Total Budget: \$ 128,744,913

Funding Source(s): Grant: \$63,231,166; Texas Mobility Fund: \$60,000,000; General Fund: \$5,273,747

Project Description

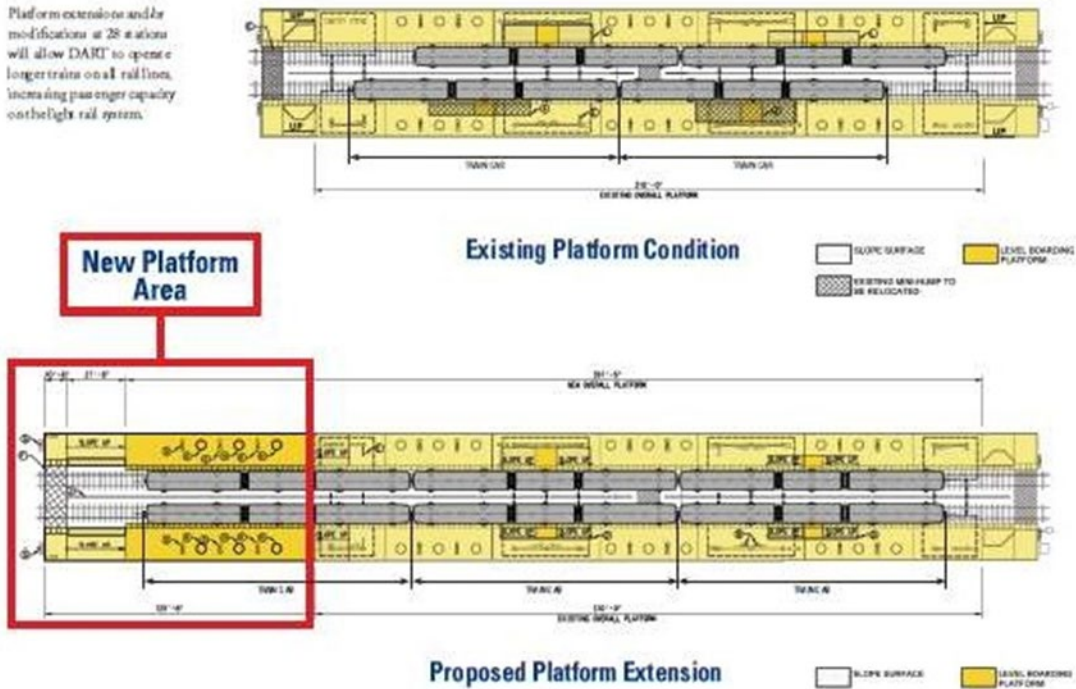
The purpose of this project is to modify platforms at 28 stations that were constructed before 2004, along the Red and Blue Lines to accommodate three-car trains. Modifications include extending platforms and/or raising portions of the platform to permit level boarding. These modifications will increase 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 that modify existing infrastructure 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.

Due to unusually inclement weather in February 2021, and the lack of DART operational support required for weekend work, the construction manager will be working with DART Procurement and others to contractually adjust the milestone dates for all Group A, C, and D stations not yet completed or started. Two of the prime contractors have submitted official Notices of Delay, and the other has voiced their concern about delays verbally.

Group A

On January 21, 2020, NTP letter was issued to CM/GC 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.

Preliminary walk-through was performed on September 25, 2020.
Substantial completion was issued for Cityplace Station on October 7, 2020.

Notice to Access was given to Group A on October 8, 2020, for the Convention Center Station and Cedars Station. Work began on those stations on October 19, 2020, with completion set for March 11, 2021, for both stations.

The contract reached substantial completion on Convention Center and Cedars stations on April 27, 2021.

Notice of Access was given to Group A on April 28, 2021, for the Mockingbird Station and 8th & Corinth Station. Construction work is projected to begin on those stations on May 3, 2021, with completion for Mockingbird anticipate on December 15, 2021, and for 8th & Corinth on January 15, 2022.

*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 II was issued for Walnut Hill, Spring Valley, Downtown Plano, and Galatyn Park.

On July 1, 2019, Notice to Proceed letter was issued to CM/GC 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, CityLine/Bush, 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 26, 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.

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/Central Station and Lovers Lane Station. Work began April 27, 2020 with completion set for September 24, 2020.

On August 14, 2020 substantial completion was reached for LBJ/Central Station, Arapaho Station, and Lovers Lane Station. Presently working on punch list items.

On September 17, 2020, Arapaho Station was 100% complete; all items had been addressed.



On September 18, 2020, Lovers Lane Station was 100% complete; all items had been addressed.

On September 22, 2020, LBJ/Central Station was 100% complete; all items had been addressed.

Contractor continues with the closeout process.

Group C

On September 30, 2020, CM/GC was given Notice to Proceed.

On October 12, 2020, Notice to Access was given to Group C for the Hampton Station and Dallas Zoo Station. Work began on those station on October 19, 202, with completion set for March 11, 2021, for both stations.

The contractor reached substantial completion on Dallas Zoo Station and Hampton Station on March 30, 2021.

Notice of Access was given to Group C on April 9, 2021 for the Tyler/Vernon Station and the Westmoreland Station. Construction work began on these stations on April 12, 2021. Tyler/Vernon was completed on August 20, 2021, and Westmoreland is anticipated to be completed on January 9, 2022.

Group D

On September 16, 2020, CM/GC Group D, Phillips May Incorporated, PMC, was given Notice to Proceed.

On October 12, 2020, Notice to Access was given to Group D for the Forest/Jupiter Station and White Rock Station. Work began on those stations on October 20, 2020, with completion set for March 11, 2021, for Forest/Jupiter, and April 8, 2021, for White Rock.

The contractor reached substantial completion on Forest/Jupiter Station on March 22, 2021, and on White Rock Station on April 5, 2021.

Notice to Access was given to Group D on March 30, 2021 for LBJ/Skillman Station, and April 9, 2021 for Downtown Garland Station. Work began on both stations on April 15, 2021, with completion set for Downtown Garland on December 15, 2021, and LBJ/Skillman on January 15, 2022.

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.

On July 31, 2020, VA Medical Center Station was 100% complete; all items had been addressed.

On August 19, 2020, Illinois Station was 100% complete; all items had been addressed.

On August 27, 2020, substantial completion was reached on Morrell and Kiest Stations; work continues the punch list items.

On October 2, 2020, Morrell and Kiest Stations were 100% complete; all items had been addressed.

Contractor continues with the closeout process.

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 a modern streetcar alignment that would connect the Union Station/Omni Hotel area through the central core of Downtown Dallas 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.

Project Issues

Completion of the Draft Streetcar Master Plan in Summer 2021, pending Dallas city staff and council feedback.

Timely approval of request to enter Project Development once submitted to FTA, anticipated in Fall 2021, pending City of Dallas O&M funding sources study early 2021, and advancement of the D2 Subway project.

Madill Bridges Replacement

Budget: Total: \$ 35,500,000

Funding Source(s): Grant: \$17,750,000 Debt/General Fund: \$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.

On December 23, 2020, TRE received a letter of Conditional Approval from the FRA for the TRE PTC System. The letter included two enclosures, Human Factor Analysis and Risk Analysis. TRE met with the FRA and outlined a plan to address both enclosures. On March 31, 2021, TRE submitted PTC Safety Plan version 1.2 to address both enclosures, Human Factor Analysis, and



the Risk Analysis. The FRA responded that the changes made in version 1.2 addressed their concerns listed in the Enclosures.

In March 2021, the FRA submitted additional comments on the TRE PTCSP. TRE and their System Integrator has been meeting with the FRA to address all the comments. The goal is to address all the comments and submit a revised PTCSP by September 2021

Wabtec has reported the following status as of December 31, 2020:

- System Engineering 100% 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 100% complete
- Training 100% complete



COMMS P25 Radio System Upgrade

Total Budget: \$30,000,000

Funding Source(s): General Fund: \$30,000,000

Project Description

This project will upgrade the agency from the current Opensky and P25 Phase I radio system to a pure P25 Phase II radio system. The current Opensky system is end of life and is only supported for maintenance and repairs. New radios are not being produced and the agency is in danger of depleting its stock of spare radios. This is a critical issue that will affect all agency rolling stock. If this project does not move forward the agency will literally run out of radios to keep the revenue fleet running. This would be a Sole Source project to upgrade the existing radio Core to operate both current and future systems simultaneously to allow for a migration that is seamless to the operations of the agency and do so in a very short time frame. Moving to P25 will prevent the agency from getting into another obsolescence situation, as P25 (also known as APCO Project 25) is a public safety standard of radio system that is deployed nationwide. All existing radio towers, standby generators, and microwave radio links will remain in place, further accelerating the project timeline. This project also aims to resolve the radio reception issue that exists for DART Police on the TRE system in Tarrant County.

Project Status

L3Harris (manufacturer) is providing DART with a Firm Fixed Price based on an upgrade of the existing system to expand our P25 system while phasing out the Opensky system. They intend to have this information to us by November 2021, while DART staff and contractors develop the SOW, contract specifications, etc. Our goal is to get this into procurement as soon as the Capital Project number becomes available. Timing is critical due to the lack of radios being produced. There is a real possibility that the agency runs out of radios for the revenue rolling stock if we do not push this project in an expedient manner.

Project Issues

One complication we have is the FCC mandated rebranding of the 900 MHz radio spectrum, which is currently used by the DART bus fleet. The new owner of the spectrum (Anterix) is interested in acquiring all of DART's 900 MHz channels in exchange for 800 MHz channels. This is a windfall for the agency, as it would allow the agency to consolidate its radio system spectrum. This would reduce infrastructure costs in the field (not as many base stations at the tower sites) as well as reduce the need to have different spare radios for Rail and Bus ops in the storeroom (a reduction of \$100k-150k in spare parts on the shelf at any given time).

800 MHz spectrum is coveted and costly to acquire. We have the opportunity to get these frequencies at no cost to the agency (paid for by Anterix in the rebranding agreement). The issue is that the time to put in for frequency coordination is NOW (July-August 2021). We need to get

this in the pipeline of the agency is to take advantage of the opportunity. The challenge is that we do not have confirmation that the project will be approved. We need to know, unquestionably, that the project will be approved (even if no CP number or funding is available until FY'22).

Bus Repower Program

Total Budget: \$21,000,000

Funding Source(s): General Fund: \$21,000,000

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 96 repowers by end of FY21, exceeding the planned 92. Repowers completed to date in FY 2021 = 64; repowers being completed monthly = 8. Estimated repowers to be completed in FY 2022 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 supply from WABTEC are not an issue.

Fleets 50 thru 53, 3 Year Friction Brake Overhaul – 75 of 115 Completed
Fleets 50 thru 54, 3 Year Pantograph Overhaul – 145 of 163 Completed
Fleets 50 thru 52, 5 Year Door Overhaul – 78 of 95 Completed
Fleets 50 thru 54, 5 Year Overhaul on Slew Rings & Coupler – 58 of 163 Completed
Fleets 50 thru 52, 5 Year H-5 Battery Replacement – 57 of 115 Completed
Fleet 53, 3 Year Friction Brake Overhaul – 20 of 20 Completed
Fleet 54, 3 Year Friction Brake Overhaul – 48 of 48 Completed

Bi-level & Cab Car Overhauls

Total Budget: \$ 17,417,204.

Funding Source(s) General Fund: \$8,708,602 Trinity Metro: \$8,708,602.

Project Description

TRE's fleet consists of eight (8) Bombardier bi-level cab cars and 17 Bombardier 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 extended service life 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 has currently completed the side sill repair on three (3) TRE coach cars and is working on the full overhaul of one (1) coach car and one (1) cab car and side sill repair on the fourth coach car.

Project Issues

Crossing incidents in mid-late 2018 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 (2) 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. CAD performed side sill repairs on Coach Car 1048 in 2020 and currently has Coach Car 1049 in the shop for side sill repairs. This car is scheduled to return to TRE in late October 2021. COVID-19 conditions impacted overhaul activities slightly due to physical distancing requirements issued under Canadian law. Limited fleet availability continues to impact the number of cars TRE can provide CAD at any given time. The period of performance for this contract is being evaluated for contract extension.



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 to support its facilities, bus, light rail, non-revenue vehicle maintenance, and material inventory activities. After 20 years, this software is nearing the end of life. An agency-wide needs assessment was documented, resulting in a detailed set of requirements for selecting new software systems to provide enhanced asset

maintenance capabilities. This needs replacement supports enhancing current systems and strengthening our ability to effectively manage future capital projects and maintain the assets onboarded by these projects.

DART uses Enterprise asset management (EAM) software to manage the activities within the lifecycle of assets, including asset physical movement and condition and associated financial information. The EAM solution will maximize asset availability, reliability, and performance, resulting in a lower total cost of ownership. Continuous system review is required 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. This software allows 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

Deployment of Cloud-based EAM solutions within transit environments similar in size and scope to DART. The Systems Integrator provides and manages 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 consists of several phases. The Phase 0 pilot includes all activities required to convert rail signals assets into the new EAM system. Phase I and Ia consists of the conversion of all other DART assets into the EAM system.



- Phase 0, Signals Pilot, Go Live date was July 18, 2019. End-user training was completed on July 17, 2019. New mobile devices were deployed for use with the new mobile applications for condition assessment and work order management.
- Phase I design workshops for all the remaining asset groups began April 9, 2021 with a scheduled completion date of December 3, 2021 for the design stage. The EAM system build is complete. Final system testing is underway, with agency-wide training planned for fall 2021. Weekly meetings are held with process owners and key stakeholders to discuss EAM impacts and process improvements. These improvements streamline DART's ability to plan work on assets and track the total cost of ownership with re-engineered business processes. Phase I is on track for a Go Live date of in fall of 2021, for the remaining SPEAR assets and March 2022 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 NearField 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:

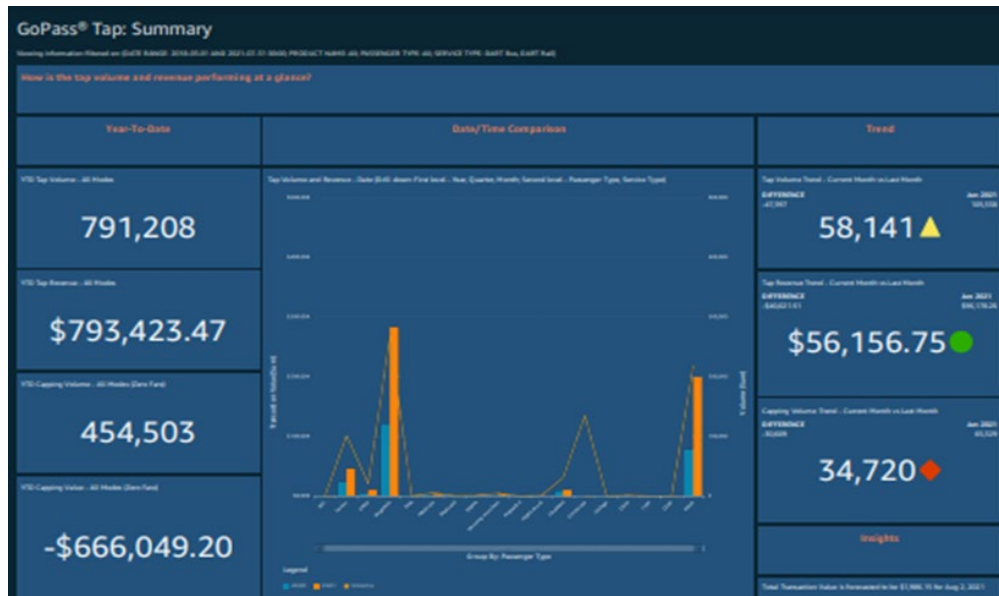
- Updated GoPass with a new app icon and white agency logos Introduced Google Pay

September 2019:

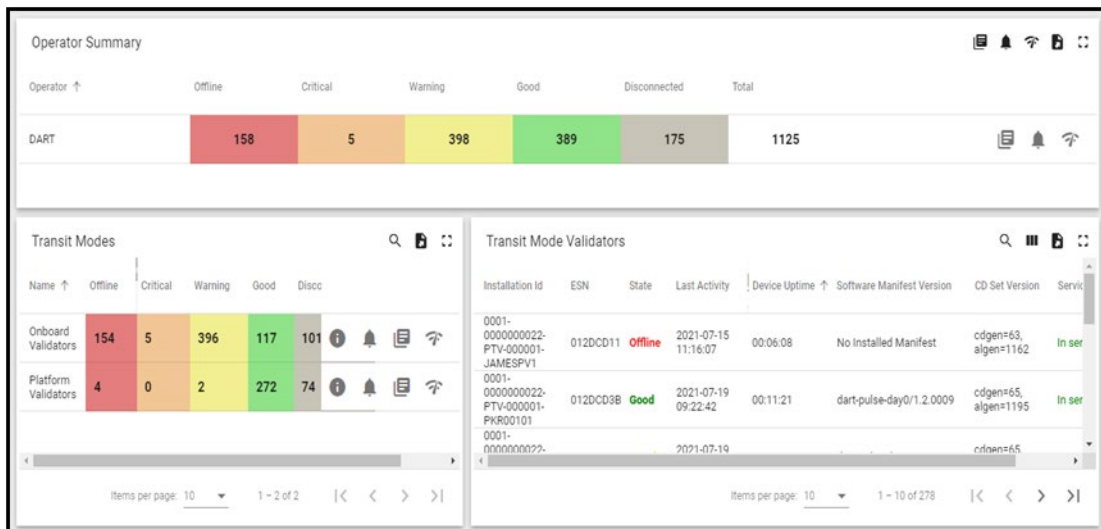
- UberPool was released to all GoLink zones eLerts “say something” web reporting in GoPass
- Filter stops and vehicle types in the map and trip planner



- 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. In 2022 additional releases will be added to Pulse to provide 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 fall of 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.

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 of systems with R-22 will rely on recycled or diminished stockpiled quantities. EPA regulations ended the production and import of R-22 refrigerant.

An eighteen-month contract was awarded for Light Rail Vehicle (LRV) HVAC Upgrade of sixty-six (66) new HVAC units to Merak North America, LLC in the amount of \$3,821,242, with an option to replace seventy (70) HVAC units for the 1998 LRV sub-fleet in the amount of \$3,380,090, for a total authorized amount not to exceed \$7,201,332.

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 a total of sixty-six (66) new HVAC units. This includes the provisioning of three (3) units per LRV, with 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 refrigerant, the same refrigerant used on the newest 2010/2011 LRV sub-fleet of forty-eight (48) cars.

Project Status

- DART Board approved November 2020
- DART and MERAK in Design Phase and First Article Installation Phase
- Production projected start 1QFY2022.



Capital Projects Summary

Grouped by Mode
Summarized by Maintenance and Expansion

The capital projects for FY 2022 and the 20-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 2022 Financial Plan includes \$3.1 billion for expansion (the Silver Line, D2 and Streetcar Expansion), and \$4.6 billion for maintenance/SGR.

Exhibit 19, on the following page, provides the groups of summaries of all capital projects in the FY 2022 Plan.



**Exhibit 19
Capital Projects Summary (in thousands)**

Maintenance, Replacement, and Improvement				
Category	FY 2022	20-year Total	External Funds	Operating Expense (Saving)
Agency-Wide				
Administrative Building	\$9,092	\$91,675	\$0	\$0
Communication/ Information Systems	25,049	344,299		
Fare Revenue Collection Equipment	887	1,008		
Maintenance Building	5,471	20,066		
Passenger Stations	745	2,864		
Service Vehicles (non-revenue)	972	78,578		
Total Agency-Wide	\$42,216	\$538,491	\$0	\$0
Bus				
Communication/ Information Systems	\$13,286	\$55,624	\$0	\$0
Fare Revenue Collection Equipment	1,191	37,281		
Guideway	870	1,032		
Maintenance Building	10,857	104,579		
Passenger Stations	2,080	5,980		
Revenue Vehicles	7,953	1,015,665	92,873	
Total Bus	\$36,236	\$1,220,162	\$92,873	\$0
Commuter Rail				
Communication/ Information Systems	\$442	\$190,191	\$28,668	\$0
Guideway	21,844	144,493	119,526	
Maintenance Building	6,429	17,064	6,326	
Passenger Stations	0	568		
Revenue Vehicles	4,160	275,980	177,280	
Total Commuter Rail	\$32,875	\$628,295	\$331,800	\$0



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

Category	FY 2020	20-year Total	External Funds	Operating Expense (Saving)
LRT			341985385	
Communication/ Information Systems	\$10,290	\$128,205	\$0	\$0
Fare Revenue Collection Equipment	0	50,020		
Guideway	2,769	67,134		
Maintenance Building	12,933	78,914		
Passenger Stations	26,861	86,225	22,452	
Revenue Vehicles	0	1,792,816		
Service Vehicles (non-revenue)	0	14,211		
Total LRT	\$52,853	\$2,217,525	\$22,452	\$0
Paratransit				
Maintenance Building	\$0	\$4,994		
Total	\$0	\$4,994	\$0	\$0
Streetcar				
Revenue Vehicles	\$0	\$1,593	\$1,593	
Total Streetcar	\$0	\$1,593	\$1,593	\$0
Road Improvement				
Total Guideway Road Improvement	\$4,236	\$24,213	\$0	\$0
Total Maintenance, Replacement and Improvement	\$168,416	\$4,635,274	\$448,719	\$0
Non-Operating				
Total Other	\$4,117	\$22,717	\$0	\$0



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

Expansion				
Category	FY 2020	20-year Total	External Funds	Operating Expense (Saving)
LRT				
D2	\$72,311	\$1,855,592	\$952,000	\$4,893
	\$72,311	\$1,855,592	\$952,000	\$4,893
Commuter Rail				
Silver Line	\$582,524	\$1,159,393	\$56,336	\$23,191
	\$582,524	\$1,159,393	\$56,336	\$23,191
Road Improvement				
Streetcar Link	\$0	\$103,194	\$55,194	\$3,296
	\$0	\$103,194	\$55,194	\$3,296
Total Expansion	\$654,836	\$3,118,180	\$1,063,531	\$31,380
Additional Capital-Related Costs				
Total Capital P&D, Start-up Costs	\$14,572	\$369,409	\$0	\$0
Grand Total	\$841,941	\$8,145,579	\$1,512,249	\$31,380

New Programs (line #28 of the Financial Plan)

This year, the budget and financial plan includes a New Programs line item which will help strategic initiatives towards delivering The People’s Transit System. Through thoughtful planning and disciplined cost control, the agency has navigated through a challenging economic environment yet stands financially solid. Expected federal funding will enable the agency to set aside a portion of its sales tax revenues and so develop resources to plan for an exciting future. The DART Executive Leadership Team looks forward to working with the Board to determine those programs that will have long lasting and significant benefit to the service area region.

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 (revenue bonds). A change to DART’s enabling legislation was enacted during 2009 allowing DART to pledge Sales Tax Revenues and Pledged Farebox Revenues as a first lien on Senior Lien Long-Term Bonds (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 Sales Tax Revenues and Pledged Farebox Revenues (i.e., Pledged Revenues).

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 Commercial Paper (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 assets with a useful life of seven (7) years or more such as buildings and rail lines.

As of September 30, 2021, DART had approximately \$3.09 billion in bonds outstanding, as well as \$119.1 million in CP.

Debt Program Implementation

Commercial Paper – DART plans to issue \$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 \$375 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 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 parvalue 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 Commercial Paper Self-Liquidity (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 \$20 million in CP that is currently outstanding. This balance will be reduced. 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 2033.

Short-term interest rates are expected to average 0.45% in 2022, increasing to 3.50% by 2026.

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 \$3.38 billion in support of the Program of Interrelated Projects (Core Capacity Program), the Silver Line, and other capital projects. Beyond that, no additional debt is included in the Plan.

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 2022 Financial Plan Debt Assumptions**

Description	Commercial Paper (CP)		Long-Term Debt (LTD)	
	FY 2022	2023 - 2041	FY 2022	2023 - 2044
Term	Rolling for up to 7 years	Rolling for up to 11 years	30 years	30 years
Interest rates + fees		1.45%-3.50%	3.70 %	3.95%-5.50% Fixed
Principal Repayment	\$20M	All outstanding (Self-Liquidity) CP will be retired	\$71M	\$3.02B
New CP* / Total Long-Term Debt issued**	\$0M	\$500M	\$500 M	\$3.58 B
End of Year - Maximum debt outstanding	\$0M	\$400M	\$3.59 B	\$7.17 B
Year of maximum debt outstanding	n/a	FY 2028-2032	n /a	FY 2045
Cash reserves required?	Yes	Yes	No	No
Uninsured Debt Rating assumed	A-1+/P-1	A-1+/P-1	AA+/Aa 2/AAA	AA+/Aa 2/AAA

**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 (lines 28 - 33 of the Financial Plan)

Exhibit 21 illustrates debt service costs for all existing and projected debt issuances contained in the FY 2022 Financial Plan. Interest expense payments are shown net of the (BABs) subsidy, thus showing only DART’s net interest cost.

Exhibit 21
FY 2022 Financial Plan Principal and Interest Payments (in Millions)

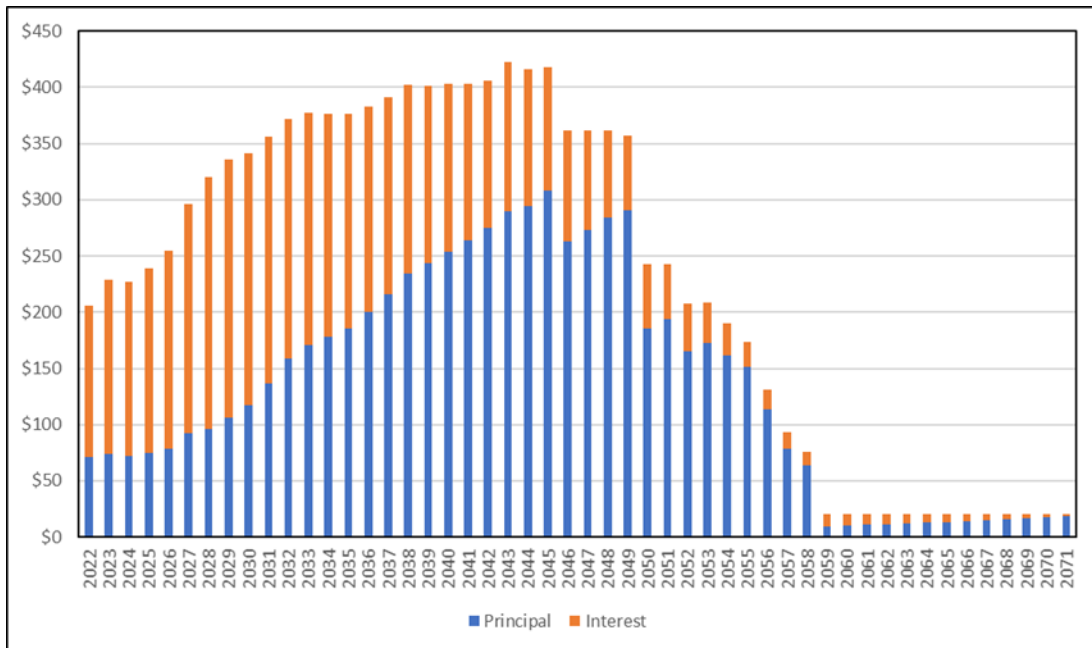




Exhibit 22 shows the interest rate assumptions contained in the FY 2022 Financial Plan.

Exhibit 22
Interest Rate Assumptions 2022 – 2041

Year	Commercial Paper Rate	Long-Rerm Debt Rate	Interest Income rate
2022	0.25%	3.70%	0.30%
2023	1.25%	3.95%	1.35%
2024	2.25%	4.20%	2.40%
2025	3.25%	4.45%	3.50%
2026	3.50%	4.70%	4.00%
2027	3.50%	5.00%	4.15%
2028	3.50%	5.25%	4.15%
2029	3.50%	5.50%	4.15%
2030	3.50%	5.50%	4.15%
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%	3.85%
2037	3.25%	5.50%	3.85%
2038	3.25%	5.50%	3.85%
2039	3.25%	5.50%	3.85%
2040	3.25%	5.50%	3.85%
2041	3.25%	5.50%	3.85%

Supplemental Financial Information

Net Increase (Decrease) in Cash and Change in Balance Sheet Accounts (lines 35-36of 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 BalanceSheet for each of the twenty years of the Financial Plan is included in Exhibit 23.



Exhibit 23
FY 2022 Financial Plan 20-Year Balance Sheet(in Millions)

Line	Description	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
	ASSETS										
	CURRENT ASSETS										
1	Cash and cash equivalents & Investments	\$577.1	\$539.5	\$609.0	\$705.7	\$847.1	\$865.7	\$923.6	\$904.1	\$781.5	\$0.0
2	Sales taxes receivable	180.6	186.0	186.0	193.5	203.1	215.3	226.1	235.1	242.2	0.0
3	Transit revenue receivable, net	4.0	4.1	4.1	4.4	4.5	4.5	4.9	5.0	5.0	0.0
4	Due from other governments	8.9	9.3	8.9	8.9	8.9	8.9	10.7	10.8	9.9	0.0
5	Material and supplies inventory	48.8	49.9	51.0	52.1	53.2	54.3	55.4	56.6	57.8	0.0
6	Prepaid Expenses	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	0.0
7	TOTAL CURRENT ASSETS	\$822.5	\$791.8	\$862.1	\$967.5	\$1,119.8	\$1,151.7	\$1,223.7	\$1,214.5	\$1,099.2	\$0.0
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	7,395.9	7,187.9	6,953.2	6,721.1	6,473.2	6,436.0	6,379.9	6,458.9	6,663.3	0.0
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	0.2	0.2	0.2	0.0
12	Deferred Outflows of Resources	29.6	28.9	28.3	27.6	27.0	26.4	25.8	25.3	24.7	0.0
13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$8,248.2	\$8,008.8	\$7,843.8	\$7,716.5	\$7,620.3	\$7,614.4	\$7,629.7	\$7,699.0	\$7,787.5	\$0.0
	LIABILITIES AND EQUITY										
	CURRENT LIABILITIES										
14	Accounts payable and accrued liabilities	\$156.9	\$159.8	\$159.1	\$163.5	\$164.4	\$206.7	\$207.5	\$235.9	\$262.3	\$0.0
15	Commercial Paper notes payable	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	Current portion of Long-term Debt Payable	143.6	149.9	156.8	168.6	175.9	178.2	184.3	193.4	201.2	0.0
17	Retainage payable	7.2	7.7	6.8	6.2	6.0	14.1	22.3	27.4	38.0	0.0
18	TOTAL CURRENT LIABILITIES	\$407.7	\$317.4	\$322.7	\$338.3	\$346.2	\$399.0	\$414.1	\$456.7	\$501.6	\$0.0
19	Senior Lien Sales Tax Revenue Bonds Payable	\$2,827.9	\$2,678.0	\$2,521.2	\$2,352.6	\$2,176.7	\$1,998.6	\$1,814.2	\$1,620.8	\$1,419.6	\$0.0
20	Net Pension Liability	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21	Net OPEB Liability	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	0.0
22	Capital Lease Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23	TOTAL LIABILITIES AND DEFERRED INFLOWS	\$3,240.4	\$3,000.2	\$2,848.8	\$2,695.7	\$2,527.7	\$2,402.4	\$2,233.2	\$2,082.3	\$1,926.0	\$0.0
24	NET ASSETS (EQUITY)	\$5,007.8	\$5,008.6	\$4,995.0	\$5,020.8	\$5,092.5	\$5,212.0	\$5,396.6	\$5,616.7	\$5,861.5	\$0.0



Exhibit 23
FY 2022 Financial Plan 20-Year Balance Sheet(in Millions) (cont.)

Line	Description	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
	ASSETS										
	CURRENT ASSETS										
1	Cash and cash equivalents & Investments	\$577.1	\$539.5	\$609.0	\$705.7	\$847.1	\$865.7	\$923.6	\$904.1	\$781.5	\$0.0
2	Sales taxes receivable	180.6	186.0	186.0	193.5	203.1	215.3	226.1	235.1	242.2	0.0
3	Transit revenue receivable, net	4.0	4.1	4.1	4.4	4.5	4.5	4.9	5.0	5.0	0.0
4	Due from other governments	8.9	9.3	8.9	8.9	8.9	8.9	10.7	10.8	9.9	0.0
5	Material and supplies inventory	48.8	49.9	51.0	52.1	53.2	54.3	55.4	56.6	57.8	0.0
6	Prepaid Expenses	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	0.0
7	TOTAL CURRENT ASSETS	\$822.5	\$791.8	\$862.1	\$967.5	\$1,119.8	\$1,151.7	\$1,223.7	\$1,214.5	\$1,099.2	\$0.0
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	7,395.9	7,187.9	6,953.2	6,721.1	6,473.2	6,436.0	6,379.9	6,458.9	6,663.3	0.0
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	0.2	0.2	0.2	0.0
12	Deferred Outflows of Resources	29.6	28.9	28.3	27.6	27.0	26.4	25.8	25.3	24.7	0.0
13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$8,248.2	\$8,008.8	\$7,843.8	\$7,716.5	\$7,620.3	\$7,614.4	\$7,629.7	\$7,699.0	\$7,787.5	\$0.0
	LIABILITIES AND EQUITY										
	CURRENT LIABILITIES										
14	Accounts payable and accrued liabilities	\$156.9	\$159.8	\$159.1	\$163.5	\$164.4	\$206.7	\$207.5	\$235.9	\$262.3	\$0.0
15	Commercial Paper notes payable	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	Current portion of Long-term Debt Payable	143.6	149.9	156.8	168.6	175.9	178.2	184.3	193.4	201.2	0.0
17	Retainage payable	7.2	7.7	6.8	6.2	6.0	14.1	22.3	27.4	38.0	0.0
18	TOTAL CURRENT LIABILITIES	\$407.7	\$317.4	\$322.7	\$338.3	\$346.2	\$399.0	\$414.1	\$456.7	\$501.6	\$0.0
19	Senior Lien Sales Tax Revenue Bonds Payable	\$2,827.9	\$2,678.0	\$2,521.2	\$2,352.6	\$2,176.7	\$1,998.6	\$1,814.2	\$1,620.8	\$1,419.6	\$0.0
20	Net Pension Liability	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21	Net OPEB Liability	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	0.0
22	Capital Lease Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23	TOTAL LIABILITIES AND DEFERRED INFLOWS	\$3,240.4	\$3,000.2	\$2,848.8	\$2,695.7	\$2,527.7	\$2,402.4	\$2,233.2	\$2,082.3	\$1,926.0	\$0.0
24	NET ASSETS (EQUITY)	\$5,007.8	\$5,008.6	\$4,995.0	\$5,020.8	\$5,092.5	\$5,212.0	\$5,396.6	\$5,616.7	\$5,861.5	\$0.0
25	TOTAL LIABILITIES & NET ASSETS	\$8,248.2	\$8,008.8	\$7,843.8	\$7,716.5	\$7,620.3	\$7,614.4	\$7,629.7	\$7,699.0	\$7,787.5	\$0.0

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 \$21.3 million on September 30, 2021.

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: Savings from Refunding** (line 39 of the Financial Plan)

Taking advantage of continued historically low interest rates, the DART Board has authorized a refinancing of certain outstanding long-term debt. The expected amount of lower debt service resulting from this financing is reflected on line #39 – Saving from Refinancing.

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.

Less: Capital Reserve (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 2021 budget will be added to this reserve on or before December 31, 2021.

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 2022 Financial Plan, the minimum value of Unrestricted Cash is \$205.6 million, occurring in 2033. 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 \$ 539.5 million in 2033.

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 2022 Financial Plan, the lowest external coverage

value is 2.67 in 2028 and 2029.

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 2022 Financial Plan meets this standard for all years, with a minimum value of 1.22 in 2022. 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 2022 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 2021 Plan to those in the FY 2022 Plan. The reduced coverage ratios in the later years are primarily a result of new debt service for D2.

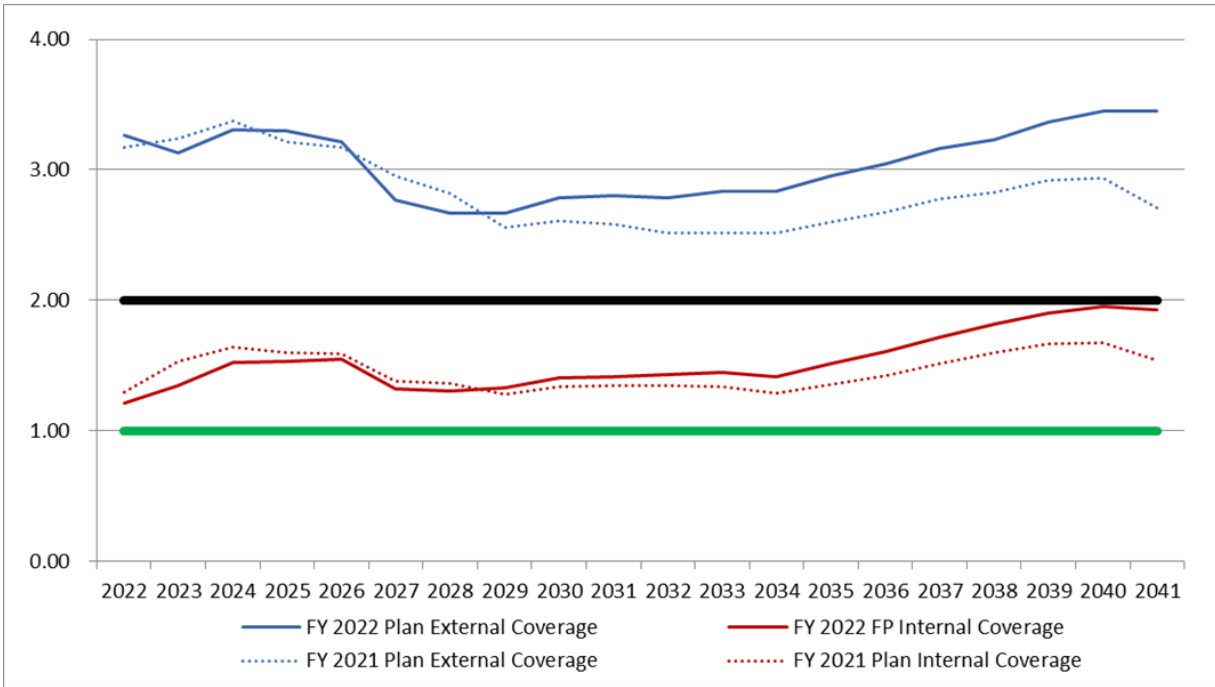




Exhibit 24
Projected Coverage Ratio Comparison

Year	FY 2021 FP		FY 2022 FP		Variance	
	External Coverage	Internal Coverage	External Coverage	Internal Coverage	External Coverage	Internal Coverage
2022	3.17	1.30	3.27	1.22	0.10	(0.08)
2023	3.24	1.53	3.13	1.34	(0.11)	(0.18)
2024	3.37	1.64	3.31	1.53	(0.07)	(0.11)
2025	3.22	1.60	3.30	1.53	0.08	(0.07)
2026	3.17	1.59	3.22	1.55	0.05	(0.04)
2027	2.96	1.38	2.77	1.32	(0.19)	(0.07)
2028	2.82	1.37	2.67	1.31	(0.16)	(0.06)
2029	2.55	1.28	2.67	1.33	0.11	0.05
2030	2.61	1.34	2.78	1.40	0.17	0.06
2031	2.59	1.35	2.80	1.42	0.22	0.07
2032	2.52	1.35	2.79	1.43	0.27	0.08
2033	2.52	1.34	2.83	1.45	0.31	0.11
2034	2.51	1.29	2.84	1.42	0.33	0.13
2035	2.60	1.36	2.95	1.51	0.35	0.16
2036	2.68	1.42	3.05	1.60	0.37	0.18
2037	2.77	1.51	3.16	1.72	0.39	0.20
2038	2.83	1.60	3.23	1.82	0.40	0.22
2039	2.92	1.66	3.36	1.90	0.44	0.24
2040	2.94	1.68	3.45	1.95	0.51	0.28
2041	2.71	1.54	3.45	1.92	0.73	0.38

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.

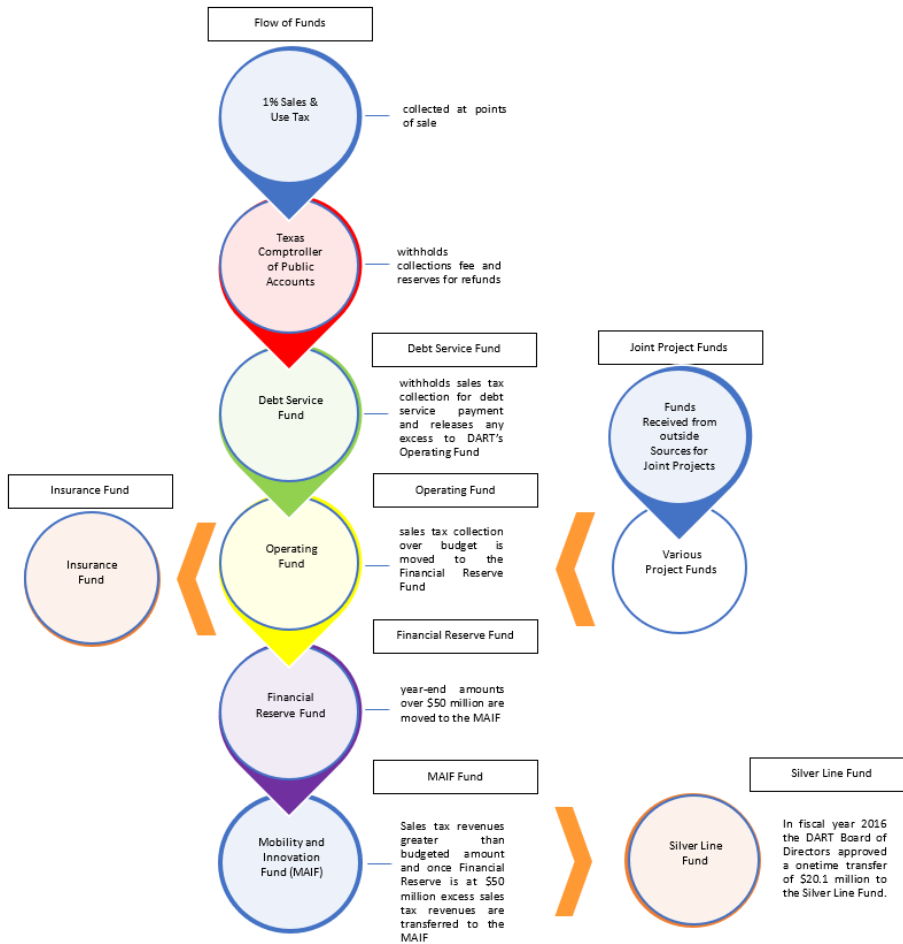
Platform Fund

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



Major Financial Plan Assumptions

Sources of Funds

- Despite its devastating health and societal impacts, the COVID-19 pandemic has had a surprisingly small impact on DART's sales taxes. Sales taxes have been resilient throughout the turmoil of the last 18 months. Projections last summer had assumed a \$70 million (10.6%) drop for FY 2021 from the approved FY 2020 Financial Plan. What we have in fact seen, is a \$46.5 million or 9.1% growth from 2020 (through July). DART has projected 6% growth in sales taxes for FY 2022 and an average of 5% growth for the four years thereafter before incorporating a zero-growth year in FY 2027, and every seventh year thereafter. In each 7-year cycle, DART projects a very conservative average growth rate of 3.98%.
- The DART Financial Plan includes a fare increase of 9% every three years. The fare increase that had been programmed for FY 2022 (and all future fare increases) have been deferred to FY 2023.
- 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 during FY 2020 and 2021 were severely affected by the pandemic. DART ridership has dropped by more than 50% since FY 2019 and the Plan assumes ridership growth of approximately 15% each year for the next four years to return to pre-pandemic levels. And even then, fixed route ridership is projected to be lower by approximately 10 million passengers annually as compared to the FY 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 2025, 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 FY 2025 and Streetcar ridership is expected to double when the extension opens in 2028.
- Like fixed route, Paratransit ridership levels are expected to recover over the next four years, increasing by an average of 14% per year through 2025. Beyond that, ridership is expected to increase by 2.5% annually over the life of the FY 2022 Financial Plan. FY 2022 ridership levels are projected at 615,556.

- Vanpool ridership is expected to nearly quintuple from FY 2021 levels in FY 2022, then grow by an average of 14% per year over the next three years before settling down to average less than 1% growth per year over the rest of the 20-year period.
- Miscellaneous operating revenues, including such items as advertising and rental income 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 0.30% for FY 2022 (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 4.15% in by 2027 and beyond.
- DART expects to receive \$87.2 million in Federal Formula allocations each year for Capital Preventive Maintenance, Fixed Guideway Modernization, Bus & Bus Facilities, Transit Enhancement, and Security project funds in 2022. This represents DART's annual formula fund allocation. 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 annualized increase of \$2.3 million in formula funds in FY 2027 for Silver Line operations that begin in FY 2025.
- Congestion Mitigation/Air Quality (CMAQ) or Texas Mobility Funds (TMF) in the amount of \$3.4 million is programmed to be received in 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.
- At \$1.2 billion over the life of the Financial Plan, CMAQ and federal discretionary funding represents just over 15% of DART's \$8.1 billion 20-year capital program. Beyond already existing discretionary grants, DART has assumed the following federal participation in future programs:
 - \$950 million is assumed to be received between 2023 and 2028 for the D2 subway.
 - All future bus purchases are conservatively assumed to be 10% grant funded. These future grants total \$94.8 million over the life of the Plan; and
 - TRE fleet vehicle replacement is expected to be 50% funded with federal money and totaling \$92.3 between 2027 and 2031.
- DART projects \$280.9 million in other external capital contributions over the next 20 years, including:
 - \$207.5 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; and

- 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 \$36.4 million through expiration in 2038.

Uses of Funds

Operating Expenses

- With the restoration of service cuts made during the pandemic, DART's operating budget will increase from \$542.3 million in the FY 2021 budget to \$580.4 million in FY 2022.
- 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% - 2.1% per year.
- TRE contract costs are programmed at contract rates for current service levels, and therefore total contract costs will be 2.4% higher in FY 2022 than in FY 2021.
- The number of vanpools in the FY 2022 budget is 120, down from 200 in FY 2021. The decline in the number of vanpools can be directly attributed to the pandemic and a more realistic target based on current market conditions. NCTCOG's federal funds offsets 35% of program costs while 60% comes from the users and 5% from DART in the form in-kind services.
- DART will make \$10.0 million in contributions in FY 2022 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.
- Over two-thirds of DART's Operating Budget is composed of salaries, wages, and benefits. In the long term, salaries and wages must at least grow by inflation, and benefits must stay competitive, for DART to attract and retain quality employees. The national trend of nearly double-digit annual increases in healthcare costs compounds the challenge of maintaining competitive benefits.

Capital & Non-Operating Expenditures

- The FY 2022 Financial Plan includes service along the Silver Line corridor in the northern part of the DART Service Area. 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 TEXRail 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 late 2024 (FY 2025). 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 \$4.6 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. Capital P&D costs over the life of the plan total \$354.1 million, or 4.3% of DART's total 20-year Capital and Non-Operating expenditures.

- 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. Start-up costs are less than 0.2% of the 20-year capital program.

Debt Service

- DART will retire all currently outstanding self-liquidity commercial paper by 2022 but will 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 extendable CP program. That \$400 million is scheduled to be repaid between 2030 and 2033.
- \$2.6 billion in long-term debt is scheduled to be issued between 2022 and 2028 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.
- \$63.5 million in additional long-term debt will be issued in 2026 and 2027 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 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.

- The vaccination effort has dwindled down to a trickle. As of mid-September, 64% of the US adult population was fully vaccinated and new weekly vaccinations have steadily risen since mid-July. Will failure to reach herd immunity or new COVID variants force the economy into another shutdown?
- How many restaurants and small businesses will never recover?
- Many businesses have transitioned to remote work. 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.

Opportunity exists here as well. The pandemic and economic slowdown and its related negative impact on DART sales taxes have been less than even the most optimistic projections. In the Financial Plan amendment approved by the Board on May 25, 2021, DART FY2021 sales tax budget was increased from \$583.8 million to \$610 million, and five-year sales tax revenues (FY 2021 – FY 2025) were increased by more than \$107 million, or 3.2%. Since the time of that amendment, the pace of economic recovery has accelerated. After 13 months of year-over-year declines in sales taxes receipts, revenues received from May – September (for the months of March – July, respectively) exceeded the prior year by an average of 24%. This could portend a quicker and stronger recovery than is contained in the Plan.

Helping to pave the way for possible expansion of regional public transportation beyond borders

of the service area cities, the DART Board amended its Policy III.07, DART Services beyond the Service Area Boundary. Under this amended policy, DART or its Mobility Service 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 2022 Plan includes \$78.9 million in annual allocations for each year and an additional \$2.3 million annually from the Silver Line operations beginning in FY 2027. If these annual allocations are reduced or significantly delayed as a result of the pandemic or federal budget cuts, 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 (\$1.16 million) programmed into the Financial Plan over the next 10 years. 82% of this (\$952 million) is programmed for the D2 subway. If this level of 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 10-year window are an anticipated 10% contribution for future bus purchases and this totals only \$48 million.

Opportunities also exist in the area of federal funding. In three separate tranches DART has received a total of \$658.1 million in additional federal funding for pandemic relief. Congress and the Biden administration are in negotiation of an additional \$3.5 billion infrastructure plan. It is possible that some of these funds are allocated to transit agencies as additional formula funding or potentially increasing the likelihood of project funding for D2.

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, salaries and wages must at least grow by inflation and benefits must stay competitive for DART to attract and retain quality employees. The national trend of nearly double-digit annual increase in healthcare costs compounds the challenge of maintaining competitive benefits.

Fuel and energy prices tend to be volatile. Over the last decade, DART has taken advantage 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 5year savings of \$14.8 million compared to what was projected before the extension.

Inflation over the last decade has increased at a benign rate of 1.75%. However, through the first half of 2021, the inflation rate has more than tripled to an annual rate of 5.4%. While this will undoubtedly have a negative impact on DART's operating and capital costs, it will also buoy sales taxes. The additional benefit accrued from high inflation is DART's fixed rate obligations from the \$3.5 billion of currently outstanding debt will be paid back with 'less expensive' dollars.

Conversely, any future 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 and delayed or deferred major capital project delivery.

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 5.7% until 2030. 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.

As mentioned at the beginning of this section, the pandemic may very well result in long-term changes in ridership levels and/or travel patterns. In such a case, DART may need to readjust its service levels and perhaps even its service delivery paradigm to meet the region's changing needs.

Interest rates have been in a steady decline for the last 35 years, from nearly 10% in the Fall of 1987 to a low of just over 1% last Spring. 30-year treasury rates have not exceeded 5% in nearly 14 years, and not exceeded 3% since March of 2019, before the COVID-19 pandemic began shutting down the economy. In the interest of conservatism, DART's Financial Plan assumes that interest rates will rise steadily over the next decade, leveling off at 5.5% in 2030 and thereafter. The extended trend does not support this and as such, DART may experience lower interest rates than included in the Plan for the approximately \$3 billion in debt expected to be issued through 2030. An annual interest rate 0.5% would save more than \$50 million in debt service over the life of the Plan.



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FY 2022 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 2022 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 – which enumerates the FY 2022 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 2022 Budget incorporates the following amounts:

Operating	\$580,364,205
Capital & Non-Operating	841,941,316
Debt Service	206,531,869
Total FY 2022 Annual Budget	\$1,628,837,390

The FY 2022 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 2022 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. A 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 projects in the FY 2022 Plan include a program of interrelated projects to increase the core capacity of



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

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 the Bus network redesign service level increase and restoration of select COVID-19 cost reductions.

Our Priorities

The DART Board has adopted strategic priorities to guide Agency initiatives which, in turn, drive the FY 2022 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, Orange, and Green lines.

A discussion of Agency initiatives in support of the Strategic Priorities can be found on pages 108 through 140. This discussion is followed by the amounts for operating expenses, capital and nonoperating costs, debt service, and new programs in the FY 2022 budget to accomplish these initiatives.

Documentation prepared by Management for Board briefings and action items includes 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 Board-adopted Strategic Priorities as the framework for Agency initiatives. The following information highlights a number of 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 in which they are 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 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 2022 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. An Agency target is established, maintained, and highlighted throughout this document. Department budgets are established using a zero-base approach.

The Agency target is 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. These budgets are, in turn, reviewed during meetings with the department head, Executive Vice President, the President & Chief Executive Officer, 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 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. The Customer Satisfaction Survey was suspended in 2020 due to the pandemic but will be reinstated for 2021. From the 2019 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 remain 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 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 moving DART to a customer-centric culture. It brings 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. The program celebrates its 10-year anniversary in 2022.



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

- Development and delivery of 5 Star training programs for all employees. This includes a special focus on developing leaders in their roles.
- Creation of internal champions, known as “Customer Experience Officers,” within each area to communicate support and model customer-centric behaviors for 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. While these events have been on hold during the COVID-19 pandemic, we hope to continue them when it is safe to do so.
- The Mystery Rider Program was launched in June 2020 by an outside contractor. The previous internal quality assurance program only evaluated bus and rail operators. This comprehensive program assesses personnel in the field (bus/rail operators, police, fare enforcement officers, field supervisors, maintenance workers, inspectors) and their interactions with customers, makes general observations on the customer experience with our services, and provides a third-party look at our on-time performance. In addition, feedback on the condition of the vehicles, stations, platforms, and signage are evaluated. In 2021, over 3,962 mystery rides were conducted. Data analysis and feedback have driven improvements in front-line customer service, service delivery, cleaning services, safety, signage, and rider information.
- Process reengineering and 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 a significant impact on 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.

Strategies to improve service and safety experiences and perceptions continuing into FY 2022 include the following major categories:

- Improved Bus Service
- Improved Service Reliability, Timeliness, and Service Connections
- In-Transit Customer Communication Services
- Mobile Platforms
- 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

Based upon Board and community feedback, DART initiated a comprehensive Bus Network Redesign project (named “DARTzoom”) since FY 2020. This planning process will result in a new DART bus network that will be implemented with funds available in January 2022. The

program was approved by the DART Board on August 24, 2021. The DARTzoom bus network has a budget-neutral, hybrid design that combines ridership-oriented features, including frequency improvement, wider service span, and more weekend service while maintaining and improving coverage via GoLink service expansion. Highlights of the DARTzoom new bus network include:

- Better access to jobs: Average DART service area resident sees a 28% increase in jobs reachable within 60 minutes travel time.
- Better frequency: 15 additional core frequent routes that are with frequency and hours comparable to rail service; 8 additional routes with 30-minute midday service with improved 15-minute peak frequency.
- Longer span of service and more weekend service: All 72 local routes would offer 7-day service, and all would operate at least 5 am -Midnight (core frequent routes 4 am-1 am).
- More coverage provided via GoLink: GoLink Mobility on Demand service has now been expanded to include operation in 17 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 13 GoLink zones and expansion to some existing zones are included in the DARTzoom bus network redesign, scheduled for implementation by January 2022.

For FY 2022, DART will focus on two primary initiatives under the Strategic Priority 1: First, completion of bus network redesign efforts for implementation in January 2022; Second, update of DART Service Standards that effectively measures the new bus network performance and properly defines the passenger amenities and bus stop spacing to support the enhanced customer experience.

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 travelling 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. The region's 511DFW traveler information program is an application that 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



The [GoPass® app](#) includes 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 six 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 communications to drive awareness around the measures to keep customers and DART employees safe. This continued effort is aligned with the Transportation Security Administration (TSA) and has reinforced the wearing of masks and social distancing. Mar-Comm's efforts provided transparency of "behind the scenes" efforts to keep our customers safe, which involved our cleaning process, and new cleaning technologies and approaches. Additionally, through a social media campaign, a constant communication loop was established titled "Ask DART". Under the "Ask DART" umbrella, the campaign continued to 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 has continued through FY 2021. Throughout the year, based on rider response and intelligence we have emphasized specific messages to reinforce the efforts DART is making. Rider intelligence has been gleaned through a COVID survey designed to better understand riders concerns about public transportation over time and compared to other lifestyle options like grocery shopping or going to the gym, awareness of the different messages and communications regarding the specific actions to keep customers safe, and expectancy of timing to get back to their workplace. What we have seen over time is that our messaging to keep our riders safe has continued to increase along with increased comfort in using public transportation

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), has resulted in an increased number of service disruptions over the past few years.



- In-Transit Customer Communications – DART aims to keep customers in the loop regarding their trips. The use of changeable message signs on rail platforms, alerts in the GoPass app, and the Operations Communication Liaisons (OCL) in the Control Center to update social media have improved our customer communications during any type of event or incident.
- 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 for the third time in February 2021. Management evaluated and refined the contingency plan based on the experiences of this last event.

- CBD Rail Disruption Contingency Plan –Rail service disruptions in the Dallas CBD can result from weather, infrastructure failures, power failures, criminal activity, and other triggering incidents. The CBD Rail Disruption Contingency Plan was developed as a tool to improve our response to these types of incidents. Four basic response plans can 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.

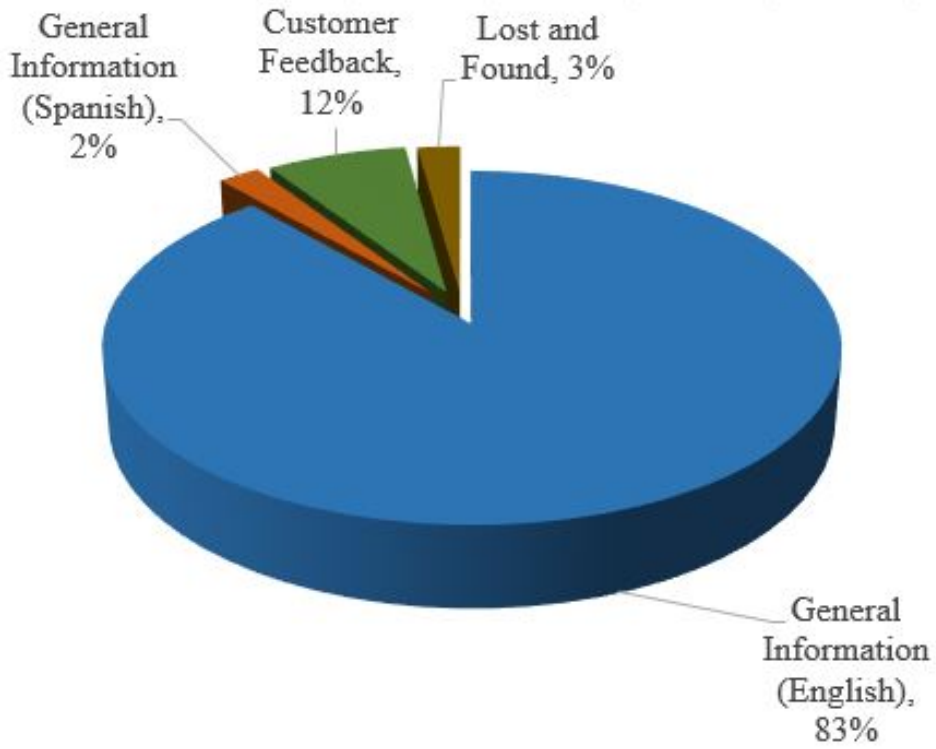
Customer contacts are identified as belonging to one of three categories: (see Exhibit 27)

- General information (trip planning, event, promotions, advertisements, and DART initiatives) which is accountable for approximately 85% of total calls
- Customer feedback (commendations, suggestions, and complaints)
- Lost and found

The customer service call-in and interaction data this division collects serve 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 is 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

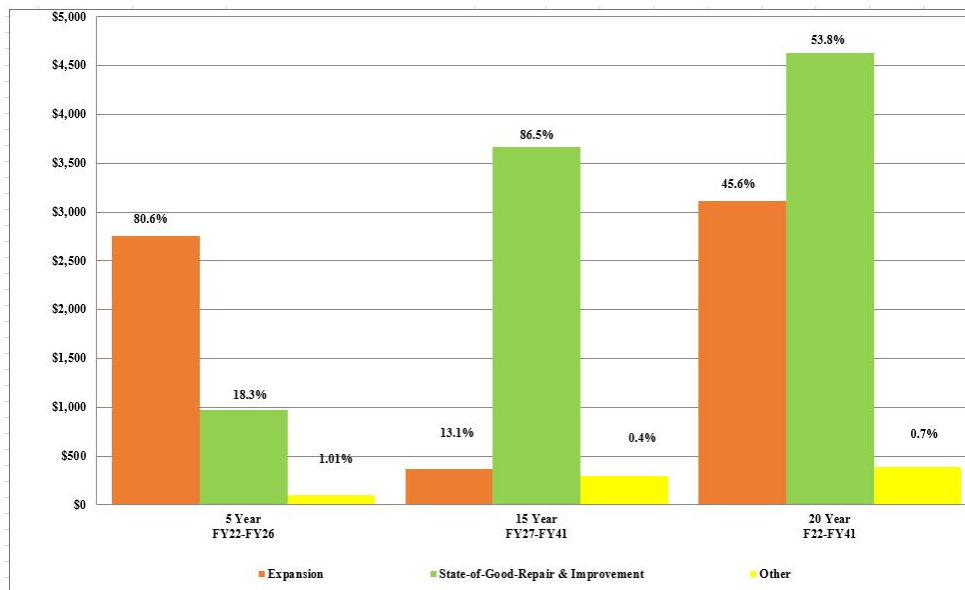
The Twenty-Year Financial Plan demonstrates DART has the financial capacity to meet the Agency Transit System Plan commitments and to continue the programmed levels of bus, rail, and other transportation services, based on current information and assumptions.

The FY 2022 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 schedule 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 2022 capital/non-operating budget total \$841.9 million.

Transit System Plan

Since the original 1983 Service Plan, DART has developed a series of Transit System Plans to outline key priorities for mobility improvements and expansion of the system. System plans adopted in 1989, 1995, and 2006 were focused on capital expansion and programming of many elements from the 1983 plan. DART is developing a new 2045 Transit System Plan that is more strategy-based and outlines opportunities under a range of themes, including – Rider Experience, Mobility & Innovation, Service & Expansion, Land Use & Economic Development, and Collaboration.

The Transit System Plan is coordinated with the 20-year financial plan to understand financial capacity and identify programs, policies, and projects to help achieve DART’s mobility vision. The plan focuses first on opportunities to maintain DART’s system in a state of good repair while outlining opportunities to leverage the existing system and future investments to enhance quality of life, mobility, and access for our riders and our communities.

Light Rail Transit (LRT) System

The current LRT system is 93 miles and 65 stations.

Current and future LRT investments are focused on core capacity improvements, including a second LRT alignment through downtown Dallas (known as D2 Subway) and Red and Blue Line LRT platform modifications. FTA awarded a Full Funding Grant Agreement (FFGA) for the Red/Blue platform extensions project in May 2019 under their Capital Investment Grant (CIG) program. The project modifies 28 original Red/Blue line platforms to accommodate three-car trains and level boarding. The project is nearing completion, and three-car train operations will begin in September 2022 on peak trips. In September 2017, both the Dallas City Council and the DART Board of Directors unanimously approved the refined Locally Preferred Alternative (LPA) for the D2 Subway alignment. The current project alignment is shown in Exhibit 29. DART has completed 30% preliminary engineering (PE), and FTA issued a Final Environmental Impact Statement/Record of Decision (FEIS/ROD) in April 2021. DART is currently working with FTA to re-enter the CIG program Engineering phase as a core capacity project to be eligible for a future CIG grant. Concurrent with this process, DART is working with NCTCOG, TxDOT, and City of Dallas on an East End Evaluation at the direction of the Dallas City Council to explore potential enhancements, refinements, or modifications to address community concerns and optimize interface with I-345 options under study by TxDOT. This evaluation will be complete by October 2021 to support a Dallas City Council resolution on or before March 2022. The DART Board will determine the path forward, and DART will consult with FTA if any changes are advanced to determine the schedule for moving through the FTA CIG process.

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



In addition to these two projects, DART is working with the City of Dallas to advance the Dallas Streetcar central link in downtown Dallas, including a future request to FTA to enter project development as a small starts project. These three projects will add significant core capacity and enhanced access to the DART system. The FY 2022 Financial Plan reflects funding for D2 Subway, platform modifications, and the streetcar central link.

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 (1-1)	Orange	Bachman	Irving Convention Center	5.4	3	July 2012
Northwest-Irving/DFW (1-2)	Orange	Center	Belt Line	3.6	2	Dec 2012
Northwest-Irving/DFW (1-3)	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.

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 has expanded the deployment of Interactive Kiosk throughout the system. To date, 241 Kiosks have been deployed across rail stations and transit centers across the service area.

Before the end of 2021, there will be over 300 Kiosks deployed, providing riders with information ranging from wayfinding and real-time travel information. Wayfinding to trip planning and identifying local attractions and activities.



The Kiosk can provide information in multiple languages and will generate advertising revenue for the agency. Beginning in the fall of 2021, they will provide Wi-Fi service. 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). 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. Centralized TSP reduces or eliminates unnecessary stops at signalized intersections when a transit vehicle runs behind schedule. Specifically, when a bus runs late, it requests traffic signal priority via the cloud. Traffic signal priority allows for travel time savings and eliminates the need to add additional buses. It is proposed to implement Centralized TSP in the Hampton, Buckner/Peavy, and Parker Road/Legacy corridors. Implementation of this program will require the implementation of software and preemption from impacted traffic signals in Dallas and Plano.

TSP will be implemented in two phases: Phase I-initiation is the development of the specifications. The contract to develop the specifications will be awarded in FY 2021. Phase II-development of

TSP 5-year pilot in FY 2022. In FY 2023, Centralized TSP will be implemented in Dallas. City of Plano will implement its new Traffic Management System in FY 2025. Centralized TSP will be implemented at that time.

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. APC equipment has been installed on 100% of DART’s Bus Fleet, Trinity Railway Express, and Dallas Streetcar to provide more accurate passenger counts and runtime data to support planning and scheduling decisions. DART has also added additional APCs to cover 55% of the light rail fleet. The increased APC coverage on light rail helps improve the accuracy of light rail ridership reporting based on statistically factoring APC sample data.

Big Data Analytics Services – DART has contracted with Cambridge Systematics to provide the required functionality of real-time predictions. A major focus of Service Planning and Scheduling’s FY 2021 and FY 2022 work plan is to implement running times and recovery times that better match field operations. Cambridge Systematics has been meeting with DART’s Service Planning Team on a regular basis to configure and rollout analytical reporting that will improve scheduled runtimes between time points, as well as time bands. The feed will be integrated with DART GoPass mobile application in late FY 2021 and will effectively improve on-time performance as well as provide more accurate predictive arrival time for the public during FY 2022.

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 that 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 the agency must process. DART has determined 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 include the “See Something” integration, robust analytic tools, Google Pay, rider alerts, weather, Scooter battery life, and inbox messaging. FY 2022 anticipates the following enhancements: In-app feedback, vouchers & couponing, and Tap Card provisioning.



GoLink is a microtransit service 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 17 zones within the DART service area, which will expand to 30 zones in January 2022. Customers request a GoLink ride through the GoPass mobile app and can track the location of the vehicle like they can with private ride-sharing services. Reservations can also be made over the phone for those customers without a compatible mobile device.

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 are 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 been successfully completed:

- 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 UNT-Dallas 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 & Chief Executive Officer 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.

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.



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

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 Diversity and Inclusion Department 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 DMWBE's 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 141 contracts. With the exception of "Transit Vehicle Manufacturer" procurements, emergency procurements, and procurements conducted through the State of Texas, the Diversity & Inclusion Department reviews scopes of work, terms, and specifications for all contracts. This is done to assess and identify subcontracting opportunities that will allow DMWBE's 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 year 2020, DART established an annual Agency goal of and 32% for participation of minority and woman-owned business enterprises (M/WBE). In that year, M/WBE participation on all DART procurement activities exceeded that goal with DART achieving 35% participation. That level of participation equated to \$510,707,485 to our minority and women owned business communities. For fiscal year 2021, DART again established an M/WBE Agency goal of 32% and through 3 completed quarters, DART has achieved 43% participation. Additionally, during the most recent FTA Triennial Review (2018) the Diversity & Inclusion Department was rated in full compliance with a rating of “No Findings” regarding its DBE Program.

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 prime contractors 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 for more than 2,500 individuals. 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

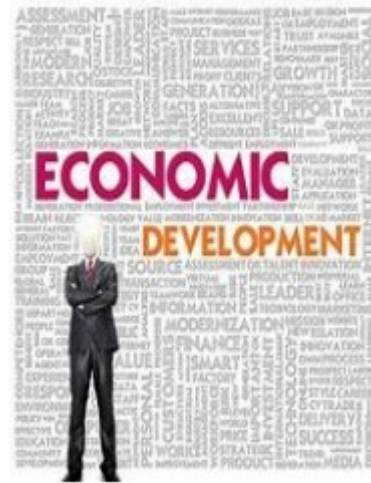
Since 1999 DART has partnered with the University of North Texas (UNT) Economic Research Group to track construction of Transit Oriented Development within ¼ mile of Dallas Area Rapid Transit (DART) light rail stations and other transit facilities to show just how productive and important it is to the overall North Texas economy, generating billions of dollars in revenue, taxes, and jobs. UNT has undertaken several studies, the most recent of which was published in July 2020.

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 from 2016 through the end of 2018. Cumulatively, from 1999 through 2019, DART has attracted \$16.139 billion in development around its transit facilities.

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 (TOD) 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 enhance 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. DART continues to monitor, identify, evaluate, and develop opportunities to collaborate with service area cities and the development community.



To support efforts such as these and provide information to the public and development community, DART has established a Transit Oriented Development website that provides an overview of DART's TOD program, including its TOD policy updated in 2019, TOD Property Inventory 2019, TOD Guidelines updated 2020, and station area fact sheets for each of the rail stations. (www.DART.org/economicdevelopment).

Selected Highlights of the UNT Economic and Fiscal Impacts of Development Near Light Rail Stations, 2020 report are noted below:

- 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.
- Since DART started tracking TOD investment around its rail stations, DART has seen \$16.139 billion in investment.

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 Resources. The Agency has Employee Values and organizational change strategies that balance the expectations and needs of the organization and its employees. During FY 2022, 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 The Resource (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 a 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 2022

Human Resources is committed to employee success 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 2022, Human Resources will continue to partner with Business Units to ensure 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 Program Managers, 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. The DLM Program was not operational during FY 2021 due to COVID-19 Pandemic.

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. Trm 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 of 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.



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. Those initiatives include agreements with Wylie, Allen, and Fairview to provide services for seniors and disabled persons, which is branded as Collin County Rides; and an agreement with Inland Port Transportation Management Association (IPTMA) to provide reliable, quality, and affordable microtransit and subsidized late night rider assistance services via contracting with STAR Transit or Transportation Network Companies to employees of eligible businesses in the Southern Dallas County Inland Port area since November 2, 2020. DART has also been working on a joint proposal with Denton County Transportation Authority (DCTA) to provide microtransit service for the McKinney Urban Transit District during FY 2022. Those initiatives have successfully enhanced DART's image and reputation as the leading regional mobility agency, expand the usage of DART GoPass mobile application as the recognized technology platform as the region's choice, as well as strengthen DART's strategic interest to collaborate with other transit agencies in the region to leverage strengths of each other and achieve mutual benefits.

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 in 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. During FY 2020 - 2021, NCTCOG has been conducting transit studies with Collin County and the best southwest cities in the Southern Dallas County, which DART has been serving in both the Project Advisory Committees (PACs) to guide the study development. NCTCOG plans to initiate another similar transit study for East Dallas, Kaufman, and Rockwall Counties in early FY 2022, which DART will again serve in the PAC.

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 and 511DFW system in coordination with NCTCOG.



The federally funded ICM Program is a joint effort of DART, TxDOT, NCTCOG, and North Texas Tollway Authority (NTTA). DART is responsible for parking capacity reporting system's equipment monitoring, maintenance, and repair of the five (5) northern LRT stations along N. Central Expressway (US 75). In addition, the Rowlett Parking Lot Camera Occupancy system is operating and reporting parking availability via two LED signs and the Parker App. The "Parker App" is a free mobile guidance app for consumers that provides access to accurate real-time parking availability with dynamic routing, real-time parking rates, hours, policies, and restrictions." A major system upgrade is planned for FY 2022, and NCTCOG will have an opportunity to get access to the Parker App on integrating Rowlett parking lot data into 511DFW.

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 the 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 \$2.4 million for FY 2022. 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 2013 through FY 2022 (projected), excluding oil and gas leases which are shown in Exhibit 33.

Exhibit 32
Railroad Management Revenue
(in Millions)

Fiscal Year	TRE	DART	Total
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	2.3	2.7	5.0
2021 projected	2.2	2.7	4.9
2022 projected	2.4	2.5	4.9
Total (Actual & Projected)	\$26.7	\$24.2	\$50.8

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 2021 is projected to be \$100,000, and FY 2022 is projected at \$98,000.

Lease royalty and bonus revenues from FY 2013 through FY 2022 are shown in Exhibit 33.

Exhibit 33
Oil & Gas Lease Agreements
(in Thousands)

Fiscal Year	Amount
2013	328.5
2014	455.6
2015	50.4
2016	200.0
2017	106.6
2018	119.8
2019	85.0
2020	61.0
2021 projected	100.0
2022 projected	98.0
Total (Actual & Projected)	\$1,604.9

Budget Structure/ Financial Plan Summary

Three major components comprise the agency's FY 2022 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 2022 Annual Budget. The Agency's overall budget increased by \$565.9 million 53.2% from FY 2021. The FY 2022 Operating Expense budget is \$580.4 million, an increase from the FY 2021 Operating Expense budget of \$38.1 million 7.0%.

The Capital and Non-Operating budget are increasing by \$521.4 million 162.7%. The Debt Service budget is increasing by \$6.4 million 3.2%.

Exhibit 34
FY 2022 Annual Budget
(in Millions)


FY20 Actuals	Category	FY21 Budget	FY2022 Budget	\$ Variance	% Variance
\$553.3	Operating	\$542.3	\$580.4	\$38.1	7%
293.3	Capital	320.5	841.9	521.4	162.7%
192.5	Debt Service	200.1	206.5	6.4	3.2%
\$1,039.1	Total Expenditures	\$1,062.9	\$1,628.8	\$565.9	53.2%

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 2022 Operating Budget:

- Salary and Wage Assumptions:
 - Funds will be available for wage increases for hourly and salaried personnel.
 - Hourly wage progressions based on tenure and training will continue.
 - Return of the RPM Bonus
- 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. The FY 2022 budget reflects a projected increase in pharmacy expense.
 - 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 \$0.07030 with an assumption of 11.352 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 2022 is the seventh year of that contract.
 - FY 2022 is the third 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: Based on the Board's direction, FY 2021 service levels were restored to nearly 90% pre-pandemic miles and hours effective October 19, 2020. DART has worked on the DARTzoom bus network redesign throughout FY 2020 and FY 2021. The new bus network will be implemented in January 2022, pending DART board approval in August 2021. The new bus network has a budget-neutral, hybrid design that combines ridership-oriented features (frequency improvements, wider service span, and more weekend service) while maintaining and improving coverage (GoLink service expansion). 
 - Light Rail: Since October 19, 2020, Light Rail lines continue to operate at reduced service levels on weekdays, with 20-minute peak service and 30-minute evening service after 7 p.m. Along with the new bus network implementation in January 2022, the Light Rail weekday service will be fully restored to the pre-pandemic frequency and span of service.
 - Streetcar: The Dallas Streetcar has been operating at the full service level throughout FY 2021, and this will continue in FY 2022.
 - Commuter Rail: The TRE was restored to pre-pandemic service level on October 19, 2020, and plans to continue at the same level in FY 2022.
 - Innovative Services: The Innovative Services program consists of vanpool services and site-specific shuttle services. In FY 2021, the COVID-19 pandemic has continued to cause a large reduction in the vanpool ridership, which has been less than 10% of pre-pandemic level. FY 2022 will be focused on restoring vanpool service as customers return to work. Shuttle services also experienced large reductions in ridership during FY 2021 due to the pandemic. A few shuttles have been operating at reduced services during FY 2021. Effective late July 2021, UTD service will be restored to pre-pandemic levels for the Fall 2021 semester as the UTD campus will be fully open.

- Reserves:
 - Funding in the amount of approximately \$650,000 is included in the FY 2022 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 2021 – 2022.

Exhibit 38
FY 2021 – FY 2022 Departmental Expense Comparison
 (in Millions)

Department	FY 2021 Budget	FY 2022 Budget
President Direct Reports	\$31.8	\$34.6
EVP Customer Care/Svc Delivery	\$422.5	\$440.7
EVP Business Solutions & Innovations	\$50.6	\$53.7
EVP Growth & Regional Svcs	\$46.1	\$51.7
Board Directs	\$6.0	\$6.4
Agency-Wide Benefits Allocation/Initiatives	(\$0.5)	\$7.9
Total Departmental Expenses	\$556.6	\$594.9
Capital P&D and Startup	(\$14.3)	(\$14.6)
Total Operating Expenses	\$542.3	\$580.4

Operating Budget Highlights

DART's FY 2022 Operating Expense budget increased by \$38.1 million 7.0% to \$580.4 million. Employee compensation, in the form of Salaries and Wages \$263.8 million and Benefits \$125.1 million, comprised 65.3% of the total operating budget. The third largest element of the operating budget is Purchased Transportation at 11.7% \$69.9 million.

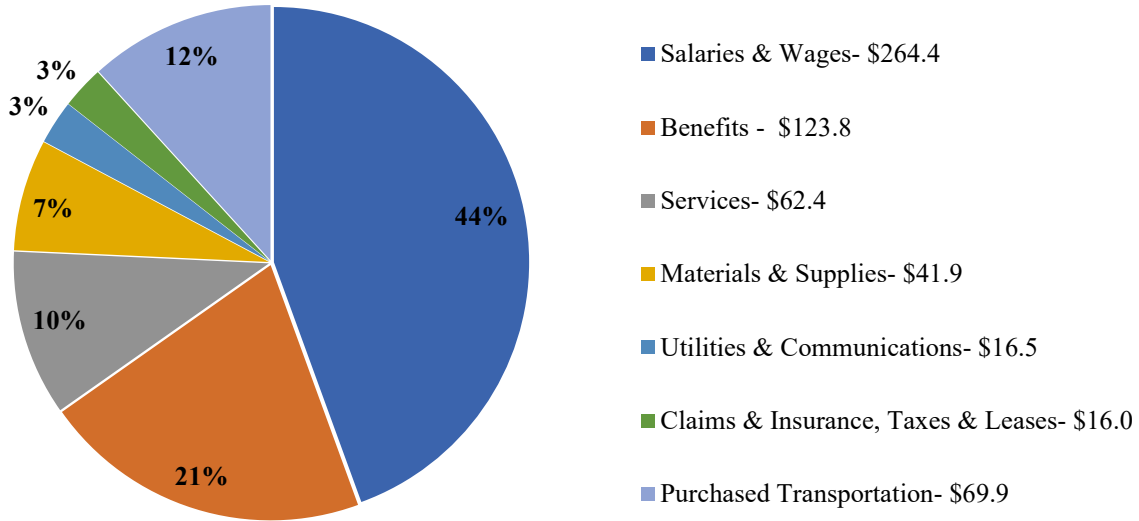
Exhibit 39 displays the Operating Expense budget by object classification and FY 2021 budget, FY 2021 Projected, and the FY 2022 budget.

Exhibit 39 Operating Expenses by Object Classification (in Millions)

Object Classification	FY2021 Budget	FY 2021 Projected	FY2022 Budget	\$ Variance	% Variance
Salaries & Wages	\$256.5	\$253.3	\$264.4	\$7.8	3.1%
Benefits	121.5	116.9	123.8	\$2.3	1.9%
Services	51.2	58.1	62.4	\$11.2	21.9%
Materials & Supplies	37.5	39.2	41.9	\$4.5	11.9%
Utilities & Communications	15.6	15.5	16.5	\$0.9	5.6%
Claims & Insurance, Taxes & Leases	10.7	10.7	16.0	\$5.3	49.3%
Purchased Transportation	63.5	55.2	69.9	\$6.4	10.2%
Sub-Total (All Expenses)	\$556.6	\$549.0	\$594.9	\$38.4	6.9%
Capital P&D	(14.3)	(12.6)	(14.6)	(\$0.3)	2.1%
Total Operating Expenses	\$542.3	\$536.4	\$580.4	\$38.1	7.0%

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

**Exhibit 40
FY 2022 Operating Expenses by Component
(in Millions)**



Please note that the expenses totaled in Exhibit 40 above exceed the operating budget by \$14.6 million. This is the amount of departmental expenses classified as Capital Planning & Development costs (Capital P&D).

Salaries and Wages – The FY 2022 Salaries and Wages budget is \$264.4 million, a \$7.8 million 3.1% increase from the FY 2021 budget.

The Agency is adding 14 new positions in FY 2022. DARTzoom Bus redesign will require 12 additional Bus operators. The Technology department is adding 2 positions for Cyber Security and the new Asset Management system.

Exhibit 41, on the following page, shows a comparison of positions between FY 2021 and FY 2022. Total authorized positions have increased due to projected FY 2022 Service Levels.

Exhibit 41 Budgeted Positions

FY 2022 Budgeted Full Time Employees				
FY 2020 Approved (FTE)	Department	FY 2021 Approved (FTE)	FY 2022 Request (FTE)	FY 2022 Budget (FTE)
78	Total Technology	74	2	76
211	Total EVP Administration	205	2	207
15	Total Commuter Rail & RRMgmt	15		15
29	Total Planning & Development	27		27
10	Total Rail Planning	10		10
39	Total Rail Prog. Dev.	33		33
93	Total EVP Growth	85	0	85
9	Total EVP CC/SD	7		7
30	Total Materials Mgmt	30		30
429	Total DART Police	429		429
57	Total Mobility Mgmt Svcs	49		49
197	Total Light Rail Operations	197		197
192	Total Bus Operations	171		171
64	Total Engineering	51		51
978	Total Customer Care/Service Delivery	934	0	934
5	Total Board Support	5		5
9	Total Internal Audit	9		9
20	Total General Counsel	19		19
34	Total Board Direct	33	0	33
1,477	Total Salaried	1,404	2	1,406
	Agency Hourly			
18	Finance	18		18
46	Marketing	41		41
422	Light Rail	383		383
384	Bus Operations	361		361
49	Materials Management	49		49
919	Hourly Non-Operator	852	0	852
214	Light Rail Operators	214		214
1,363	Bus Operators	1,278	12	1290
1,577	Total Bus & Rail Operators	1,492	12	1,504
2,496	Total Hourly	2,344	12	2,356
3,973	Grand Total Departments	3,748	14	3,762

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 2022 Benefits budget is \$123.8 million, a \$2.3 million 1.9% increase from the FY 2021 budget, as shown below in Exhibit 42.

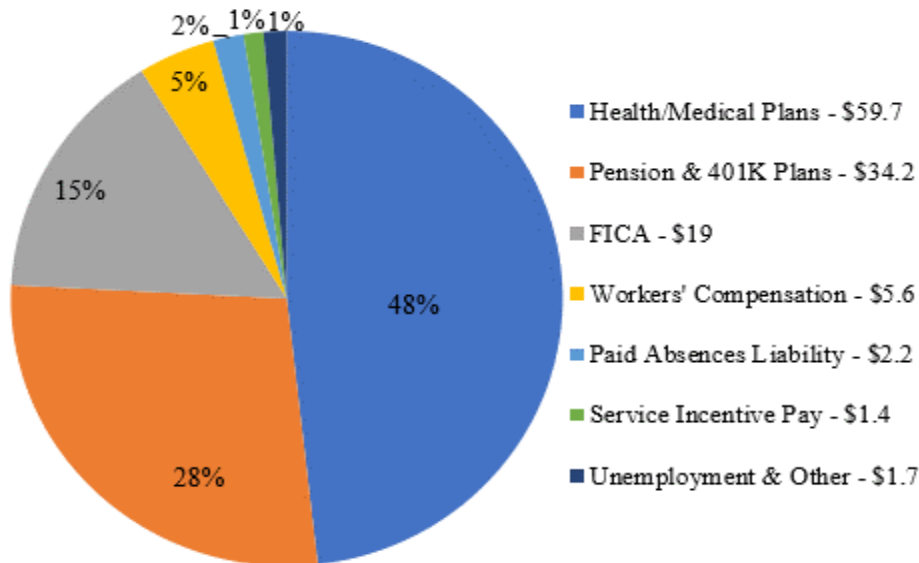
Exhibit 42 Benefits Expenses by Type (in Thousands)

Object Classification	FY21 Budget	FY2022 Budget	\$ Variance	% Variance
Health/Medical Plans ^[1]	\$56,011	\$59,672	\$3,661	6.5%
Pension & 401K Plans	35,323	34,166	(1,157)	(3.3%)
FICA	20,198	19,039	(1,159)	(5.7%)
Workers' Compensation	4,378	5,588	1,210	27.6%
Paid Absences Liability	2,229	2,217	(12)	(0.5%)
Service Incentive Pay	1,441	1,433	(8)	(0.5%)
Unemployment & Other	1,951	1,670	(281)	(14.4%)
Total Benefits	\$121,531	\$123,786	\$2,255	1.9%

[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 2022 budget.

Exhibit 43 Benefits Budget by Component (in Millions)



- **Health, Life, and Disability** insurance remains the major cost driver of all DART benefits. The increase year-over-year is approximately \$3.7 million, 6.5%.
- **Workers' Compensation Program** increased \$1.2 million, 27.6% over FY 2021.

Services – The FY 2022 Services budget of \$62.4 million represents 10.4% of the total agency budget. This is an increase of \$11.4 million, 22.2% more than the FY 2021 budget.

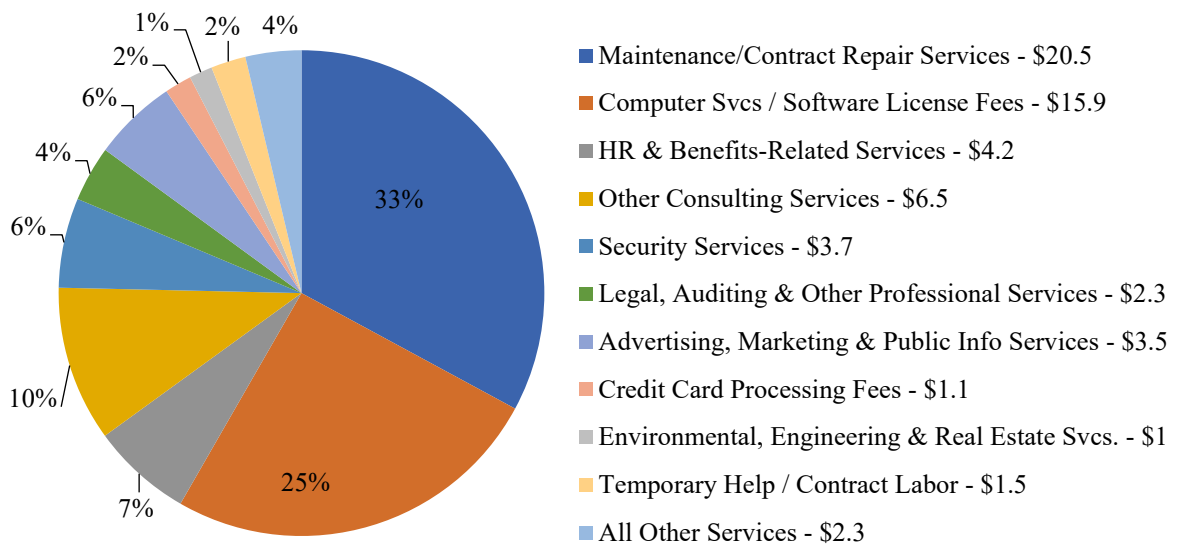
Exhibit 44 details the Services component of the budget.

Exhibit 44
Services Expenses by Type
(in Thousands)

Object Classification	FY21 Budget	FY22 Budget	\$ Variance	% Variance
Maintenance/Contract Repair Services	\$17,286	\$20,532	\$3,246	18.8%
Computer Svcs / Software License Fees	12,813	15,863	3,050	23.8%
HR & Benefits-Related Services	3,506	4,185	680	19.4%
Other Consulting Services	4,876	6,460	1,585	32.5%
Security Services	2,971	3,732	761	25.6%
Legal, Auditing & Other Professional Services	1,806	2,308	502	27.8%
Advertising, Marketing & Public Info Services	3,014	3,484	470	15.6%
Credit Card Processing Fees	1,001	1,124	123	12.3%
Environmental, Engineering & Real Estate Svcs.	790	966	176	22.2%
Temporary Help / Contract Labor	1,023	1,450	428	41.8%
All Other Services	1,979	2,319	340	17.2%
Total Services	\$51,065	\$62,425	\$11,360	22.2%

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

Exhibit 45
FY 2022 Services Budget by Component
(in Millions)



Materials and Supplies – The budget for *Materials and Supplies* increased year-over-year by \$4.5 million (11.9%).

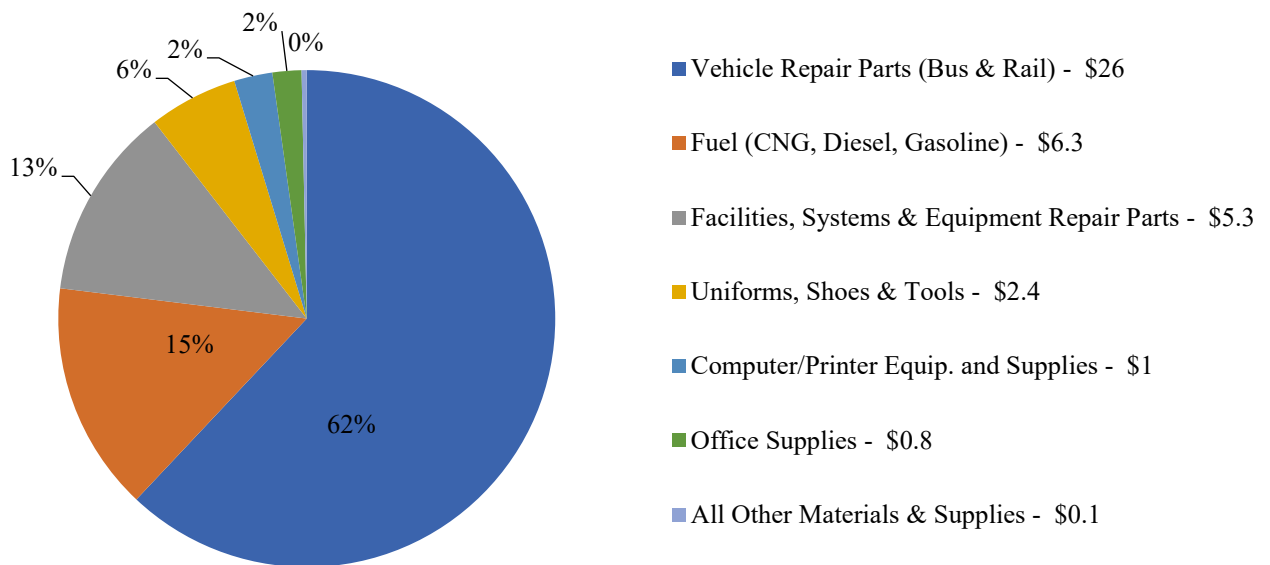
- Vehicle Repair Parts have increased by \$3.2 million 14.0%.

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	FY21 Budget	FY22 Budget	\$ Variance	% Variance
Vehicle Repair Parts (Bus & Rail)	\$22,810	\$26,012	\$3,202	14.0%
Fuel (CNG, Diesel, Gasoline)	5,816	6,260	444	7.6%
Facilities, Systems & Equipment Repair Parts	4,688	5,267	579	12.4%
Uniforms, Shoes & Tools	2,344	2,424	80	3.4%
Computer/Printer Equip. and Supplies	962	1,047	85	8.8%
Office Supplies	722	789	67	9.3%
All Other Materials & Supplies	126	140	14	11.1%
Total Materials & Supplies	\$37,468	\$41,940	\$4,471	11.9%

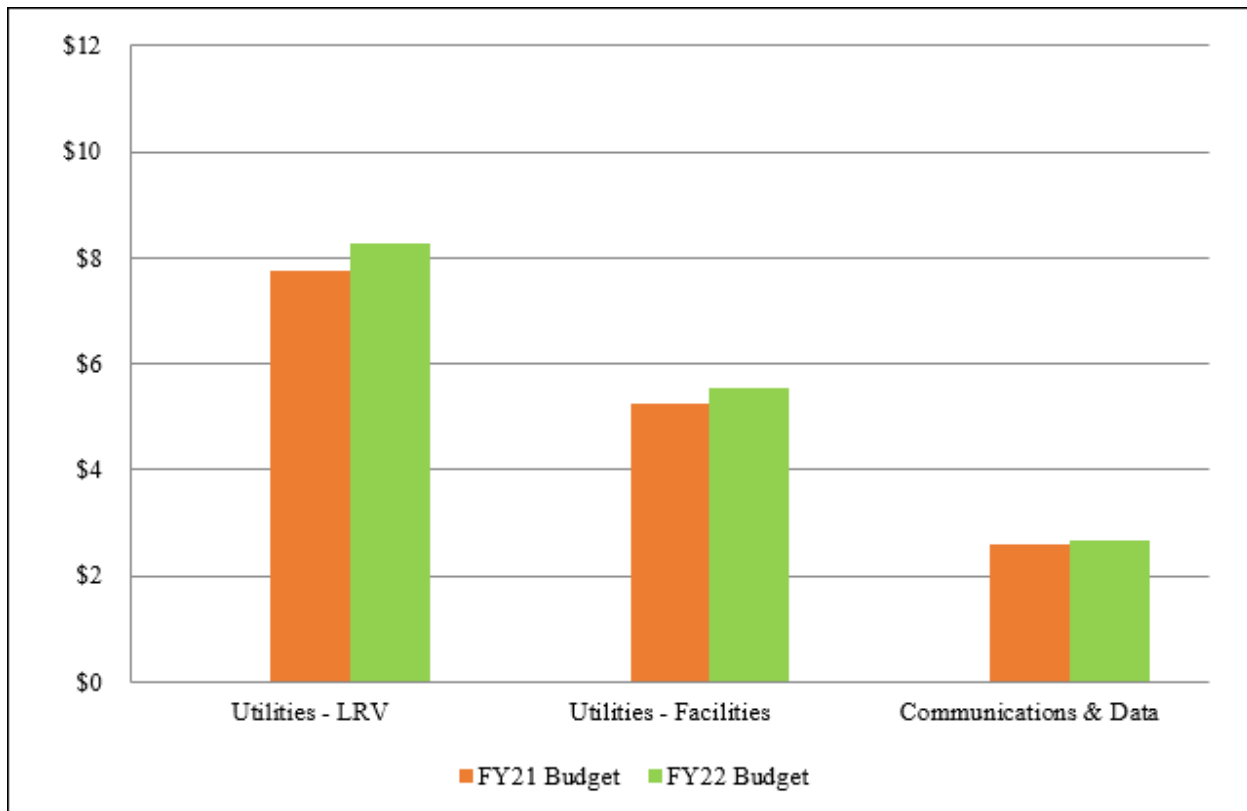
Exhibit 47
FY 2022 Materials & Supplies Budget by Component
(in Thousands)



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 2022 is \$16.5 million, a 5.5% increase year over year. This category represents 2.8% of the total Agency's operating budget.

Exhibit 48 compares the Utilities & Communications budgets.

Exhibit 48
FY 2022 Utilities & Communications Expense Comparison
(in Millions)



Claims and Insurance, Taxes Leases and Other – 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 increased by \$6.8 million 10.9% in the FY 2022 budget due to increases in service levels.

Exhibit 49 compares Purchased Transportation expenses between FY 2021 and FY 2022.

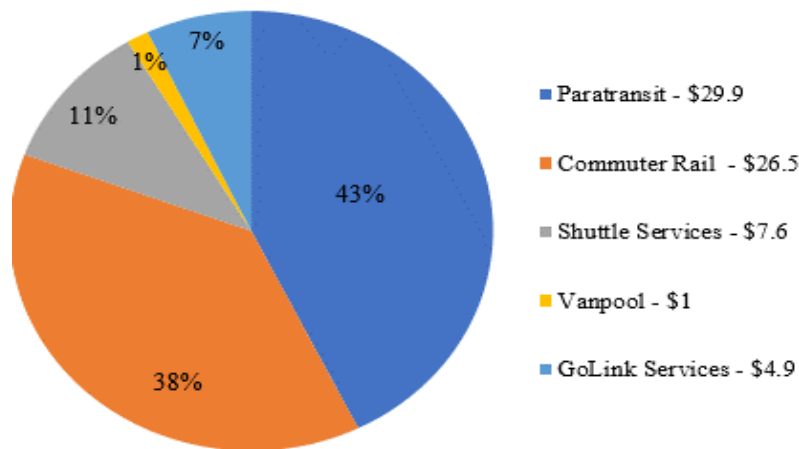
Exhibit 49
Purchased Transportation Expenses by Type
(in Thousands)

Object Classification	FY21 Budget	FY2022 Budget	\$ Variance	% Variance
Paratransit	\$30,563	\$29,851	(\$711)	(2.3%)
Commuter Rail	23,839	26,521	2,682	11.2%
Shuttle Services	4,489	7,563	3,074	68.5%
Vanpool	1,400	1,033	(368)	(26.2%)
GoLink Services	2,764	4,930	2,166	78.4%
Total Purchased Transportation	\$63,054	\$69,898	\$6,843	10.9%

- Paratransit costs decreased by \$0.7 million (2.3%) because of the effects of the COVID-19 pandemic.
- Trinity Railway Express costs increased by \$2.7 million 11.2% due to planned service level.
- Shuttle Services increased 68.5% primarily due to new Mobility as a Service (MaaS) service.
- GoLink Services increased \$2.2 million 78.4% due to DARTzoom.

Exhibit 50 highlights the components of the Purchased Transportation category.

Exhibit 50
FY 2022 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 2021-FY 2022, 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	FY21 Budget	FY22 Budget	\$ Variance
Total Capital Projects	\$283.2	\$819.0	\$535.9
Capital Planning & Development & Startup cost	14.3	14.6	0.3
Non-Operating	12.6	4.1	(8.5)
Sub-Total Capital / Non-Operating	310.0	837.7	527.7
Road Improvements			
PASS/TSM (General & Street Repair Program)	6.4	0.0	(6.4)
Transit Related Improvement Program	4.1	4.2	0
Sub-total Road Improvements	10.5	4.2	(6.3)
Total Capital & Non-Op./Road Imp.	\$320.5	\$841.9	\$521.4

Debt Service Budget

The FY 2022 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 2021 Budget	FY 2021 Projected	FY 2022 Draft
Long-Term Debt Interest Expense*	\$120.3	\$120.3	\$134.6
Commercial Paper Program & Other Expenses	0.7	0.7	0.5
Total Expenses	\$121.0	\$121.1	\$135.2
Principal Repayments - Bonds**	\$79.1	\$79.1	\$71.4
Total Debt Service Budget	\$200.1	\$200.2	\$206.5

*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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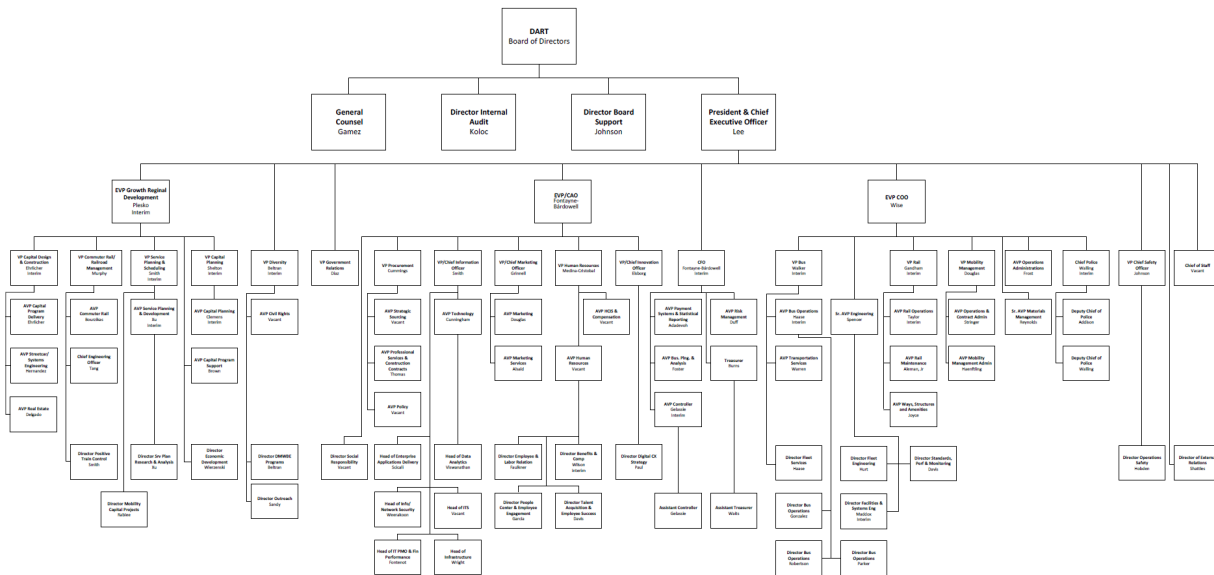


Organizational Units

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

The Finance Department provides world-class, creative, responsive financial thought-leadership and solutions to propel DART's growth and sustainability, with accountability to all DART's valued shareholders.

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

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.

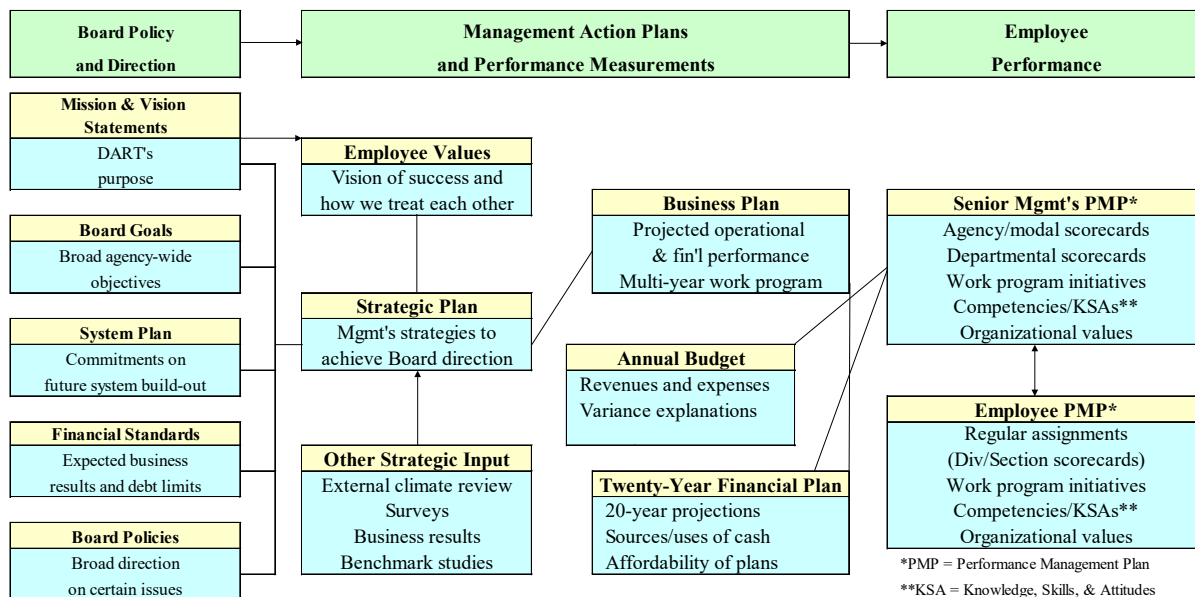
The **Office of Board Support** provides administrative support to the Board of Directors. The primary functions of this office are to disseminate information in a variety of formats to each Board member, to assist in handling Board member requests, coordination of Board/Committee meeting materials, 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 2022 Operating Budget and Positions by Department are shown in the *FY 2022 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 2022 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 366 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 2019 and 2020 indicate actual values. Fiscal Year 2021 Third Quarter represents the nine-month period ended June 30, 2021. Fiscal Year 2022 represents budgeted numbers.

Exhibit 55
DART Scorecard of Key Performance Indicators (KPIs)

Indicators	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Ridership Performance					
Total Agency Ridership (M)	70.8	50.3	25.9	23.8	47.9
Fixed-Route Ridership (M)	69.3	49.3	25.5	23.1	46.4
Ridership - Bus (M)	38.7	27.8	14.5	13.5	22.4
Ridership - LRT/Streetcar (M)	28.6	20.3	10.5	9.2	16.4
Ridership - TRE (M)	2.0	1.3	0.6	0.4	1.0
Ridership - Paratransit (000s)	906.2	643.8	405.1	642.2	615.6
Ridership - Vanpool (000s)	611.5	309.7	23.5	66.5	144.2
Efficiency Measures					
Subsidy Per Passenger - Total System	\$6.41	\$9.91	\$14.31	\$15.27	\$13.05
Subsidy Per Passenger - Fixed-Route	\$5.97	\$9.28	\$13.43	\$14.24	\$12.23
Subsidy Per Passenger - Bus	\$6.37	\$9.85	\$13.74	\$14.19	\$12.87
Subsidy Per Passenger - LRT/Streetcar	\$5.14	\$8.05	\$11.84	\$13.07	\$10.43
Subsidy Per Passenger - TRE	\$10.11	\$16.43	\$35.31	\$43.41	\$27.44
Subsidy Per Passenger - Paratransit	\$42.87	\$62.43	\$69.80	\$51.19	\$67.27
Subsidy Per Passenger - Vanpool	\$2.34	\$2.33	\$9.79	\$15.76	\$8.71
Farebox Recovery Ratio - Fixed-Route	12.3%	7.7%	5.2%	7.1%	7.1%
Farebox Recovery Ratio - Bus	8.8%	5.4%	3.8%	5.0%	6.0%
Farebox Recovery Ratio - LRT/Streetcar	15.5%	9.8%	6.7%	8.8%	8.6%
Farebox Recovery Ratio - TRE	23.7%	16.3%	9.1%	14.0%	8.1%
Administrative Ratio	9.8%	9.8%	10.1%	9.5%	8.5%
Service Quality					
On-Time Performance - Fixed Route	89.6%	90.7%	91.3%	89.7%	89.7%
On-Time Performance - Bus	82.4%	83.6%	82.4%	83.0%	83.0%
On-Time Performance - LRT/Streetcar	92.2%	92.1%	93.0%	93.0%	93.0%
On-Time Performance - TRE	94.3%	96.4%	98.5%	93.0%	93.0%
Customer Satisfaction					
Complaints Per 100,000 Passengers - Fixed-Route	28.9	36.1	53.1	36.0	36.0
Complaints Per 100,000 Passengers - Bus	42.3	52.1	86.2	50.0	50.0
Complaints Per 100,000 Passengers - LRT/Streetcar	12.3	16.0	10.0	19.5	19.5
Complaints Per 100,000 Passengers - TRE	6.0	6.4	2.7	5.5	5.5
Complaints Per 1,000 Trips - Paratransit	4.2	3.6	3.9	3.0	3.0
Safety					
Accidents Per 100,000 Miles - Fixed-Route	1.82	1.57	1.90	2.05	1.99
Accidents Per 100,000 Miles - Bus	2.24	1.86	2.18	2.30	2.30
Accidents Per 100,000 Train Miles - LRT	0.13	0.24	0.35	0.40	0.35
Accidents Per 100,000 Miles - TRE ^[1]	0.40	0.72	1.90	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 & Chief Executive Officer 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 3,000+ 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 2022, several priorities emerge: culture change, leadership behaviors, quality assurance standards and practices, designs for a pandemic environment, skilled communication, establishing 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 2022 will be the tenth year of moving the agency towards a customer-oriented culture that significantly changes how we approach customer service internally and externally. We will celebrate this milestone and thank employees with a 10-year anniversary celebration highlighting our biggest accomplishments, like our customer-focused culture change, leadership training, and CEO program that empowers customer service advocates within the Agency. Going forward, the program will continue to emphasize a change in employee behavior, high performance teams, and greater accountability. Employee engagement and feedback opportunities will be used to hear from employees regarding ideas for improvement, innovation, and creativity. Employees at every level of the organization have a role in facilitating change and demonstrating the ownership needed for making true progress, both for the individual and department.

FY 2022 Initiatives

- 5 Star Advisory Board Program Plan: Moving to Spectacular
- Launch Transit Operations Academy
- Partner with Innovation Group to Revive 5 Star Suggestion Process
- Review Program Pillars, Star-Level Definitions, and Continuous Improvement Team Metrics

Ongoing 5 Star Service Program Projects

- Continued focus on improving the customer experience of the DART system.
 - The Mystery Rider Program examines the customer experience from a whole system perspective down to the individual employee encounters.
 - Concierges riding trains to assist customers with their journey has been a successful practice in 2021 and will continue in 2022.
- The current Customer Experience Officer (CEO) class will complete year two of a two-year program in December 2021 with a graduation ceremony. The next CEO class will last for one year, 2022, and focus on the entry-level supervisor and manager positions.
- 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 will transition to the Learning Management System.
- Transit Operations Academy will introduce a new way to onboard Operations employees through a Welcoming and Expectations Orientation.
- The Culture Change Management Series invites guest speakers each year to discuss a wide range of culture-related topics. For FY 2022, this will transition to a virtual series.
- Customer Service Events are a scheduled series of direct interaction activities at rail stations, transit centers, divisions, departments, and special occasions.

The 5 Star Service Program has five components

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



In FY 2022, safety will be added to the Improved Services Pillar based on the recommendation of our 5 Star Service Advisory Board.

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. Bus Operations employs 1,382 bus operators, 251 mechanics, and 132

supervisory and administrative staff and has a budget of \$195,244,957. The below chart illustrates the reporting structure of the Bus Operations Department.

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 2022, identifying efficiencies throughout the Department are important tasks for the future.

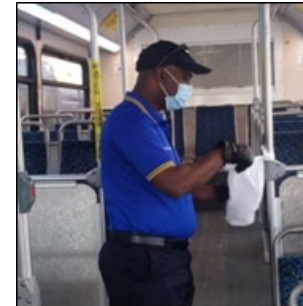
Key Initiatives

- 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
- Increase Transit Center Services staff visibility to customers on vehicles

COVID-19 Changes to Bus Operations



Continue to work on COVID-19 initiatives, information, and supplies 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.

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

Testing New Interview Process

Bus Operations Training is also responsible for providing an innovative and effective process in determining the best skilled candidates for the position of bus operator. Currently, we are transitioning from the standardized interview process to a more robust procedure. Bus Training is testing a new interactive, skill-based interview process. The new process will encompass prescreening behavioral assessment, skill demonstration and live customer service behavioral scenarios.

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 provide 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.

Dispatcher's Radio Response Times (Avg/seconds)				
Fiscal Year	FY18 (9 mos.)***	FY19	FY20	FY21 (10 mos.)
Total Radio Calls	133,802	158,393	125,626	74,001
Monthly	14,867	13,199	10,468	7,400
Peak RTT < 4 Mins*	:43	:31	:26	:28
Off Peak RTT < 3 Mins	:43	:27	:20	:23
PRTT < 1 min**	:29	:13	:08	:08
Covert < 1 min	:40	:20	:10	:11
Not on Target	7%	1%	1%	1%
Overall	93%	99%	99%	99%
Star Level	4	5	5	5

Range From	Star	Level
96-100	5	Spectacular
90-95	4	Top Quality
86-89	3	Above Average
80-85	2	Routine
79-0	1	Embarrassing

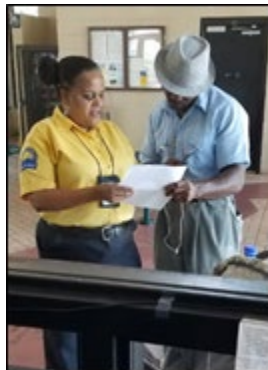
*RTT = Request to Talk

*Peak Times: 6:30 am – 9:30 am and 3:30 pm – 6:30 pm, Monday-Friday

**PRTT = Priority Request to Talk

***January 2018, Bus Dispatch began reporting Radio Response Times

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 piloting the placement of station concierges on trains for customer support. This pilot will be evaluated in FY 2022 for effectiveness and continuation.

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 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.

performing preventive



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 2022 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 2019 and 2020 indicate actual values. Fiscal Year 2021 Third Quarter represents the nine-month period ended June 30, 2021. Fiscal Year 2022 represents budgeted numbers.

Exhibit 56 Bus Scorecard – Key Performance Indicators

Indicators	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Customer Quality					
Ridership (M)	38.7	27.8	14.5	13.5	22.4
Revenue Miles (M)	25.8	24.2	5.6	6.1	25.3
Passengers per Mile	1.50	1.15	2.56	2.23	0.89
Farebox Recovery Ratio	8.8%	5.4%	3.8%	5.0%	6.0%
Complaints per 100K Passengers	42.3	52.1	86.2	50.0	50.0
On Time Performance	82.4%	83.6%	82.4%	83.0%	83.0%
Mean Distance Between Service Calls	6,944	7,302	9,027	7,000	7,000
Veh. Accidents Per 100K Miles	2.24	1.86	2.18	2.30	2.30
Indicators	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Financial Efficiency					
Expenses - Fully Allocated (M)	\$275.8	\$292.9	\$209.1	\$206.7	\$308.9
Revenues (M)	\$30.0	\$22.2	\$10.3	\$15.3	\$20.7
Net Subsidy (M)	\$245.8	\$270.6	\$198.8	\$191.4	\$288.2
Subsidy Per Passenger	\$6.35	\$9.75	\$13.74	\$14.19	\$12.87
Cost Per Revenue Mile	\$10.70	\$12.08	\$37.02	\$34.17	\$12.23

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 2022, 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.

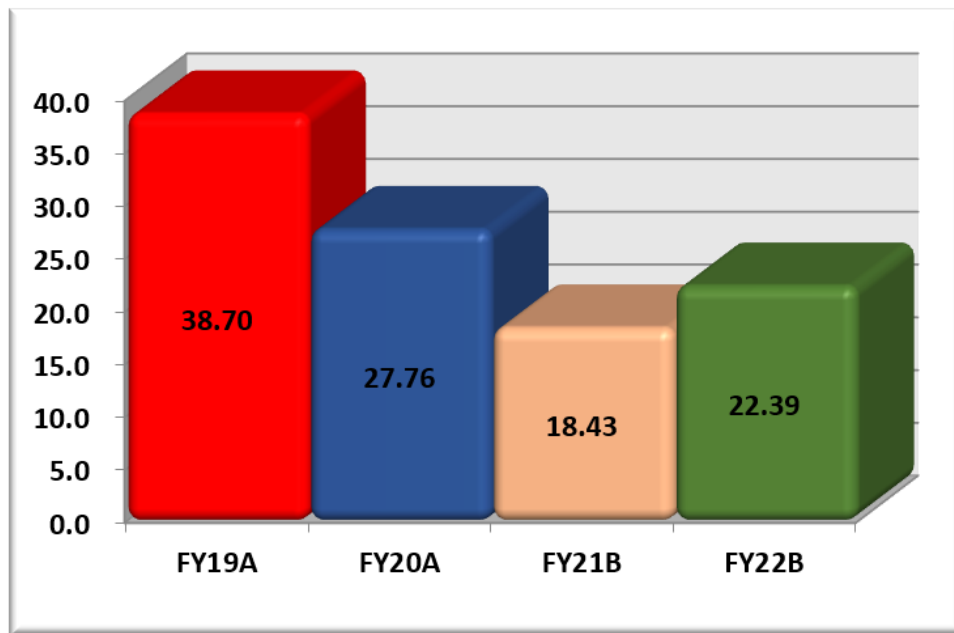
**Exhibit 57
Bus Overview**

Overview	FY19A	FY20A	FY21B	FY22B
Allocated Operating Expenses (M)	\$275.8	\$292.9	\$275.8	\$308.9
Capital Expenditures (M)*	\$35.4	\$10.1	\$5.3	\$36.2

* 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 2019 and 2020 indicate actual values, Fiscal Years 2021 and 2022 are the target values for those years.

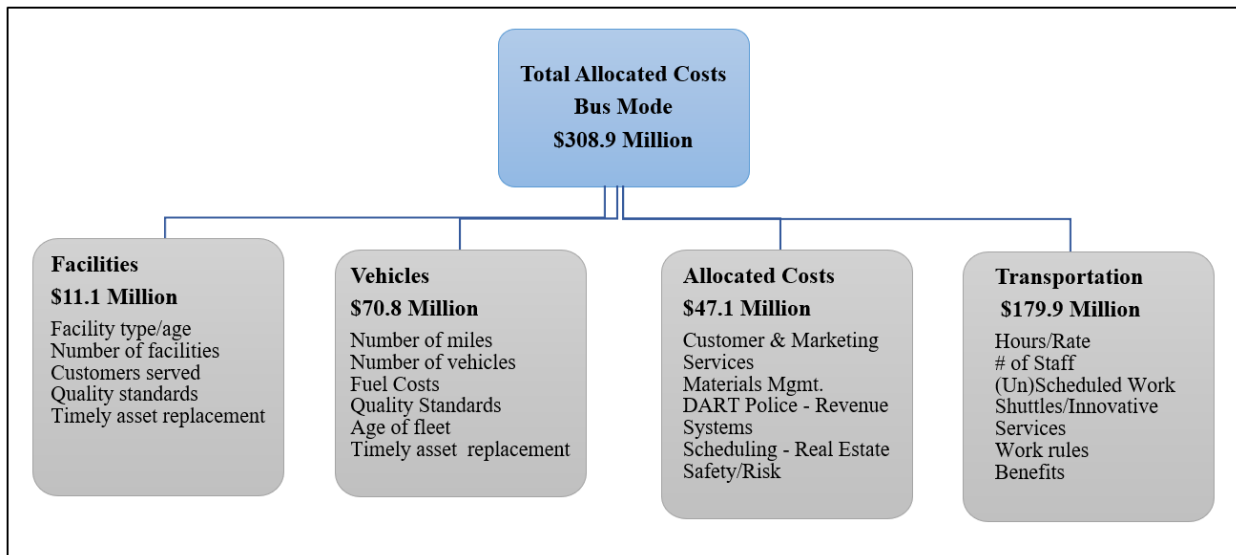
**Exhibit 58
Bus Ridership (in Millions)**



Please see page 334 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 \$179.9 million (58%).

Exhibit 59 FY 2022 Bus 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 2022, 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 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 FY 2022. The KPI goals 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 Passenger Announcement Interface Device 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.
- Monitor 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 utilized 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.

Train Control Center

The Train Control Center monitors and controls train and streetcar movement along the alignment and responds to Traction Electrification System, tunnel ventilation, and facility-related 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. Oversees and directs troubleshooting of defective equipment and transportation and maintenance personnel during incidents, accidents, and other abnormal conditions.

Rail Operations Training

This section serves to ensure 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 Maintenance

The primary function of Rail Maintenance is to perform condition-based, corrective, campaign, and fixed scheduled maintenance activities on DART's light rail vehicles, the Dallas Streetcars, as well as on the CROF (Central Rail Operating Facility) and NWROF (Northwest Rail Operating Facility) buildings.

These functions are handled by two groups with subgroups within the Rail Maintenance Team.

1. Rail Fleet Services
 - a. Rail Fleet Maintenance
 - b. Rail Facility Maintenance
2. Rail Central Support

Rail Fleet Services

Rail Fleet Services 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.

a. *Rail Fleet Maintenance*

The primary functions of Rail Fleet Maintenance are to perform preventive maintenance, corrective maintenance, campaigns, fleet modifications, and servicing of the DART-operated rail fleet. This team strives for continuous improvement with a specific focus on vehicle reliability as measured through the Mean Distance Between Service Calls. Lead the replacement of LED head signs on LRV.

b. *Rail Facility Maintenance*

Within the reporting structure of Rail Fleet Services is a small facilities maintenance group. This group is responsible for the general repair and maintenance of its operating facility including all associated buildings and equipment, which includes air compressors, vehicle lifts, pumps, vehicle washers and other structures.

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.

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 (TWC), 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 2019 and 2020 indicate actual values. Fiscal Year 2021 Third Quarter represents the nine-month period ended June 30, 2021. Fiscal Year 2022 represents budgeted numbers.

Exhibit 60 Light Rail Scorecard – Key Performance Indicators

Indicators	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Customer Quality					
Ridership (M) ^[1]	28.6	20.3	10.5	9.2	16.4
Revenue Miles (M)	10.4	9.8	7.4	7.0	10.2
Passengers per Mile	2.75	2.07	1.41	1.31	1.61
Farebox Recovery Ratio	15.5%	9.8%	6.7%	8.8%	10.9%
Complaints per 100K Passengers	12.3	16.0	10.0	19.5	19.5
On Time Performance	92.2%	92.1%	93.0%	93.0%	93.0%
Mean Distance Between Service Calls	18,247	23,848	20,829	21,000	21,000
Veh. Accidents Per 100K Train Miles	0.83	0.24	0.35	0.40	0.35
Indicators	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Financial Efficiency					
Expenses - Fully Allocated (M)	\$183.6	\$187.1	\$138.3	\$137.0	\$189.4
Revenues (M)	\$35.3	\$25.2	\$14.2	\$17.2	\$18.7
Net Subsidy (M)	\$148.3	\$161.8	\$124.1	\$119.8	\$170.8
Subsidy Per Passenger	\$5.19	\$7.98	\$11.84	\$13.07	\$10.43
Cost Per Revenue Mile	\$17.69	\$19.09	\$18.63	\$19.62	\$18.58

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 Extra 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	FY19A	FY20A	FY21B	FY22B
Allocated Operating Expenses (M)	\$183.6	\$187.1	\$183.0	\$189.4
Capital Expenditures (M)*	\$53.4	\$30.3	\$36.9	\$125.2

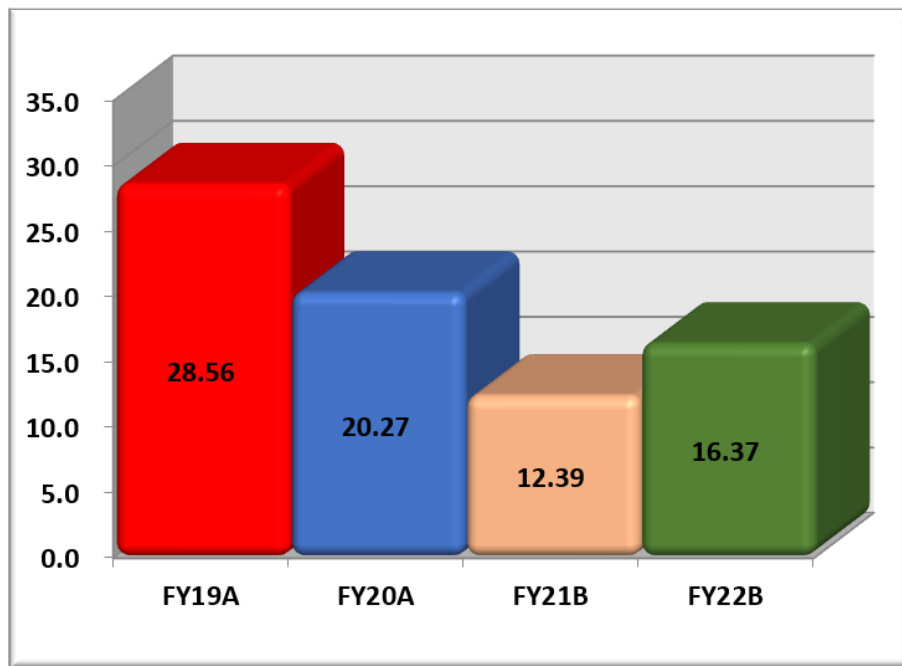
* These amounts are the actual or budgeted capital for this mode only and do NOT include an allocation of Agency-wide capital.

** Allocated positions are based on budgeted position counts.

LRT Ridership

Exhibit 62 highlights LRT Ridership. Fiscal Years 2019 and 2020 indicate actual values, Fiscal Years 2021 and 2022 are the target values for those years.

**Exhibit 62
LRT Ridership
(in Millions)**



Please see page 334 in the *Reference Section* for a discussion of ridership trends.

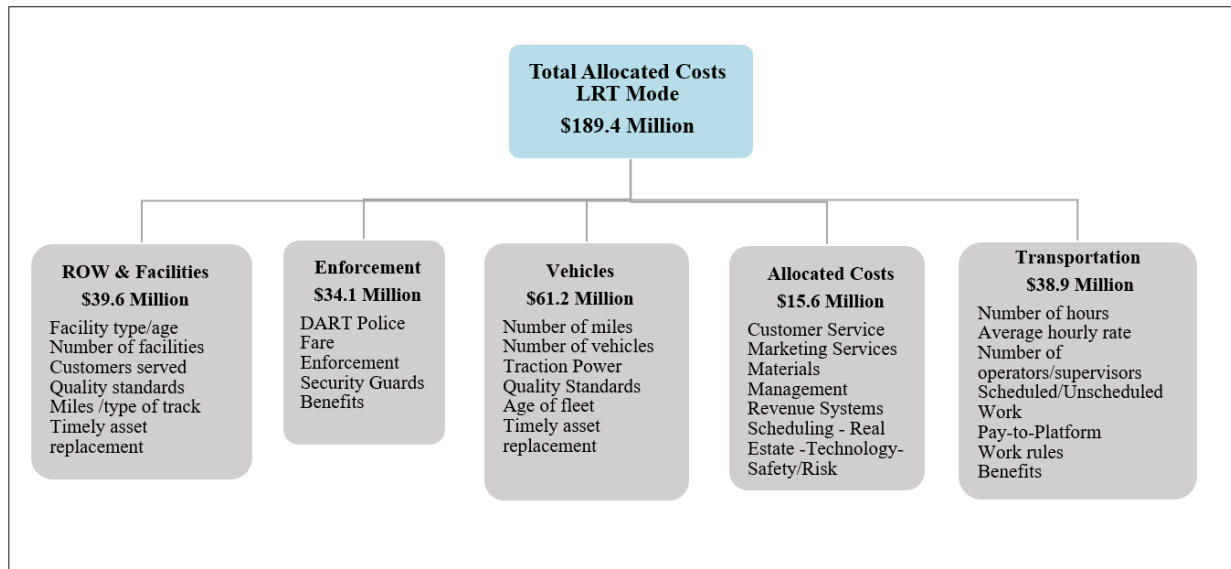
In September 2016, DART entered into an arrangement with the Texas General Land Office fixing the price of DART’s electricity from FY 2019 through FY 2023. The average price over those five years is \$0.692/kwh. This is below our current price of electricity and well within the Parameters Resolution 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 \$61.2 million, or 32% of the cost.

Exhibit 63
FY 2022 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 a safe workplace.

Key initiatives in FY 2022 include:

- Complete 100% design review for the Consolidated Dispatch and Command Center
- Complete Arboc fleet replacement
- Complete Bus fleet conversion campaign to the SmartDrive video-based, single camera solution
- Execute solicitation for new LRV procurement of up to 95 light rail cars
- Support electronic LED destination sign replacement on LRVs
- Install backup generators at various operating facilities for the severe weather initiative
- Complete LRV and Bus seat material replacement (cloth-to-vinyl)
- Complete DOT Technology Demonstration Project milestones for drone & LiDAR innovative technology solutions in the condition assessment of transit assets and infrastructure
- Support DART's involvement in the AECOM Automated Bus Consortium, moving towards the acquisition milestone(s) of Level-4 Automated Buses

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
- 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. This group also manages the CNG fuel contract.

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 and larger contracts through a general solicitation. This group houses the FSE Bridge & Tunnel Inspection program, which follows the National Bridge Inspection & TxDOT Standards for infrastructure assets State of Good Repair.



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 and bus cleaning and disinfecting services.

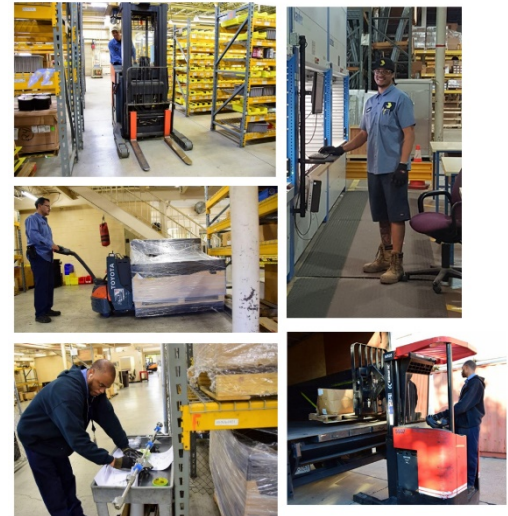
This team continues to act as lead to assess new COVID-19 related treatment technologies, as well as provide treatments for buses, light rail and streetcar vehicles, and DART Administrative and Operating Facilities.

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 15,584 various parts valued at more than \$39.5 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 we will focus on in 2022 are:

- Facilitate staff training and maintain the integrity of DART’s inventory after the implementation of Maximo, the new Enterprise Asset Management (EAM) computer system of record.
- Continue to automate warehouses to increase the accuracy and efficiency of storing and retrieving our inventory and increasing our storage capacity.
- Begin bar coding and serialization of 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.



FY 2022 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 2019, 2020 and 2021 indicate actual values. Fiscal Year 2022 First and Second Quarter Average represents the periods ending December 31, 2020 and March 31, 2021.

Exhibit 64 Materials Management Scorecard – Key Performance Indicators

Key Performance Indicators	FY18	FY19	FY20	FY21 Qtr 1 & 2 Avg
Buses Down for Parts (Stocked) - Average Per Day	96.70%	89.57%	82.90%	41.14%
LRVs Down for Parts (Stocked) - Average Per Day	74.30%	83.38%	81.89%	93.91%
Parts Availability %	99.90%	99.88%	99.24%	99.04%
Inventory Accuracy %	99.70%	99.64%	99.45%	82.90%

DART Police & Emergency Management

The DART Police Department is charged with implementing strategies addressing crime, fare enforcement, emergency preparedness, homelessness, and video surveillance for DART employees, customers, facilities, and vehicles throughout the 700 square mile service area. The Chief of Police and Emergency Management reports directly to the Executive Vice President/Chief Operations Officer. The department has an authorized strength of 429 police and civilian personnel with an operating budget of \$46.1M.

Key Initiatives for 2022:

- 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.
- Increase recruitment for police, FEO, and telecommunicator positions.
- Replace, optimize, and improve Closed Circuit Television (CCTV) coverage of DART assets.
- 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.
- Ensure timely completion of State-mandated continuing education.
- 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.
- Maintain the standards to qualify for the Texas Chiefs of Police Best Practices program, which is recognition the Police Department earned in 2021.



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 2021, our budget for police services was \$46,110,136. This budget reflected our authorized strength of 429. In FY 2022, the police department budget is \$46,555,545.
- *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	Accident Reports	Open Records & Internal Requests	Citations
CY2014	6,049	467	1,336	53,440
CY2015	5,659	486	1,334	47,250
CY2016	5,738	462	1,300	41,752
CY2017	6,688	442	1,499	49,386
CY2018	6,236	443	1,376	31,759
CY2019	6,346	495	1,355	43,021
CY2020	4,522	385	924	10,972
CY2021*	1,881	203	453	4,268
*YTD Totals				

*CY 2021: Year to Date (YTD) totals represent January - June 2021

Field Operations Bureau

The Field Operations Bureau provides police services for DART Light Rail, Bus Operations, 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 10,000 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) provide a uniformed police presence throughout the DART Light Rail and TRE commuter trains focusing on fare compliance, customer service and safety and security. The primary duties of FEOs are to inspect passengers for proper fare and provide customer service throughout the rail system. FEOs issue fare evasion citations when necessary and report disruptive behavior to DART Police Officers for police action. While FEOs 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 throughout the system. They issue fare evasion citations, trespass warnings and take police action for criminal and

DART Code of Conduct violations. A permanent police presence is maintained in the Central Business District at the West End Station, Rosa Parks Plaza and the West Transfer Center to address crime and quality of life issues.



In addition, there are armed Security Guards providing uniformed presence and the capability of immediate notification for a police response if needed at various stations throughout the system.

- *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 throughout our rail operating area.
- *Special Operations* consist of two categories: the Special Operations Team and Canine Handlers (K-9 Unit).
 - Special Operations Team (SOT) – Initially funded by The Department of Homeland Security, a four-person team for antiterrorism and domestic terrorism detection and prevention was established. DART Police expanded the team to include four additional team members to reduce crime at identified hotspots and increase apprehension of felons who commit crimes on the system. 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 teams, which greatly enhance the Agency’s response and timely assessment of bomb threats against DART assets, decreasing the time an asset is out-of-service and service disruptions.

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 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.
- *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 Emergency Preparedness Division also oversees the updates on agency emergency operations and



security plans. Other duties of the section include managing the security guard contracts, DART employee identification cards and facility access programs. In the FY2021, most of the team's time was devoted to DART's response to the COVID-19 virus.

- *Special Services Division* consists of the Hiring and Recruiting Section and the Training Section.

- Hiring & Recruiting Division coordinates all hiring and recruiting for the department. This team is responsible for complying with all State and Federal requirements in the hiring of department personnel, as well as recruiting to fill vacant positions. In 2021, due to the recruiting limitations caused by COVID-19 pandemic, the Hiring and Recruiting section was not able to fill all budgeted vacancies. The Training Section provides state-mandated and specialized police training to all officers, including firearms, use of force, de-escalation, crisis intervention training, community policing and problem solving, etc. In 2021, 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 2022 is to continue preparing new officers, fare enforcement officer, and civilians for the ever-changing policing environment and to comply with State mandated training requirements.

- The Police Telecommunications (Police Dispatch) section has fourteen telecommunicators; they are responsible for receiving police calls for service (CFS), dispatching calls to DART Police Officers, monitoring police radio transmissions, and processing requests for National Criminal Information Center and Texas Criminal Information Center reports using 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.



- Nine camera monitors assist telecommunicators by providing video footage to responding police and fare enforcement officers or other DART employees during an event impacting DART customers, services, and continuity of operation. This includes incidents in progress, previously committed incidents, or review for violation of DART's Code of Conduct. Camera monitors also respond to customers using our ELERTs app to report incidents or request police 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 end of the first quarter of FY 2022, the installation of video monitors on West Transfer Center, Rosa Parks Plaza, Akard Station, St Paul Station, Pearl Station, Union Station and the Convention Center Station is expected to be complete. Then, the Department will begin installation of video monitors at rail stations outside of the Central Business District, which include 8th and Corinth, Bachman, Fair Park, MLK, Cedars, Walnut Hill/Denton, City Place/Uptown, Parker Road and SMU/Mockingbird; this installation should be complete by the end of FY 2022.

Mobility Management Services Department



The Mobility Management Services (MMS) Department provides a broad range of transportation choices, innovative solutions, vehicle communication, and equipment enhancements geared toward mobility options for persons with disabilities, older adults, veterans, and those with limited incomes, in order to enhance the customer experience.

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, the 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 \$43 million and is separated into two divisions: Administration and Operations/Contract Compliance. DART's contract with MV Transportation, Inc. sets forth for the provision, operation, and maintenance of a fleet of 275 vehicles, operating on ADA Paratransit, GoLink and RAP. In Fiscal Year 2022, the key initiatives of the department are:

- MMS will manage a significant expansion of GoLink service as part of the DARTzoom system redesign. GoLink on-demand service will operate in 30 zones as part of this expansion which is currently scheduled for January 2022.
- Expand the field supervisor's role to include additional monitoring of GoLink and RAP services. Implement use of Survey 123 field monitoring tool to provide real-time feedback from field to Operations staff allowing for timely resolve of issues.
- In collaboration with MV Transportation, Inc., research a long-term technology solution to use across all services operated by MMS.
- Prepare for extension of the first option period with MV Transportation, Inc.
- Maintain 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 Service to DART customers. Continue to provide 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 27 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 registered 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 a Transportation Network Company (TNC) or an accessible vehicle and allows the customer to pay through a virtual wallet using funds supplied by the customer (25%) and matched (75%) by either the local government or by DART.

Reduced Fare Program for Persons with Disabilities

For those individuals who do not qualify for ADA Paratransit services due to a disability 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. The Mobility Ambassador Program is open to the public, not just Paratransit riders, and can educate on fixed-route services as well as services offered by Mobility Management, including Paratransit.

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 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.

As of July 2021, 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 at the end of 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-year. 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 able to use 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 2022 is projected to be approximately 12,100. This represents a 3.5% increase from the number of certified riders at the end of Q2 FY 2021. As of July 2021, approximately 11,667 riders were eligible to use Paratransit services.

Eligibility and Training Specialists assess applicants’ abilities to use fixed-route services and provide travel training, when indicated. 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.

Pilot Programs

TNC 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, to provide a more flexible and personalized service. MMS identifies and vets the candidates for TNC services. In April 2021, Lyft pilot service was transitioned to Uber. As of the end of May 2021, over 210,000 trips have been taken by over 200 participants on the pilot program.

On Demand Pilot Program

Mobility Management Services is piloting an on-demand program for ADA registered riders, using a mobile application. Riders can book trips on demand, with an average wait time of 15 minutes. As of July 2021, there are 116 riders on the pilot, including 11 who use mobility devices. Through the app, customers can rate the driver for each trip taken.

Operations/Contract Compliance Division

Mobility Management Services Operations/Contract Compliance is comprised of 22 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. The service model utilizes a broker, MV Transportation, Inc., 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, including comprehensive trip planning.



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.

Parkland Paratransit Shuttle Operation

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 (Comet Cruiser)

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.

Productivity

KPIs for productivity include on-time performance (OTP), 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.



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 2022, 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.

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 2019 and 2020 indicate actual values. Fiscal Year 2021 Third Quarter represents the nine-month period ended June 30, 2021. Fiscal Year 2022 represents budgeted numbers.

Exhibit 66 MMS Scorecard – Key Performance Indicators

Indicators	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Customer Quality					
Actual Ridership (000)	906	644	405	642	616
Actual Trips (000)	758	530	317	399	813
On Time Performance	88.0%	90.9%	84.8%	92.0%	92.0%
Preventable Accidents Per 100K Miles	0.3	0.8	0.6	2.0	2.0
Percentage of Trips Completed	99.6%	99.8%	99.1%	99.0%	99.0%
Passenger Canceled Trips Ratio	25.4%	28.5%	16.2%	23.6%	23.6%
Passenger No Shows Ratio	4.7%	4.5%	6.7%	4.7%	4.7%
Complaints Per 1K Trips	4.15	3.60	3.92	3.00	3.00
Service Level - Scheduling (3 minutes)	95.4%	95.0%	99.4%	93.0%	93.0%
Service Level - Scheduling (5 minutes)	94.6%	99.0%	100.0%	97.0%	97.0%
Service Level - Where's My Ride (3 minutes)	93.9%	90.6%	88.1%	93.0%	93.0%
Service Level - Where's My Ride (5 minutes)	93.1%	96.1%	96.1%	97.0%	97.0%
Certified Riders	12,493	12,553	11,757	13,100	12,100

Indicators	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Financial Efficiency					
Expenses - Fully Allocated (M)	\$41.14	\$41.81	\$29.25	\$34.69	\$43.45
Revenues (M)	\$2.33	\$1.61	\$0.97	\$1.82	\$2.04
Net Subsidy (M)	\$38.81	\$40.20	\$28.28	\$32.87	\$41.41
Subsidy Per Trip	\$51.18	\$75.86	\$89.07	\$82.47	\$50.92
Subsidy Per Passenger	\$42.87	\$62.43	\$69.80	\$51.19	\$67.27

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	FY19A	FY20A	FY21B	FY22B
Allocated Operating Expenses (M)	\$41.1	\$41.8	\$45.8	\$43.4
Capital Expenditures (M)*	\$0.1	\$0.1	\$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.

** Allocated positions are based on budgeted position counts.

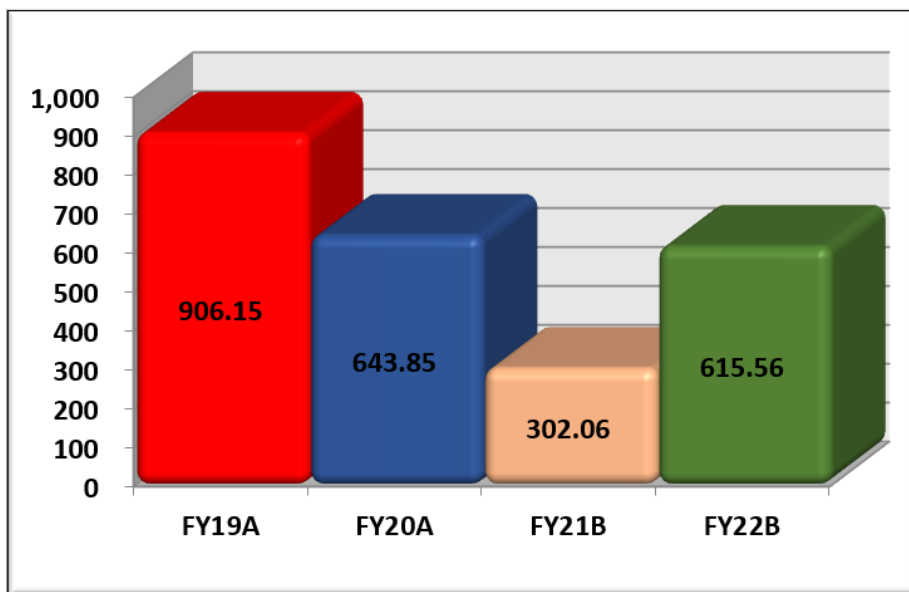
Paratransit Ridership

One of Mobility Management Services’ goals is to increase efficiency while delivering excellent customer service. The service delivery model consists of both dedicated and non-dedicated vehicles as well as a diverse fleet mix.

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.

Exhibit 68 highlights Paratransit ridership. Fiscal Years 2019 and 2020 indicate actual values, Fiscal Years 2021 and 2022 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 2019 and FY 2020, and budget and projections for FY 2021 through FY 2026. 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

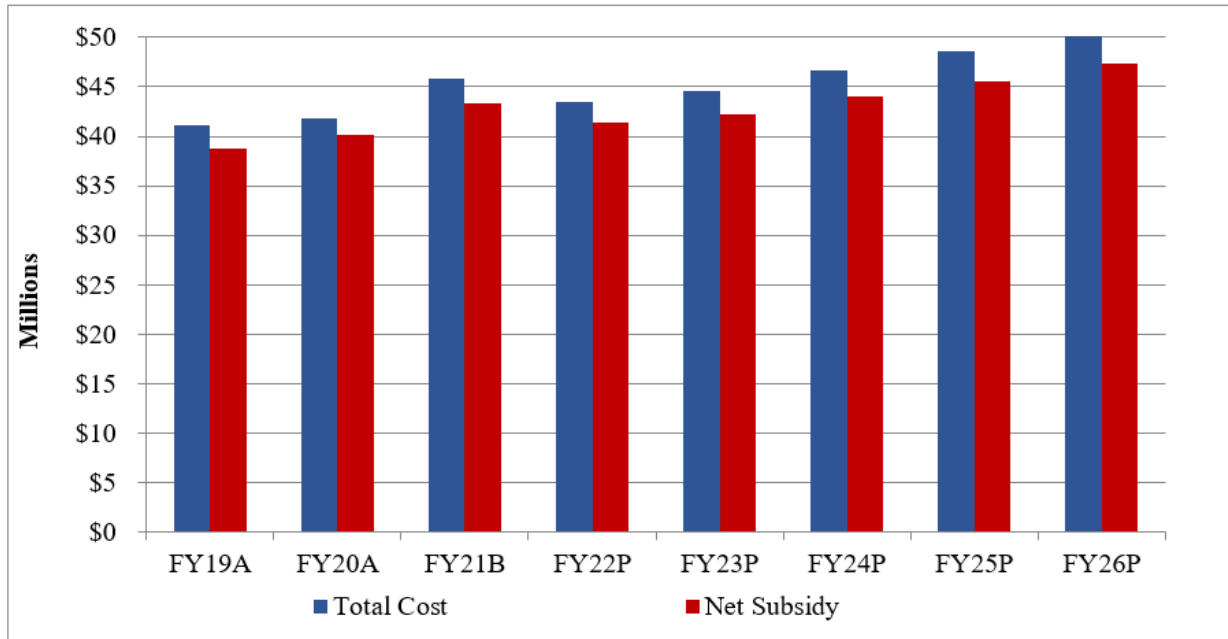
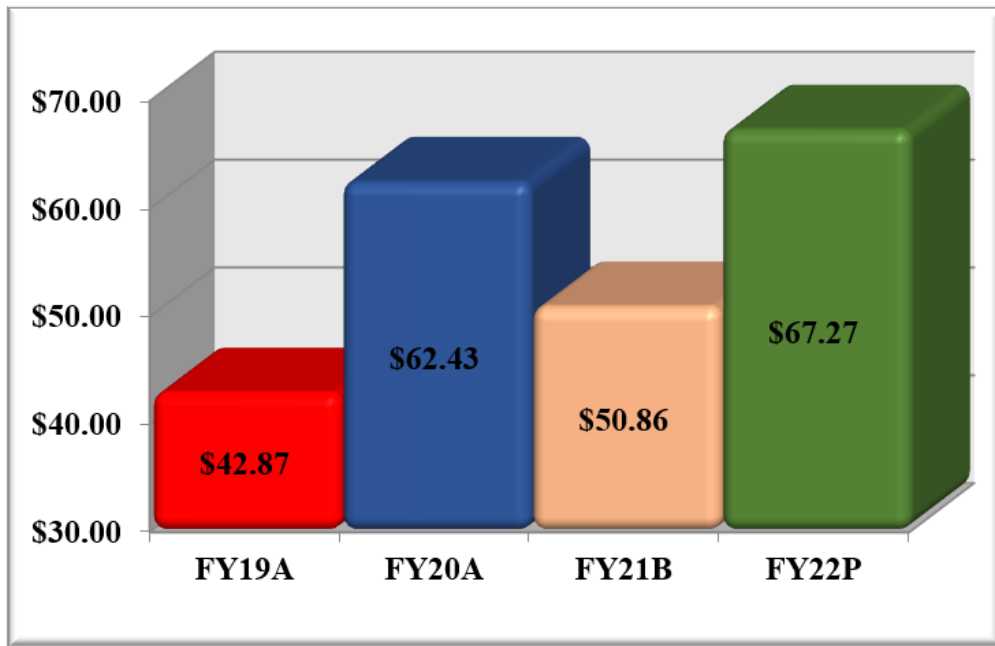


Exhibit 70 highlights Paratransit Subsidy per Passenger. Fiscal Years 2019 and 2020 indicate actual values, Fiscal Years 2021 and 2022 are the target values for those years.

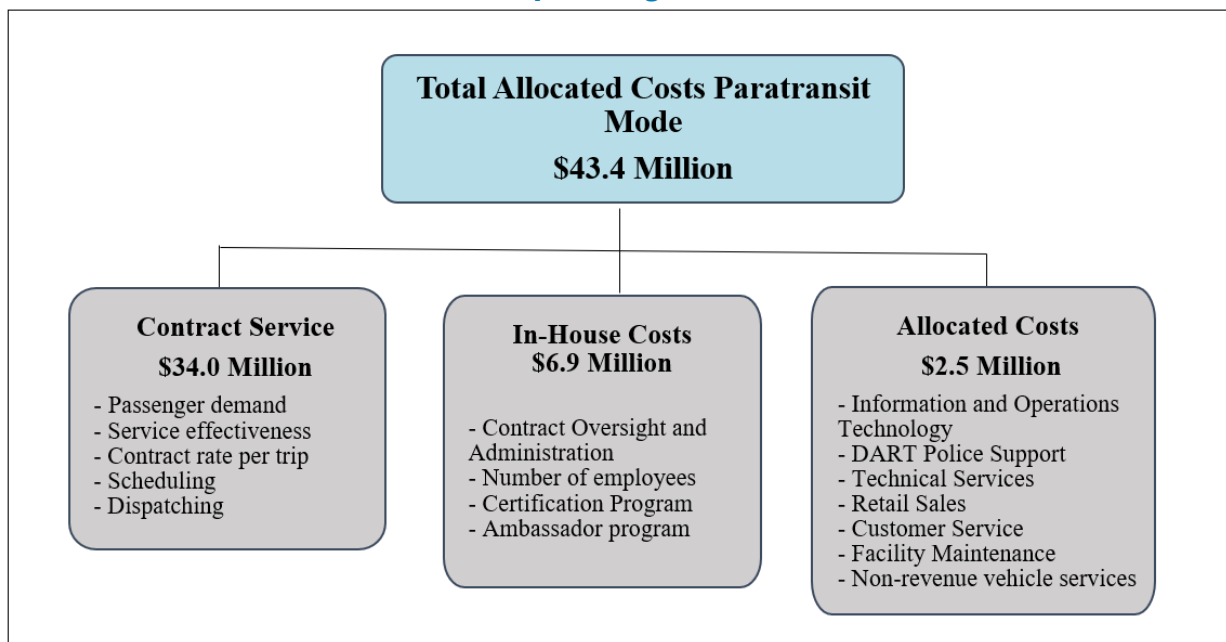
**Exhibit 70
Paratransit Subsidy per Passenger**



Paratransit Cost Model

Exhibit 71 is the Paratransit Cost Model. Contract services accounts for 78.3% (\$34.0 million) of modal costs.

**Exhibit 71
FY 2022 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 Public Transportation Agency Safety Plan (PTASP) 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 in years past has prompted Congress to adopt new compliance regulations, which have required 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 is experiencing 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 is a companion set of new compliance and reporting obligations. Under an Interlocal Agreement (ILA) with the City of Dallas we currently operate the Dallas Streetcar as a contractor and will continue our involvement throughout the term of the agreement. DART serves in a technical advisory capacity supporting the McKinney Avenue Transit Authority trolley.

The Vice President & Chief Safety Officer, reports to DART's President & Chief Executive Officer. 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 PTASP and its specific activities for the prevention, control, and resolution of unsafe conditions and actions. DART's regular review and revision process of the PTASP helps to create a successful safety culture.

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 encounter the DART system.

The DART Safe Work Practices Policy voluntarily adopts Occupational Safety and Health Administration (OSHA) standard as the minimum standard for safe work practice. Audits covering safety related Standard Operating Procedures, as well as SMS components, are conducted 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 Operations Safety Training Program includes the following:

- Light Rail Worker Protection Program (LRWPP)
- DART Police
- Quarterly Safety Training
- Cardiopulmonary Resuscitation (CPR)
- OSHA related safety training

Mandatory quarterly safety training meetings are held each year for Operations department 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, regulations for the Maintenance and Transportation departments, as well as 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 2019 through June 2021.

Exhibit 72
Bus Accidents per 100,000 Miles

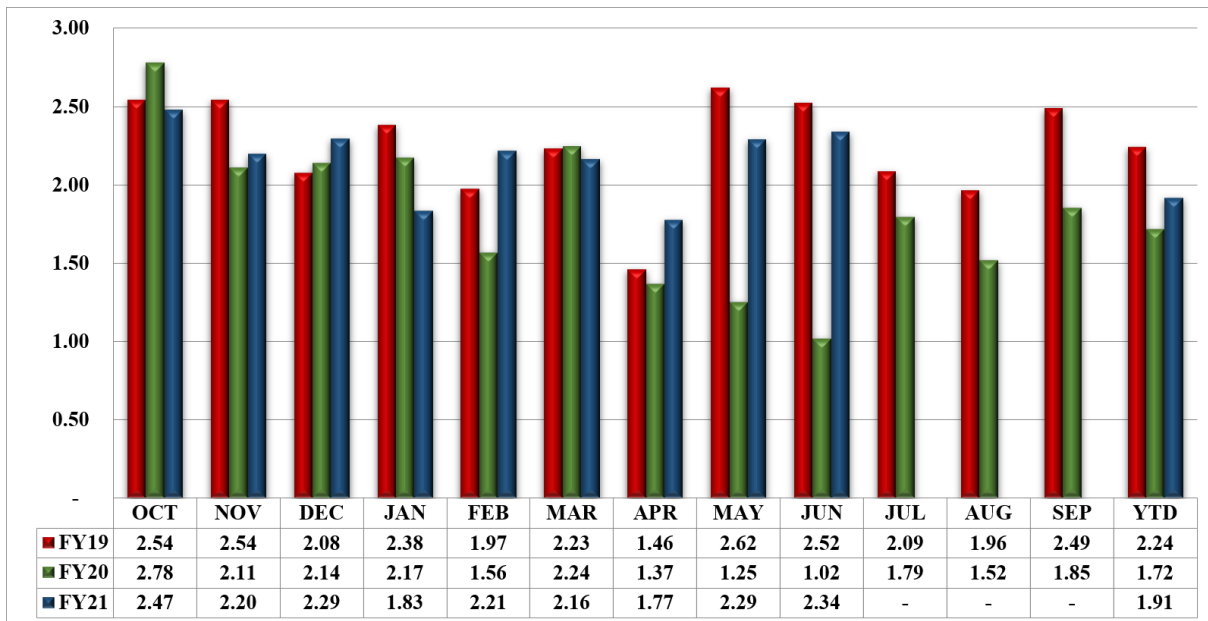
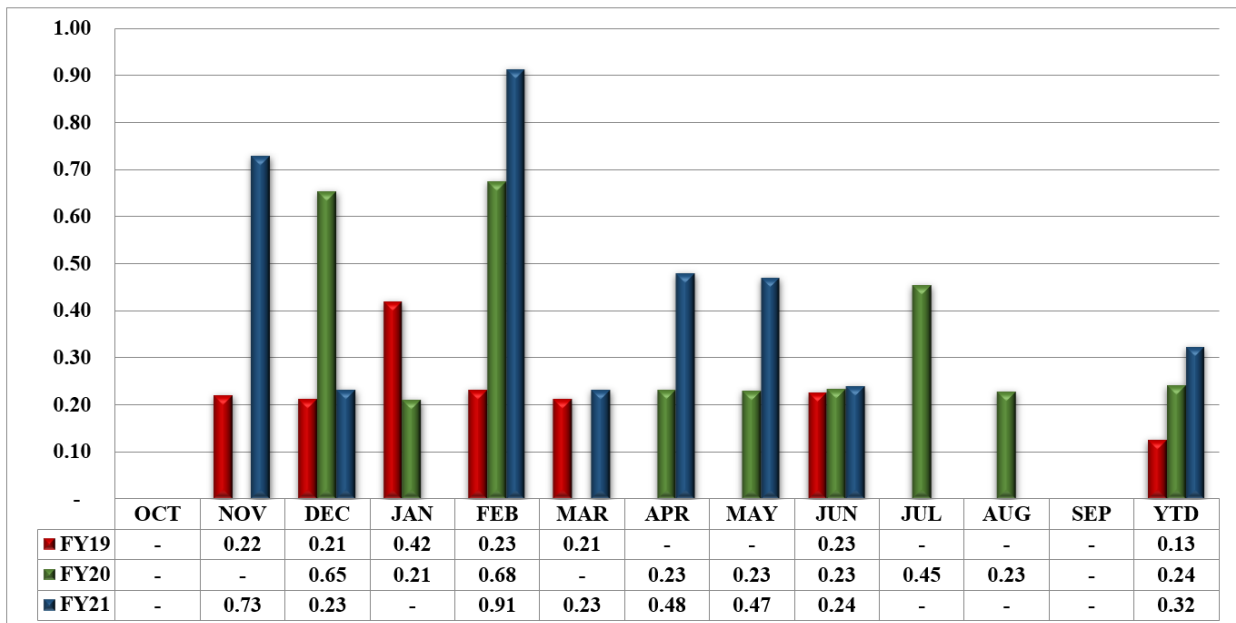


Exhibit 73 shows the history of Rail Accidents per 100,000 Train Miles for FY 2019 through June 2021.

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 & Chief Executive Officer and is the management liaison for the Board's Planning and Capital Programs Committee for departmental matters. The below chart illustrates the reporting structure of the Growth/Regional Development Division.

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. Service Planning & Scheduling 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 2022 includes the following programs and projects.

Bus Network Redesign

DART continued to work on the Bus Network Redesign project throughout FY 2021, with implementation of major service changes planned for January 2022. In early FY 2021, DART prepared a Draft Final Bus Network Plan for Board consideration. This was followed with specific proposals for January 2022 route and schedule changes that were presented for public comment in March 2021. The public comment period ended in June, and the Final Proposed Bus Network was approved by the Board in August 2021. Pre-implementation activities including scheduling update, passenger amenities update, marketing, and customer experience testing are planned for September 2021 through January 2022. The New Bus Network targets to provide more frequent, direct, and accessible services for DART cities.

DART will also follow up with an additional effort to develop a plan for potential service changes over the next five years, should funding and other resources become available. This effort will occur during FY 2022, with implementation starting in late FY 2022 and beyond.

Service Standards

DART Service Standards govern the planning of DART transit services and the evaluation of route performance. The current Standards were last revised in October 2018, including significant changes in the 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. Further revisions are planned in FY 2022 following approval of the Final Bus Network Plan.

Area Service Reviews and Service Changes

DART conducts periodic detailed service reviews in different sectors of the DART Service Area. When conducted, reviews include a careful analysis of the demographics and performance of services in the respective areas, looking for gaps in coverage, new service needs, and other changes that can be implemented in a three to five-year time horizon within budgetary constraints. We expect to focus on the impact of the implementation of DARTzoom New Bus Network in January 2022. This will include evaluation of the new network performance as well as addressing stakeholders and customer feedback. A series of future service changes have also been under discussion by the DART Board to be implemented in the future. We do not anticipate conducting regular service reviews until work related to the Bus Network Redesign is fully complete.

Bus Stop Consolidation

The Bus Stop Consolidation Project continued in early FY 2021 with the five new core frequent routes that were implemented in August 2019. DART conducted a before-and-after analysis to examine any travel speed changes resulting from the Bus Stop Consolidation. It was determined that there was not a significant and consistent correlation between Bus Stop Consolidations and travel time savings. While the number of bus stops on a route can affect the speed of service, the impact of other operational conditions was shown to be far greater. In fact, many of the routes with Bus Stop Consolidations had measurable increases in travel time in the before-and-after comparison. The Bus Stop Consolidation will continue in FY 2022 for some routes on the New Bus Network based on updated Service Standards.

Ridership Reporting and Performance Measures

DART develops ridership statistics and performance measures by mode at different time and geography levels based on FTA requirements, 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. This effort will continue in FY 2022 on the New Bus Network based on the updated Service Standards.

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. During FY 2022, the APC, on all four modes, will be re-certified by comparing the difference between APC counts and manual counts based on FTA requirements and guidance.

Big Data Analytics Services

DART has contracted with Cambridge Systematics to provide the required functionality of real time predictions. A major focus of Service Planning's FY 2022 workplan is to implement running times and recovery times that better match field operations. Cambridge Systematics has been meeting with DART's Service Planning Team on a regular basis to configure and rollout analytical

reporting that will improve scheduled runtimes between time periods, as well as time bands. The feed has been integrated with DART GoPass mobile application since late FY 2021.

On-Time Performance Project

On a monthly basis, DART analyzes bus on-time performance and recovery. Based on this review, routes that perform below DART's Service Standard for on-time performance are identified and evaluated for necessary adjustments. For FY 2022, DART's workplan that will govern future bus service changes will be the Bus Network Redesign Plan. This plan will include route and schedule changes for all routes. Known as DARTzoom, the Bus Network Redesign Plan will adjust runtimes and improve service recovery to a minimum of 15%, while updating all routes to better reflect the current and future needs of the DART service area. The target date for implementation of this Service Plan is January 2022.

Regional Service Policies and Operations

DART continues to offer limited 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 provide services for seniors and disabled persons, which is branded as Collin County Rides; and micro transit and late-night rider assistance services for the Inland Port Transportation Management Association (IPTMA). DART has been working on a joint proposal with Denton County Transportation Authority (DCTA) to provide micro transit service for the McKinney Urban Transit District (MUTD).

Mobility on Demand

DART plans and implements the innovative GoLink micro transit services as part of the service planning change or ad hoc special projects. The planning of significant expansion of the GoLink program via the DART zoom Bus Network Redesign Project will be finalized for implementation in January 2022. The micro transit service for IPTMA will continue with possible expansion to the weekend in FY 2022. The MUTD micro transit service jointly developed by DART and DCTA is expected to start in January 2022. During FY 2022, DART will continue to reevaluate and procure a new mobility management service contract to support the future development of the GoLink program.

DART Rides Program

DART Rides is a rider assistance program that currently provides subsidized trips to the cities of Carrollton, Dallas, Plano, Rowlett, as well as identified zip codes in Addison, 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) allow DART to provide these services, potential higher subsidy, and more intensive marketing efforts.

Regional Transit Study

DART served in the Project Advisory Committees (PACs) for the transit studies in South Dallas County and Collin County led by North Central Texas Council of Governments (NCTCOG), which was completed in July 2021. DART is anticipated to serve in the PAC to advise another NCTCOG-sponsored transit study in East Dallas, Kaufman, and Rockwall Counties in the beginning of FY 2022.

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 the adjacent communities as part of our FY 2016 work program. DART implemented several recommendations in the Legacy Area Transportation Study including (1) several route changes in 2017; (2) micro transit options pilot since 2018. The Legacy West GoLink was created as a result and has been one of the most used GoLink services, but the ridership has dropped to approximately 20 riders/weekday since the COVID-19 Pandemic due to employees in the Legacy working remotely.

Another follow-up to the Legacy Area Transportation Study is the Legacy Transportation Management Association (“Legacy Connect”) which was formed in 2016 and has focused on mobility options and congestion management for the Legacy area. In FY 2021, DART developed a return-to-work survey on behalf of the TMA with the City of Plano and the Plano Chamber of Commerce taking the lead on distributing and promoting the survey to under the trend of mobility demand in that area post pandemic.

Site-Specific Shuttles

DART has engaged in several Site-Specific Shuttle Funding Agreements with various major employers, universities, member cities, and medical centers. These partner organizations will already have a shuttle service in place and can navigate in locations not practical for a traditional bus service. This is a low-cost, last mile answer to move employees, students, or customers to the DART Rail Network. Current partners include Texas Instruments, Baylor University Medical Center, Medical City, City of Richardson, Southern Methodist University, DFW Airport, McKinney Avenue Transportation Authority, and UT Southwestern Medical Center.

DART also entered into Site-Specific Shuttle Agreements in which DART is the primary partner and is either operating the service or has contracted out the service. Partners include the University of Texas Dallas, Amazon, and Parkland Hospital.

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.

DART in coordination with NCTCOG, DCTA, and Trinity Metro created a Regional Vanpool Program with approval from the Regional Transportation Council. The goals of the program are: (1) eliminate unintended competition amongst the regional transit agencies by identifying clearly defined service areas, (2) establish regional pricing for common vehicles through enhanced subsidies provided by NCTCOG, and (3) develop a unified procurement and marketing strategy.

The Vanpool ridership has remained stagnant as most riders are continuing to work from home. The turnkey provider, Airport Van Rental (AVR), has faced multiple challenges procuring vehicles from the suspension of manufacturing, unprecedented pricing of used vehicles, and the contract to relax the fleet requirements while maintaining a state of good repair on all vanpools. DART's Innovative Services is working with NCTCOG to develop a timeline for all vehicles shifted by Enterprise to our regional partners to return to DART in Q1 FY 2022.

Exhibit 75 highlights Vanpool Key Performance Indicators (KPIs) presented in scorecard format. These KPIs measure our success towards achieving the goal of providing effective, efficient, safe, and secure transportation service. The numbers in the columns for fiscal years 2019 and 2020 indicate actual values. Fiscal Year 2021 Third Quarter represents the nine-month period ended June 30, 2021. Fiscal Year 2022 represents budgeted numbers.

Exhibit 75 Vanpool Scorecard – Key Performance Indicators

Indicators	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Customer Quality					
Ridership (000)	611.5	309.7	23.5	66.5	144.2
Number of Vanpools	174	14	9	170	120

Indicators	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Financial Efficiency					
Expenses - Fully Allocated (M)	\$2.99	\$1.63	\$0.38	\$2.05	\$2.25
Revenues (M)	\$1.56	\$0.93	\$0.15	\$1.01	\$0.99
Net Subsidy (M)	\$1.43	\$0.71	\$0.23	\$1.05	\$1.26
Subsidy Per Passenger	\$2.34	\$2.28	\$9.79	\$15.76	\$8.71

FY 2022 Key Performance Indicators	Value
Number of Vanpools	120
Average Daily Ridership	1,667
Passenger Miles Traveled (Annually)	2,625,404
Number of Employers Participating	36
Single Occupancy Vehicles Removed (Annually)	10,182

DART offers vehicles in a range of capacities (up to 15 passengers) through a third-party contractor, Airport Van Rental (AVR). AVR was awarded the program in Q3 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 65% 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 (pre-pandemic) to support programs other than the Vanpool Program.

Vanpool funding is expected to be capped at or slightly below current levels for FY 2022. Nevertheless, we expect to be able to continue under funding arrangement, with NCTCOG funding remaining at approximately 35% of eligible expenses, and user fee covering up to 65% of program costs.

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	FY19A	FY20A	FY21B	FY22B
Allocated Operating Expenses (M)	\$3.0	\$1.6	\$2.8	\$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.*

Objectives	Services	Activities
Increase Ridership	Vanpool	DART engaged the NCTCOG, DCTA, and Trinity Metro in creating a Regional Vanpool Program to address vanpools that were moved from the DART Program to one of our regional partner's programs. Thus, NCTCOG identified vanpool groups that were returned to the DART program in Q4 FY 2021.
Increase Ridership	Vanpool	Innovative Services is collaborating with the Access Team and Customer Service to provide detailed information (SOP) through social marketing to promulgate the benefits of the Vanpool Program to corporate partners, higher education, and DART's daily riders.
Improve Effectiveness	Cost Vanpool	Through the Regional Vanpool Program, Innovative Services received enhanced subsidies for common vehicles shared by DART, DCTA, and Trinity Metro (7-Passenger Sienna, 8-Passenger, 12-Passenger, and 15-Passenger vehicles). Vanpool groups will receive the benefit of a subsidy increase from the NCTCOG to match DCTA pricing which is less than DART or Trinity Metro pricing for the specified vehicles.

Integrated Corridor Management (ICM)

The Integrated Corridor Management Project on US 75 has ended. 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. 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), and North Texas Tollway Authority (NTTA). DART is responsible for parking capacity reporting system's equipment monitoring, maintenance and repair of the five (5) northern LRT stations along N. Central Expressway (US 75). In addition, the Rowlett Parking Lot Camera Occupancy system is operating and reporting parking availability via two LED signs and the Parker App. The "Parker App" is a free mobile guidance app for consumers that provides access to accurate real-time, parking availability with dynamic routing, real-time parking rates, hours, policies, and restrictions. A major system upgrade is planned for FY 2022 and NCTCOG will have an opportunity to get access to the Parker App on integrating Rowlett parking lot data into 511DFW.

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. 511DFW is a free service of the North Central Texas Council of Governments (NCTCOG), DART, and its partner agencies. The information in the 511DFW system comes from many transportation and police agencies in the Dallas/Fort Worth Area. The information is presented and made available to the public via a Website, Mobile App, and Interactive Voice Response (IVR) phone system. MY511DFW is a free, personalized service on the phone and web that allows you to customize 511DFW your way. Just like 511DFW, MY511DFW is available 24 hours a day, 7 days a week from anywhere within the 511DFW Calling Region.

Transit Signal Priority (TSP)

Centralized TSP reduces or eliminates unnecessary stops at signalized intersections when a transit vehicle runs behind schedule. Specifically, when a bus runs late, it requests traffic signal priority via the cloud. Traffic Signal Priority allows for travel time savings; and eliminates the need to add additional buses. It is proposed to implement Centralized 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 is development of the specifications. The contract to develop the specifications is expected to be awarded in early FY 2022. Phase II-development of TSP 5-year pilot in FY 2022. In FY 2023, Centralized TSP will be implemented in Dallas. City of Plano will implement its new Traffic Management System in FY 2025. Centralized TSP will be implemented at that time.

Crew Room Projects

The DART Board approved a contract to construct up to 13 crew room buildings to address the deficiencies regarding the number of facilities supporting DART's bus operation. Contract ended at the end of Q4 2020, and Certificate of Occupancy (CO) have been issued for all ten (10) locations by member cities for the following locations: Dallas Convention Center Station, Parkland Hospital, Trinity Mills, Royal Lane, Inwood Road, Spring Valley, Farmers Branch, 8th & Corinth, Glenn Heights, and Forest Lane. Design plans for the two (2) remaining crew rooms at Park Lane and Downtown Carrollton have been completed and construction will be performed under an on-call construction contract and is expected to be completed in FY 2022.

Road Improvement Programs

The following Road Improvement Programs represent all 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 78 reflects the LAP/CMS and PASS funds remaining available to each service area city. The timing of the drawdowns is dependent upon the request from the service area cities with remaining balances.

Exhibit 78 **LAP/CMS Program – Remaining Balances**

LAP/CMS and PASS Programs Balances	
City	Balance Remaining
Dallas County	\$23,235
Garland	\$628,733
Farmers Branch	\$45,531
Irving	\$2,747

Local Assistance Program/Congestion Management System (LAP/CMC)

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.

Transit Principal Arterial Street System (PASS)

The Transit PASS Program was funded by DART, TxDOT (through the Federal Highway Administration), and eligible counties, and DART service area cities totaling over \$150 million of roads and transit improvement projects. A few projects in Dallas County, Farmers Branch, Garland, and Irving remain to be completed.

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 (4) non-rails cities for the period permitted by the Policy.

Transportation System Management (TSM)

A total of \$6.49 million TSM funding remains available for the Street Repair Program as well as General TSM projects through FY 2025. 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, Plano, and Highland Park. The remaining projects are in various stages of design or procurement.

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. During FY 2017, DART initiated and completed a major overhaul of the pathfinder and trailblazer signage to comply with updated US DOT and TxDOT Uniform Standards for highway signage. DART also created a GIS mapping program for all pathfinder locations allowing a more effective state of good repair and maintenance. In FY 2022, DART has programmed funds for installation of new pathfinder signs for several new DART transit stations as well as replacing missing and damaged signs with new compliant versions.

Reserved Parking Program

Out of concern for the ability of service area residents to find close-in parking at large rail stations, DART established a follow-up Reserved Parking Program at Parker Road Station and later Rowlett Station several years ago. Since parking space usage has reduced heavily during the COVID-19 Pandemic, this program will likely remain inactive in FY 2022.

Capital Planning Department

The Capital Planning Department's primary responsibilities are to develop the Transit System Plan, provide policy and capital project coordination with regional partners, develop conceptual and preliminary engineering for projects identified in the Transit System Plan, 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, station area/TOD planning support, 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:

- 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, such as LRT extensions, streetcar expansion, or new bus rapid transit (BRT). This program also provides support for new capital improvements around the system, including State of Good Repair efforts and bus facilities.
- New Mobility Initiatives, which focuses on new smaller capital programs like mobility hubs, proposed station access/sidewalk program, and core frequent route corridor improvements.
- Sustainability, including updates to the sustainability program and documentation of Sustainability within the Agency in accordance with APTA guidelines.
- Policy and Programming, which focuses on new policies and guidelines for DART consideration and adoption, and on Local, State, and Federal regulatory and funding programs.

The Data/Modeling team provides support to both System and Corridor Planning efforts using the FTA STOPS Model and the NCTCOG Regional Travel Demand Model. Networks and scenarios are updated and developed on a regular basis to reflect system and project level opportunities. Post-modeling analysis is conducted by this team through Trans CAD, and programming scripts based on specific project needs. This team also coordinates closely with NCTCOG on improving the transit component in Regional Travel Demand Model using data such as DART APC, US Census, and NCTCOG On-Board Surveys. In addition, the Data/Modeling team is expanding expertise on Tableau Dashboards and ArcGIS Analytics to provide integrated analytical interfaces and applications for various projects and departmental activities.

Project Milestones

DART will advance the Capital Program per Board direction consistent with published schedules for:

- Development and refinement of the Transit System Plan
- Downtown Dallas Second Light Rail Alignment (D2 Subway) support for FTA CIG program project ratings and entry into Engineering/FFGA
- Dallas Streetcar Northern Extension to the Convention Center
- Central Dallas Streetcar Link

- High Speed Rail Coordination including proposed Multi-modal Transportation Facility coordination
- Mitigation monitoring for the Silver Line Regional Rail Project including environmental documentation for any project changes during design-build
- Texas Historic Commission/FTA coordination on MOAs for historic resources
- Mitigation monitoring for the Red and Blue Line Platform Modifications
- Before and After Studies for Red and Blue Line Platform Modifications and D2 Subway

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 and during final design and construction.

DART 2045 Transit System Plan

DART is in the process of developing a new 20-year Transit System Plan to guide the Agency on new mobility trends and leverage our existing system and assets. Capital Planning developed five key themes to focus efforts: rider experience, service and expansion, mobility and innovation, land use and development, and collaboration. Capital Planning also developed goals and actions for each theme, as well as responsible agencies and partners, and implementation timeframes. The 2045 Transit System Plan process has vetted goals and actions by the DART Board and presented and discussed with service area city staff and at public meetings. A Draft Transit System Plan was produced for Board review and public distribution in Summer 2021 and is proposed for adoption by the Board in early FY 2022. The Transit System Plan will incorporate recommendations from the DARTzoom effort.

- Phase I of the 2045 Plan Update, including Comprehensive Operations Analysis (COA) and Bus Service Plan recommendations are complete
- Advance Phase II 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 II
- Continue public and agency involvement through FY 2022.

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 DART Operations and other departments upon request. The department comprises of the following three sections:

- Capital Design & Construction
- Capital Program Support
- Transit Oriented Development (TOD)

Capital Design & Construction Section

The Capital Design & Construction Section has the primary responsibility for the design, construction, testing, and acceptance of capital projects including facilities, infrastructure, 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 section. This section is also responsible for management and coordination of engineering for facilities and systems designs, construction implementation oversight, real estate acquisition and relocation, utility relocation, property management, and environmental compliance efforts for the Agency.

Streetcar/Systems Engineering

Streetcar/Systems Engineering is responsible for preliminary design, coordination of final design, and construction management of streetcar and systems elements. Included are light rail, streetcar and commuter rail vehicles, traction power and distribution system, overhead catenary and substations, signal system (train protection and highway crossing protection), communications (radio and hardline transmissions, SCADA, 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

Acquisition and Relocation

One function of the Real Estate Unit is to make available, by acquisition, in compliance with Federal and State 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, light rail transit and commuter rail systems. The DART Board 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 of land rights by agreement and/or administrative settlement; or seeks approval from the DART Board and other governmental entities to proceed with eminent domain proceedings through the courts. Any business or residential owner, occupant and/or their personal property that is displaced because of the business or residential property acquisition will receive Federal Uniform Act Relocation Assistance as part of the acquisition process handled by the Real Estate Unit. For Construction Projects, the Real Estate Unit 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 Unit.

Property Management

Property Management functions include management of leases and licenses of property utilized by DART, the management of licenses and leases of DART-owned property used by others, and

sale of property determined surplus to DART's needs. Property Management is responsible for securing, management of property prior to demolition and construction, and demolition of structures down to the slab. They are also responsible for grounds and vegetation maintenance of all DART-owned property and right-of-way managed by the Real Estate Unit. Property Management 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.

Environmental Compliance

The Real Estate Unit also has the responsibility of providing resources for the agency for Environmental Compliance with various regulatory agencies.

Environmental Compliance activities include: Storm Water Inspection and Assistance, Phase I & II Environmental Site Assessments and Investigations, Waste Reporting, Remediation, Lead Paint and Asbestos Abatements, Underground and Above Ground Storage Tank maintenance, addressing illicitly dumped materials and products, indoor air quality investigation, industrial hygiene support, and structural demolition as needed.

Capital Program Support Section

The Capital Program Support Section 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 section, reporting directly to the EVP GRD.

Quality and Records

The Quality and Records Unit is responsible for Quality Program Oversight, Engineering Document Control (EDC) and Records Management for capital projects. This unit 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 Document 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

Growth/Regional Development (GRD) 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 coordinate 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.

Transit Oriented Development (TOD) Section

- The Director of Economic Development undertakes the overall activities of the section. The section has the primary responsibility for: Maintaining an inventory of DART property with TOD potential
- Supporting the Goals and Objectives of the DART TOD Policy
- Adding value to the overall DART system
- Federal, Regional, and Local initiatives
- Working in a close partnership with service area cities to:
 - Identify and implement TOD opportunities
 - Generate new opportunities to create revenue for DART and environmentally sustainable liveable communities that are focused on transit accessibility

The economic impact of DART on the regional economy has been significant, exceeding \$16.1 billion, according to a study by the University of North Texas (UNT). The study, which was published in July 2020, looked at public and private transit-oriented development along the light rail corridor between 1999 to 2018. 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.

Two of the objectives of the Agency, as stated in the DART Mission Statement, are to enhance 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 to collaborate with service area cities and the development community.

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 was presented in July 2020.

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 TOD program including its TOD policy updated in 2019, TOD Property Inventory, TOD Guidelines updated in 2020, 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 and updated in 2021. 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 2019 and 2020 indicate actual values. Fiscal Year 2021 Third Quarter represents the nine-month period ended June 30, 2021. Fiscal Year 2022 represents budgeted numbers.

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	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Customer Quality					
Ridership (M)	2.0	1.3	0.6	0.4	1.0
Revenue Car Miles (M)	2.2	1.3	1.4	1.3	2.2
Passengers Per Revenue Car Mile	0.91	0.94	0.40	0.32	0.45
Revenue Train Hours (000)	26.1	22.1	18.6	14.3	23.1
Farebox Recovery Ratio	23.7%	16.4%	9.1%	14.0%	8.1%
On Time Performance	94.3%	96.4%	98.5%	93.0%	93.0%
Complaints per 100K Passengers	6.0	6.4	2.7	5.5	5.5
Accidents Per 100K Train Miles - TRE ^[1]	0.40	0.72	1.90	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	FY19A	FY20A	FY21A YTD Q3	FY21B YTD Q3	FY22B
Financial Efficiency					
Expenses - Fully Allocated (M) ^[2]	\$33.70	\$32.97	\$26.68	\$27.98	\$36.41
Revenues (M)	\$13.42	\$12.16	\$6.90	\$9.95	\$9.48
Net Subsidy (M)	\$20.28	\$20.82	\$19.78	\$18.03	\$26.93
Subsidy Per Passenger	\$10.11	\$16.44	\$35.31	\$43.41	\$27.44
Cost Per Revenue Car Mile	\$15.22	\$24.45	\$18.94	\$21.81	\$16.55

[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 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**

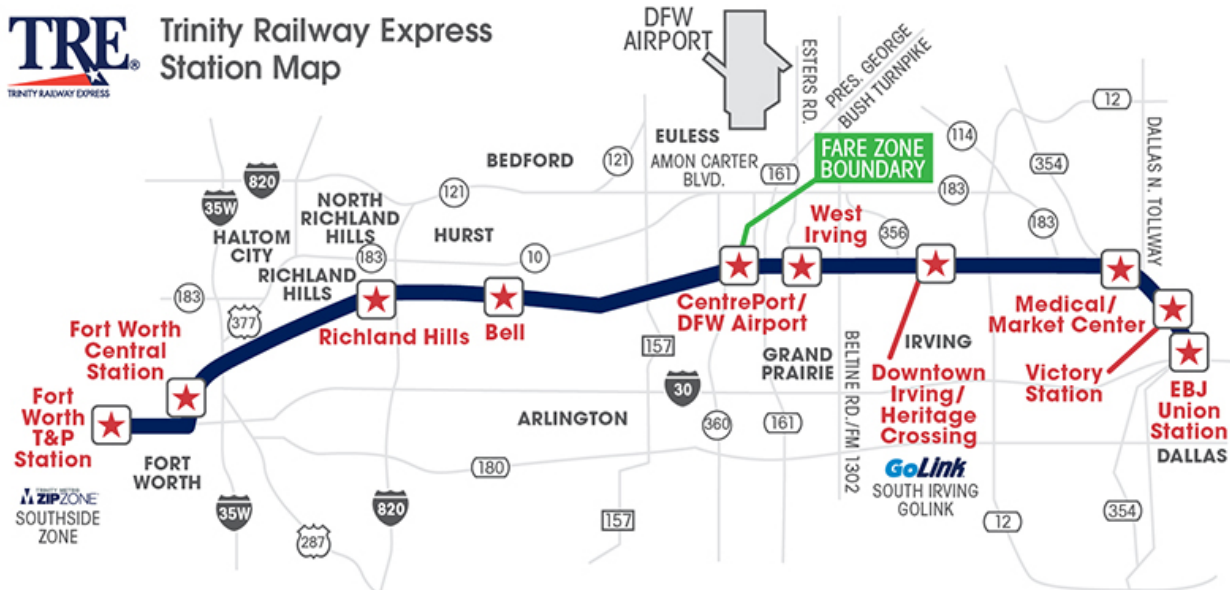
Overview	FY19A	FY20A	FY21B	FY22B
Allocated Operating Expenses (M)	\$33.7	\$33.0	\$36.1	\$36.4
Capital Expenditures (M)*	\$127.1	\$88.4	\$92.1	\$615.4

* 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.

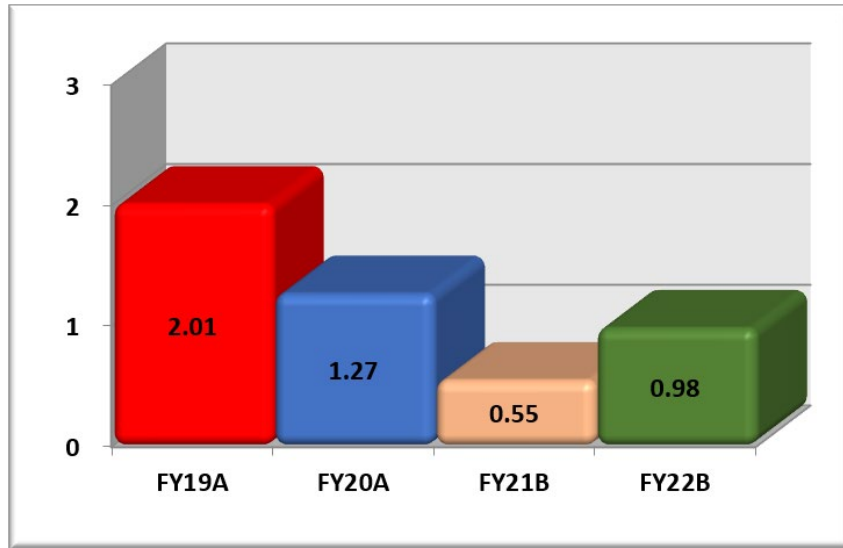
**Exhibit 82
Trinity Railway Express Corridor**



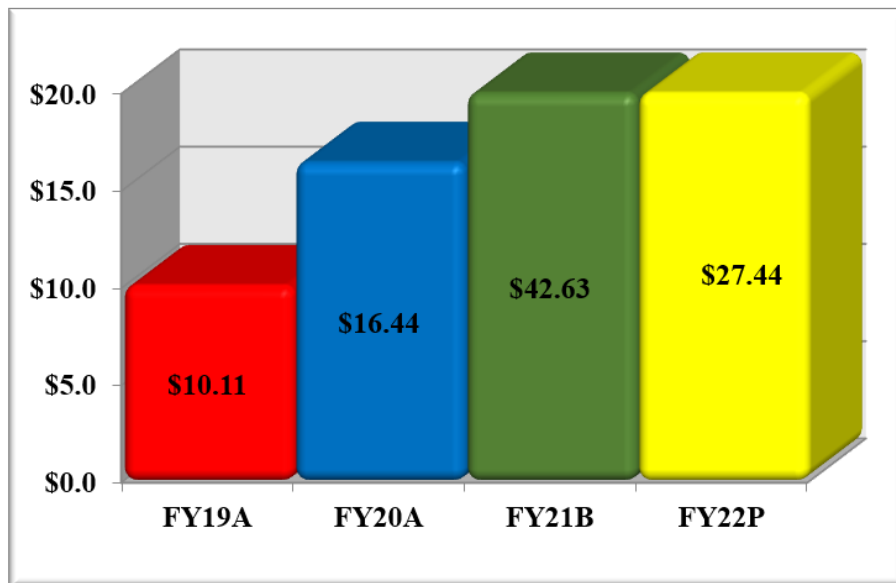
TRE Ridership and Subsidy Per Passenger

Exhibit 83 graphically depicts actual and budgeted TRE ridership and Exhibit 84 depicts TRE subsidy per passenger. In both exhibits, Fiscal Years 2019, and 2020 indicate the actual values, while figures for Fiscal Years 2021 and 2022 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 60 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 several 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 2022 Strategic Priorities section below. TRE has developed a 20-year capital program that identifies 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 Department 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 equally. 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 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. TRE received a Letter of Conditional Certification in December 2020 with two Enclosures. TRE coordinated with the FRA and

PTC System Integrator to address the two Enclosures by March 2021. In March 2021, the FRA submitted additional comments on the PTC Safety Plan. TRE is working on addressing the FRA latest comments.

- 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 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 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.

Vehicle Maintenance – TRE awarded a contract to CAD Railways, Inc., in 2019 for the overhaul of up to six coaches and two cab cars, of which two coaches have been completed. A contract for the overhaul of TRE’s two F59PHI locomotives was awarded in June 2018 and both overhauls have been completed.

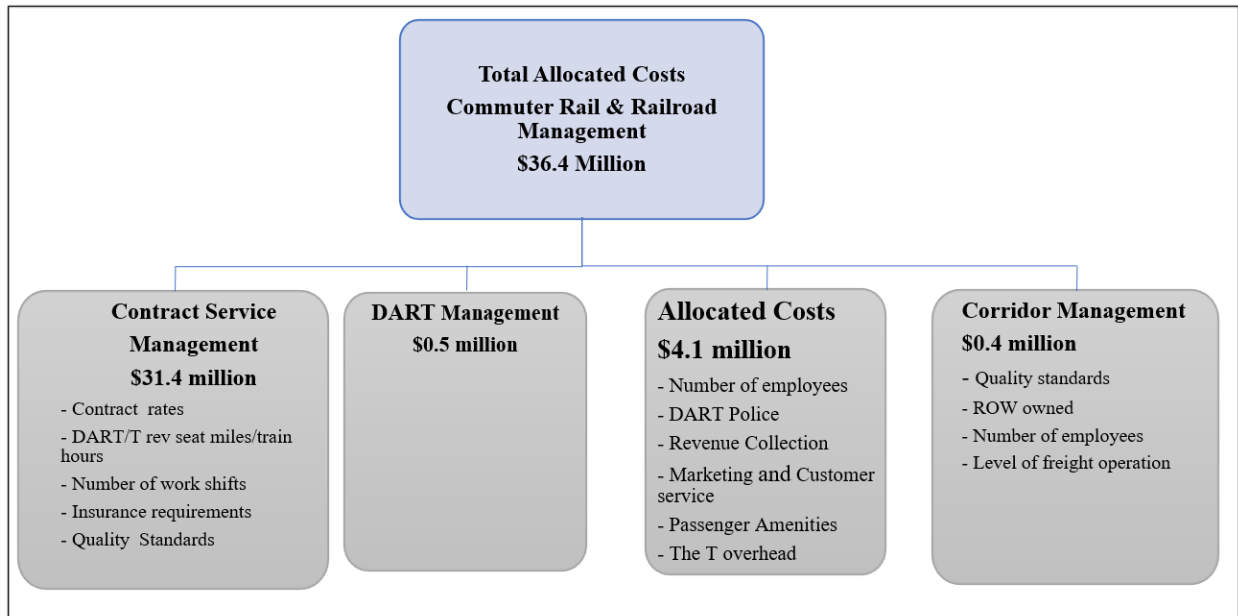
Cotton Belt Corridor

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
FY 2022 Commuter Rail Cost Model





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BUSINESS & INNOVATIVE SOLUTIONS

Human Resources • Marketing & Communications
 Innovation • Procurement • Technology

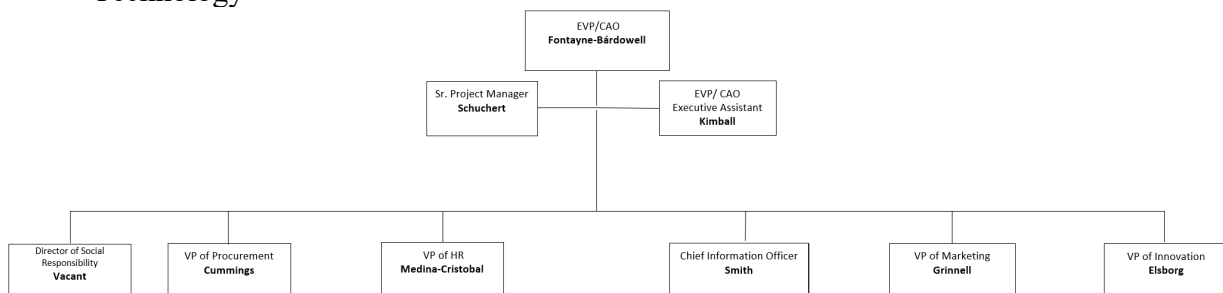
Business & Innovative Solutions

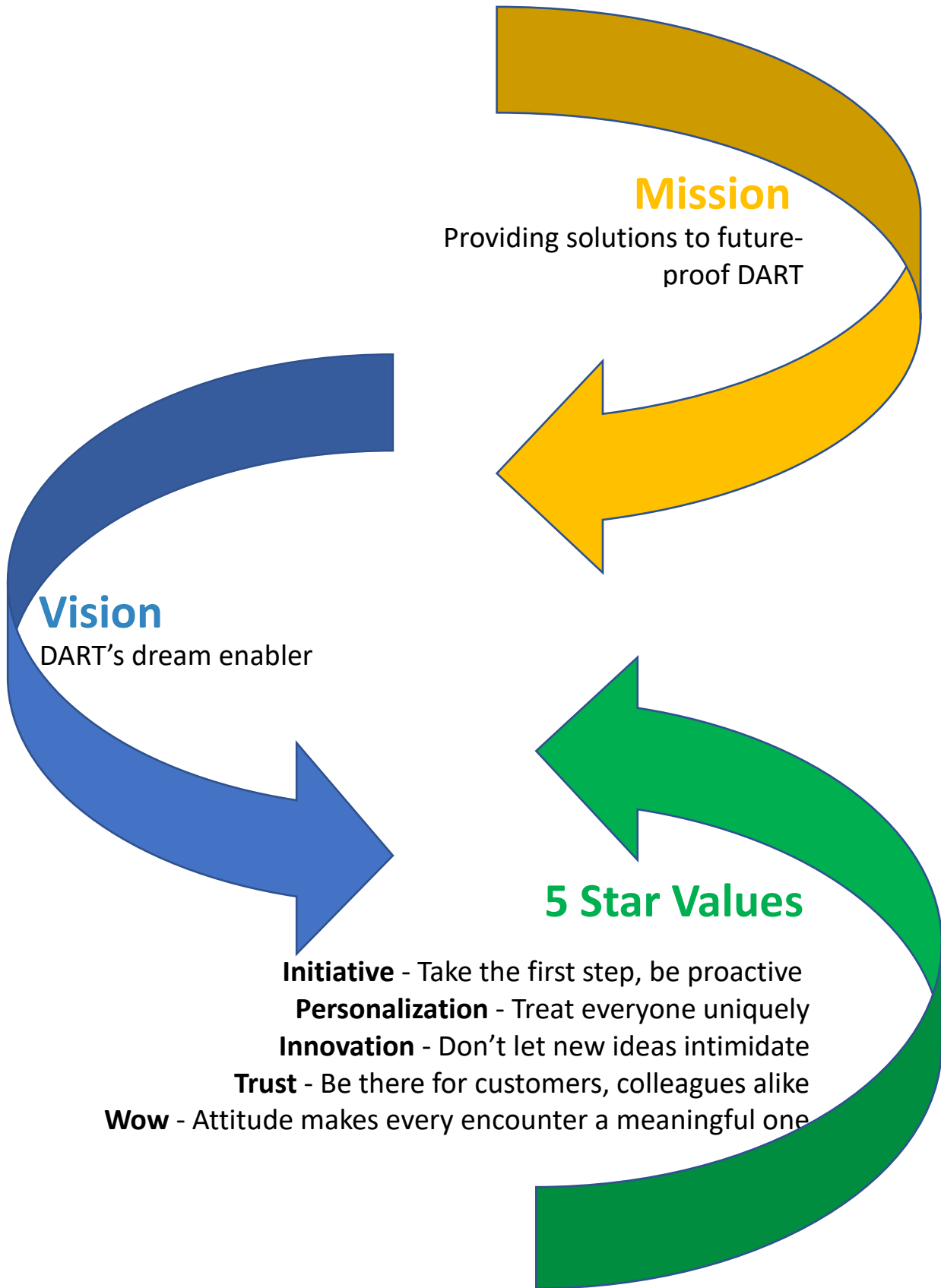
The Business & Innovative Solutions (B&IS) organizational unit maximizes agency resources through dynamic marketing, enhanced innovation, advanced technology, effective procurement, engaging talent management, and ongoing community relationship-building efforts. Additionally, this group is also focused on employee engagement and organizational change as key drivers of DART’s culture.

B&IS is also responsible for shaping and maintaining the agency’s Mobility as a Service (MaaS) vision. DART continues to lead within the MaaS landscape with the award-winning GoPass app, launch of the highly successful on-demand GoLink services, and the expansion of the GoPass services platform to additional agency markets outside the Dallas-Fort Worth area.

DART’s B&IS group departments report to Nicole Fontayne-Bárdowell, Executive Vice President and Chief Administrative Officer. It is comprised of the following departments:

- Community Connections
- Human Resources
- Innovation
- Marketing & Communications
- Procurement
- Technology





Social Responsibility

The Office of Social Responsibility formulates and executes the agency's response to social justice issues affecting DART and our riders. By identifying, building, and sustaining meaningful relationships within our service area communities, the Office of Social Responsibility works collaboratively with our partners to develop solutions utilizing agency assets to better serve North Texas.

Key areas of focus for the Office of Community Connections:

- Formulate DART's response to individuals using our services who are experiencing homelessness or mental health issues by developing and deploying mobile response teams on the system, coordinating an industry-wide transit homelessness workshop, and solidifying relationships with area social service providers.
- Oversee DART's management of the Legacy Area Transportation Management Association (LATMA) and the Southern Dallas County Inland Port Transportation Management Association (IPTMA) by serving as primary liaison on behalf of the President & Chief Executive Officer.
- Coordinate DART's continued participation in Transportation Leaders Against Human Trafficking (TLAH) by developing continued training opportunities for front-line staff, participating in other industry-wide efforts to combat human trafficking such as the National Outreach Survey on Trafficking and promoting DART initiatives such as Safe Place.
- Continue DART's efforts to implement solutions utilizing DART resources to combat food insecurity within the DART Service Area by expanding the Hatcher Station Farm, identifying additional properties for community garden locations, and working with local nonprofit groups to address food inequities and provide access to DART riders and stakeholders.
- Identify and connect with agencies, NGOs, and social service providers that align with DART's mission to better serve DART riders and communities.

Homelessness and Mental Health

The safety and security of all our riders is critical. Like many organizations, DART has been significantly affected by an influx of individuals experiencing homelessness and mental health issues. Capacity restrictions placed on shelters and daytime facilities due to the COVID 19 pandemic have resulted in an increasing presence on the DART. Recognizing the complexity of this issue, DART is partnering with local social service providers and mental health experts to collect information and develop a program deploying teams to connect individuals with appropriate services.

The Office of Social Responsibility has also begun monthly calls with other agencies across the country struggling with homelessness and mental health on their systems. These meetings provide an opportunity for agencies to share ideas and develop solutions.

Transportation Management Associations

The Southern Dallas County Inland Port Transportation Management Association

Providing our residents with access to jobs is a fundamental part of DART's mission. Portions of the DART Service Area must travel long distances to reach jobs that pay a living wage. Recognizing this disconnect, DART has been instrumental in creating innovative transportation solutions for the Southern Dallas County Inland Port area. Approximately 20% of the Inland Port is within the DART Service Area, leaving a vast majority of the jobs in the Inland Port area without access to mobility options. However, many DART residents benefit from access to these higher-paying jobs. Working with regional partners, including the City of Dallas, Dallas County, STAR Transit, and the North Central Texas Council of Governments (NCTCOG), DART committed to establishing the Southern Dallas County Inland Port Transportation Management Association (IPTMA).

Under the Office of Social Responsibility, DART incorporated the IPTMA, identified and installed a board of directors, and worked to implement two new services in the portions of the Inland Port outside of the DART Service Area. The Office of Social Responsibility also supported the IPTMA in the selection of the first full-time executive director of the IPTMA, who took the reins on January 2, 2021.

In FY 2022, DART will continue to provide administrative support to ensure the continuing success of the IPTMA. The Office of Social Responsibility coordinates several DART departments, including finance, service planning, marketing/communication, procurement, and legal, in the continued support of the IPTMA.

Legacy Area Transportation Management Association

The Legacy Area Transportation Management Association (LATMA), also known as the Legacy Connect, predates the IPTMA by almost two years. Unlike the IPTMA, the LATMA was formed to address congestion concerns within the city of Plano. With Toyota, Liberty Mutual, Boeing, and several other large employers in the area, the city of Plano commissioned a mobility study in the hopes of alleviating anticipated traffic congestion in the Legacy Area. Also, unlike the IPTMA, the LATMA was originally managed by a paid consultant.

Following the success of DART in establishing the IPTMA and considering the impact of COVID-19 and the uncertainties surrounding the return-to-work plans in the Legacy Business community, the LATMA Board approached DART about stepping in as the interim executive director, like the role for the IPTMA. DART agreed, and on June 2020, the LATMA Board voted to temporarily suspend Legacy Connect's organizational activities for up to six months, including freezing non-essential administrative spending, freezing all membership dues, and canceling the management agreement with the consultant. The Board voted to accept DART to serve as the interim executive director of the organization until the LATMA was able to hire a new administrator.

In FY 2022, DART will continue to serve as the main administrative support for the LATMA. Like the IPTMA, the Office of Social Responsibility will continue to coordinate all DART departments in support of LATMA activities. The Office of Social Responsibility will oversee the day-to-day administration of the LATMA, coordinate the procurement of consulting firms to conduct a multi-faceted parking and mobility study on behalf of the LATMA, and conduct a return-to-work survey for both employers and employees to better understand working conditions in a post-COVID landscape and set the stage for potential Mobility as a Service (MaaS) options in the area.

Human Trafficking Prevention

Continuing DART's legacy as an industry leader in the fight against human trafficking, in FY 2022, the Office of Social Responsibility will oversee DART's participation in the National Outreach Survey for Transportation (NOST). United Against Slavery (UAS) is the first-ever recipient of the USDOT (US Department of Transportation) Combating Human Trafficking in Transportation Impact Award. NOST is designed to collect, categorize, and disseminate comprehensive, empirical frontline data around human trafficking in the entire transportation industry, including transit. DART has signed on to be an oversight agency for NOST, and under the oversight of the Office of Social Responsibility, a customized NOST survey link will be distributed to DART's employees and community partners. NOST will help develop insights to better understand the scope, scale, and mechanisms of trafficking to be predictive of the probability of occurrence rather than reactive to individual cases.

The Office of Social Responsibility will also reinstitute human trafficking refresher training to DART employees and contractors on recognizing and reporting suspected human trafficking. The Office of Social Responsibility will also reassemble the Community Partners forum to work with other agencies and service providers to prevent human trafficking in the DART Service Area.

Food Insecurity

DART recognizes the vital link between access to fresh fruits and vegetables and healthy, vibrant communities. Several neighborhoods within the DART Service Area are in food deserts. Riders often have no access to fresh produce in their communities and must travel long distances to access fresh fruits and vegetables. The Office of Social Responsibility has undertaken initiatives to help our riders and communities' access fresh produce.

Providing excess property to establish community gardens and training farms provides value to DART by preventing parcels that are not currently in use from going to waste. DART prevents its excess properties from becoming overrun with litter and illegal dumping by allowing communities to utilize the land. Simultaneously, DART provides a service by aiding the community in their access to fresh produce. Working with our partners at Restorative Farms, the Hatcher Station Farm serves as the first in a series of farms that will work symbiotically to share resources and people while reinvesting the profits into the community. In 2022, DART will continue to work with Restorative Farms on the success of Hatcher Station Training Farm and evaluate other excess properties other urban farm locations within the DART Service Area.



DART’s involvement with Hatcher Training Farm and its partnership with the University of North Texas at Dallas, Toyota, and Dallas College to create the Community Basket Mobile Farmers Market has resulted in an invitation to participate in the North Texas Food Policy Alliance. DART will continue to work with our partners across the North Texas region to develop solutions for food insecurity and food deserts within the DART Service Area.



Human Resources

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 the best-in-class human resource services and will utilize contemporary business practices to provide employees with efficient and timely services and programs. 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, assess situations, and create 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 which will enhance each employee’s contribution to 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:



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.



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.



Values

- Integrity:
 - We are committed to do the right thing
- Accountability:
 - We are accountable for our actions
- Deliver timely and accurate results:
 - We have a sense of urgency to getting tasks done in a timely and accurate manner
- Innovation:
 - We pursue innovation and continuous improvement of service and program content

The Human Resources Department consists of the following divisions: Talent Acquisition & Employee Success, Benefits & Compensation, People Center & Employee Engagement, and Employee & Labor Relations. The departmental structure is designed to reflect the employee life cycle and covers the entire relationship between employees and the agency.

Talent Acquisition & Employee Success

The pillars of Talent Acquisition are recruitment and onboarding. The pillars of Employee Success are training and development, performance management, and succession planning.

Talent Acquisition is forward-thinking. Instead of merely hiring a candidate to fill a current opening, the Talent Acquisition team considers what the potential 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 is 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 Acquisition team works closely with the Marketing Department to create branding campaigns that showcase DART as an employer of choice.

Training 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 is a continual goal for HR. In FY 2020, HR conducted a competency study that focused on top talent and leadership within the agency. The Employee Success function will create a succession development program where top talent can gain exposure as well as have a substantial career and individual development plan.

Programs managed by the Employee Success 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. The ability to engage and retain valuable employees has a significant impact on the bottom line. Employee Success works in partnership with the Employee Engagement function to support employee engagement, development, and well-being at DART. This team is also responsible for monitoring departmental Employee Engagement survey action plans.

Benefits Administration & Compensation

This division facilitates the process of establishing, maintaining, and managing benefits for over 8,000 DART 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 Benefits Administration & Compensation 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 provide comprehensive coverage, considering special employee needs, part-time and temporary hires, as well as adherence to the changes in government regulations.

This division 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, and health reimbursement arrangements). The division is also 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. Additionally, they document and maintain administrative procedures for assigned benefits processes as well as ensure compliance with applicable government regulations.

The Benefits Administration & Compensation section 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. This team has also implemented ServiceNow, which allows the team to handle and manage employees' issues promptly as any questions or problems come in through the People Center. This division is people-focused on providing better customer service to all our customers, internal and external.

People Center & Employee Engagement

The People Center is responsible for the Call Center, which provides information, assistance, and counseling on Human Resources programs (e.g., benefits, recruitment, and training). The following are a few ways that the People Center assists employees:

- Champion employee concerns and understanding of issues that affect them.
- Strive for active and open communication in conveying benefit plans.
- Acts as a subject matter expert, patiently explaining HR processes and procedures.

The People Center also administrates a robust Wellness Program, "Total Health," and plans wellness events for the entire agency. This division implemented an enhanced phone call tree, allowing employees and dependents to connect directly to the appropriate departments or vendors to address their needs. (e.g., Retirement, 401(k), 457 ICMARC, Payroll, Talent, STD/LTD, FMLA, Connect your Care, Blue Cross Blue Shield, etc.).

Another important facet of the People Center is Employee Engagement. This team manages all of our engagement events for the agency, including but not limited to The Holiday Party, The Annual Family Picnic, and Thanksfest. During the pandemic, our Employee Engagement team successfully hosted two virtual family picnics and hope to have an in-person picnic in FY 2022. Human Resources encourages management to acknowledge and recognize employees for their contributions to the success of the agency and provide a manager's toolkit for employee rewards and recognition. The toolkit also supports peer recognition, employee's work anniversaries, birthdays, and other important life events to show employees that their DART family cares.

During Open Enrollment, employees requesting specific information about providers in the networks are connected directly to appropriate call centers (e.g., 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 people over the age of 65: 1,110 between the ages of 55 and 65, and another 1,234 over the age of 45. More than 2,600 (73% of the DART workforce) are within 15 years of the normal retirement date in DART pension and retirement plans. Leadership 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:

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, SPDs, and IRS plan qualification letters on both InfoStation and DART.org

Compensation

The Compensation unit is responsible for maintaining and updating classifications for all positions at DART. The group evaluates requests for reclassifications and salary market reviews. Compensation 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 & Labor Relations

The Employee & 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

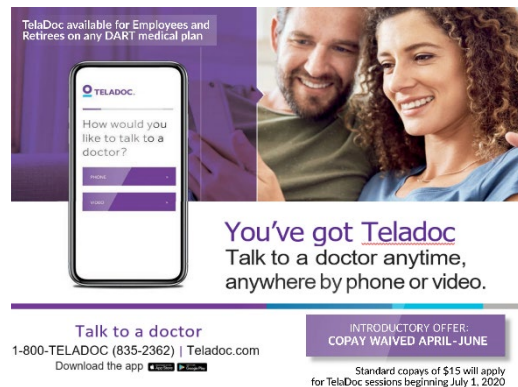
- Employment practices: Provide guidance and consultation on key employment practices to ensure a healthy work environment and reduce the likelihood of grievances.
- Conflict resolution: Assist in resolving workplace problems and conflicts before they escalate. Serve as the principal advisor for all 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)
- Training and workshops: Provide training as requested
- ADA Accommodations: Conduct the interactive process for requests for reasonable accommodation.
- Texas Workforce Commission: Representing DART in claims for unemployment insurance

The Impact of the Coronavirus on Human Resources and the New Normal of Work

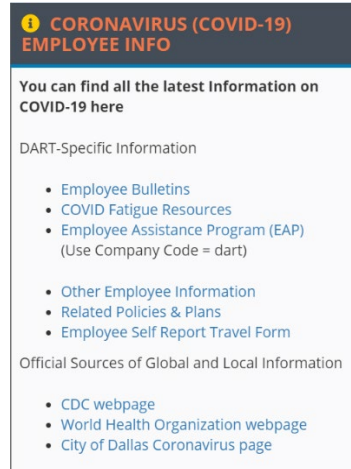
The Human Resources department's response to the challenges of the Coronavirus (COVID-19) in the workplace illustrates the department's ability to respond to a crisis and transform our personnel policies and practices to meet the needs of DART employees.

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. The program does not apply to employees who work off-premises for a temporary, limited duration of time. Employees who telework are expected to meet all the responsibilities, perform all the duties, and comply with all the policies that apply to employees in similar roles, regardless of the location. The Executive Leadership Team returned to the workplace on June 7, at least on a part-time basis. Other staff members at DART who have returned to the physical workplace have been asked to fill out a new Remote Work Form signed by their EVP.
- 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. COVID 19 Temporary Pay Benefit II was introduced in January 2021 to accommodate employees who had exhausted COVID I, FFCRA, and all their own leave time.
- HERO Pay – The DART Board authorized Hero Pay to front-line employees who continue to provide essential service for DART customers during the Pandemic. HR established criteria and facilitated the payment. 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 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 the Coronavirus and its impact on the workplace. "COVID Corner" included the latest CDC guidelines as well as executive communications with regards to the Pandemic.



**i CORONAVIRUS (COVID-19)
EMPLOYEE INFO**

You can find all the latest information on COVID-19 here

DART-Specific Information

- [Employee Bulletins](#)
- [COVID Fatigue Resources](#)
- [Employee Assistance Program \(EAP\)](#)
(Use Company Code = dart)
- [Other Employee Information](#)
- [Related Policies & Plans](#)
- [Employee Self Report Travel Form](#)

Official Sources of Global and Local Information

- [CDC webpage](#)
- [World Health Organization webpage](#)
- [City of Dallas Coronavirus page](#)

- Employee Work Stream (Plan Ahead Team) - HR leads the team responsible for developing an action plan for those employees returning to the Administrative Offices. The department teamed with Marketing & Communications 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.
- Employee Vaccination Efforts – HR led efforts to provide the general employee population at DART with the COVID 19 vaccine. This was accomplished through partnerships with Parkland Hospital, Methodist Hospital, and ProSalutem. As part of these efforts, an incentive was offered to employees through our Wellness Program for proof of vaccination.

Innovation



The Office of Innovation contributes to agency goals through formalizing, pursuing, and realizing DART’s vision of leveraging technology to facilitate a Mobility as a Service (MaaS) ecosystem. The department also pursues enhancements to rider experience and fostering a culture and process for identifying and cultivating innovative ideas across the agency.

Vision

Create opportunities for innovation to flourish in support of DART’s riders, employees, and service area.

The Office of Innovation supports agency objectives through a combination of direct responsibilities for core technologies and bringing a consultative support role in assisting with project scoping and development for various departments whose projects intersect with digital rider experience.

Mission

- Develop a culture and reputation of innovation for DART facilitating new ways of thinking and opportunities to lead innovation nationally.
- Accelerate ideation, development and execution of innovation, and emerging technology-focused initiatives across DART.
- Drive Mobility as a Service (MaaS) customer experience, development, and scalability.

Office of Innovation Support for Board Goals

DART Board Goal	Office of Innovation Support
Enhance the safety and service experience through customer-focused initiatives.	<ul style="list-style-type: none"> • Lead strategy and app-side execution for continued improvements to customer experience. • Expansion of GoPass trip planning tools to facilitate improved functionality spanning multiple technologies (e.g., the app, website, and kiosks).

<p>Innovate to enhance mobility options, business processes, and funding.</p>	<ul style="list-style-type: none"> • Response to suitable RFP opportunities for mobile applications. • Scale GoPass to multiple agencies and optimize revenue streams bringing funds to invest into the future of the platform. • Partnership with vendors to bring comprehensive MaaS solution enhancements to DART riders.
<p>Enhance DART's role as a recognized local, regional, and national transportation leader.</p>	<ul style="list-style-type: none"> • Engage with agencies to promote GoPass. • Engage with industry media to promote DART's capabilities and MaaS vision.

Specific Areas of Focus for Office of Innovation

GoPass Mobile App Product Management

DART first commissioned the development of the GoPass mobile app in 2013 to reduce cash in the system and support riders across three agencies in DFW. GoPass is DART's most impactful digital technology point of connection to our riders, and the Office of Innovation is responsible for product management and feature scoping for the development of the platform.

Key Information on GoPass:

- GoPass is projected to reach 1.5 million downloads in August 2021, having become a critical component of the agency's infrastructure.
- Over 70% of GoLink on-demand rides are booked through GoPass or linked through to Uber for fulfillment.
- 30% of DART fare revenue is collected through the GoPass app platform.
- GoPass operates as the only regional payment platform in DFW, supporting DART, DCTA, and Trinity Metro services – all with a single regional pass. GoPass also supports STAR Transit within the DFW region. In FY 2022, DART is planning to add McKinney Urban Transit District as a fifth agency addition within our region.

GoPass North America Strategic Expansion

Following a strategic review across multiple areas by KPMG, DART determined in FY 2019 to pursue an expansion of agencies utilizing the GoPass application through a sub-licensing agreement with Unwire. This initiative formally kicked off in FY 2020, and is bringing in revenue

to DART, as well as assisting 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

The GoPass strategic expansion has seen early success with the onboarding of several agencies to the platform – more than doubling the number of agencies utilizing the platform and bringing revenues to DART that may be reinvested in new features. New GoPass additions include Charlotte Area Transit System, Tulsa Transit and STAR Transit. DART has also signed an Interlocal Agreement with Citibus in Lubbock and began the onboarding process in August 2021.

Mobility as a Service Strategic Vision

The Office of Innovation leads the overall MaaS vision for DART, taking an internal consultative role on modern 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 ambitions of developing this platform to be a 'gatekeeper' platform for the agency in providing an aggregated array of services to DART's riders. To be successful in achieving 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. In FY 2021, DART has added new vendor integrations such as BCycle bike-sharing service to GoPass, while also developing integration to the GoPass Tap card to enable digital tap card payments and recognition of valid tap card fare media for GoLink rides booked through GoPass.

IDEAbox + IDEAstudio



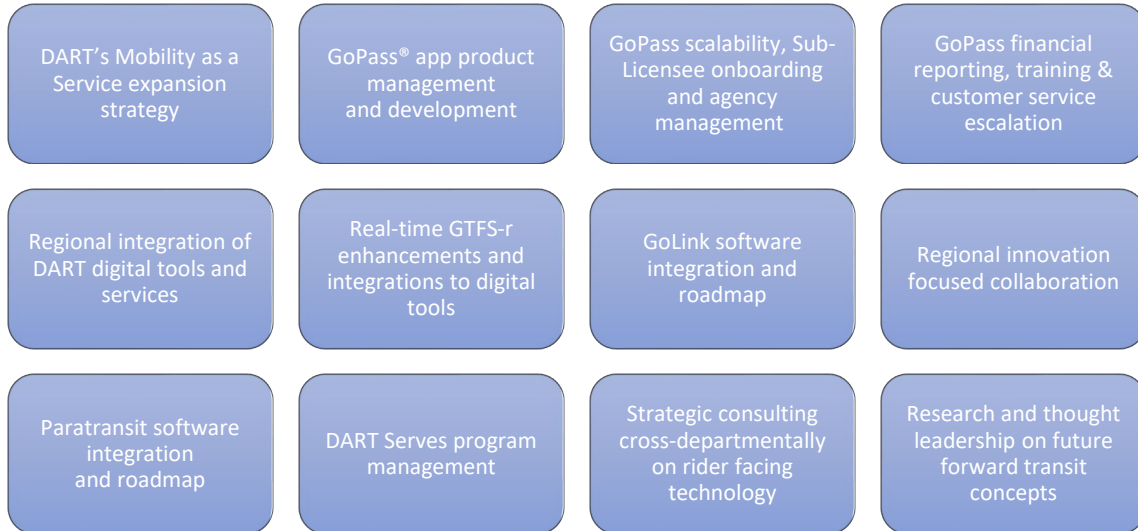
Creating an environment at DART that promotes innovative thinking and supports new opportunities is a key opportunity for the agency. DART currently lacks strong formal and informal methods for employees to provide ideas to support improving the agency's operational capabilities. The Office of Innovation plans to launch two new initiatives in FY 2022 focused on providing a framework for idea cultivation across the agency. These are IDEAbox and IDEAstudio.

IDEAbox will be a monitored suggestion process that enables DART staff to submit suggestions for improvement across a variety of topics, with assigned departmental contacts at the agency responsible for responding and ongoing action.

IDEAstudio will be an innovative idea competition focusing on solving business challenges and bringing new opportunities to the agency that will save money, improve operational efficiency,

create new revenue streams, or improve customer experience. Ideas will be vetted and qualified, with eligibility for seed funding and prototyping.

A comprehensive list of areas of focus for the Office of Innovation is listed below:



Key Performance Indicators (KPIs) for FY 2022

- 5-day response window for GoPass RFP opportunities
- 100% GoPass RFPs decided upon within project deadlines
- Successful onboarding of sub-licensee agencies within three months of notice to proceed
- Launch of IDEAbox and IDEAstudio and at least two concepts vetted to prototype through IDEAstudio

COVID-19 Related Initiatives

When the impact of the COVID-19 pandemic across our region began to materialize during early 2020, the Office of Innovation led the agency's response in supporting our communities with the resources and skill sets at our disposal.

A cross-functional team was established with the focus of supporting our constituents facing extraordinary needs as a result of COVID-19, and in circumstances where the agency's assets and capabilities would add value in support.

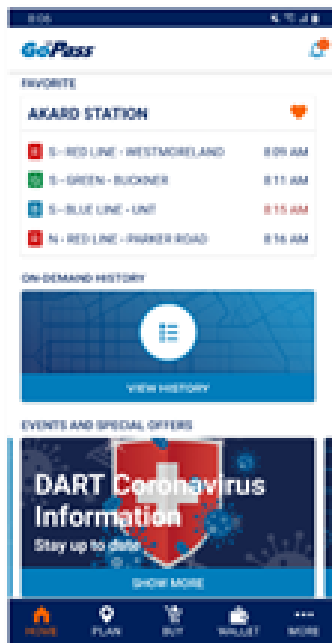


This team created 11 unique programs to support our constituents during the pandemic in a variety of ways, resulting in 188,000+ meals and care packages distributed to at-risk service area residents. Programs initiated and validated under DART Serves have included:

- Grocery delivery service for our Paratransit and Rider Assistance Program riders.
- School meal delivery for three service area ISDs.
- Meal & care package delivery in support of various local charities and food banks.
- Support for travel to Vaccination sites for riders

The Office of Innovation has also supported key messaging to our community with a combination of Push Messaging and In-App Messaging through the GoPass App to share important 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



Marketing and Communications Department

The Marketing and Communications (Mar-Comm) Department supports agency goals by developing and implementing comprehensive communications, campaigns, and programs to connect our brand and initiatives with our rider segments.

Through this effort, the department strives to increase overall rider 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.

Mar-Comm is guided by the principle of being the "customer voice" within the organization, ensuring that the agency is responsive to the wants and needs of our riders. Mar-Comm has a frontline interface with riders, direct impact on quantifiable ridership, and generation of non-farebox revenue to the agency.

Our overlying goals focus on the following:

- 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 the fiscal year include the following:

- Leverage innovation and technology to provide an improved mobility experience for our riders.
- Continue our rider research to uncover insights of our rider segments to meet their needs.
- 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 six divisions that serve our riders:

- Marketing and Advertising
- Communications and Audiovisual
- Market Development and Sales
- Customer Service
- Customer research and Market Intelligence
- 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 of all efforts within the agency. This division consists of three primary areas:

- Marketing & Media Services
- Creative Services
- Special Events



Marketing & Media Services:

- Leads strategic thinking and project management for planning and 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.
- Manages media advertising buys for the agency to include notification of system and fare modifications, marketing promotions, and procurement solicitations and other programs.
- Manages the DART marketing and activity calendar.

Creative Services:

- Develops and delivers all in-house creative and concepts that support the agency, marketing programs, and initiatives.
- Facilitates the printing, delivery, and installation of collateral, signage, internal communications, promotional materials, system maps, timetables, and other customer information.
- Manages the brand standards to ensure adherence and quality standards across all production projects, including vehicle livery and customer information.



Special Events:

- Establishes DART's participation strategy of events within our service area to ensure standards in service delivery and an overall customer experience.
- Manages the volunteer program for priority events, including recruiting, training, and administration.
- Cultivates relationships with key organizations throughout the service area — including convention and visitors' bureaus, chambers of commerce, community organizations, and hospitality industry associations — to cross-promote and enhance DART's presence

Communications and Audiovisual

Responsible for telling DART's story using a consistent brand voice and multichannel approach to reach rider segments and the development of communication plans to align with and amplify DART marketing campaigns, projects, and initiatives.

This division consists of three primary areas:

- Content Strategy and Copywriting
- City Communicator Outreach
- Audiovisual, Photography, and Videography





Content Strategy and Copywriting

- Leads and manages an editorial calendar that serves to galvanize all agency efforts for communications across multiple platforms.
- Produces publications including: Inmotion, Rider Insider, Insights, and Quarterly Report.
- Leverages Facebook, Twitter, Instagram, LinkedIn, YouTube, DART Daily blog, and the GoPass® app to reinforce brand messaging, amplify campaign messages, and support partnerships with other North Texas brands.

City Communicator Outreach:

- Reinforces a positive working relationship between DART and communications professionals in our service area and establishes a formal process for sharing information with the public.
- Hosts up to three communicator meetings a year. These meetings include communicators from cities, chambers, convention and visitors' bureaus, downtown associations, and higher education institutions within the DART Service Area.
- Collaborates with communicators on print and digital stories about joint initiatives.

Audiovisual/Photography/Videography:

- Provides comprehensive audiovisual support and solutions to ensure meetings for internal and external audiences run smoothly.
- Develops photographic and video content to humanize the DART brand and create opportunities for engagement.
- Manages requests for audiovisual, photography, and videography support and arranges services from outside vendors.

Market Development & Sales

Responsible for increasing ridership and revenue for the agency through bulk sales of transit passes and advertising/sponsorship agreements. This division consists of three primary areas:

- Corporate, Higher Education and Group Sales
- Advertising Revenue
- Naming Rights/Sponsorships

Corporate, Higher Education and Group Sales:

- Targets and sells DART transit passes in quantity to organizations including corporations; smaller companies; business associations, schools, groups, conferences and conventions, tournaments, and commercial and residential realty agencies.
- Drives nearly \$10 million in annual sales with approximately 50,000 passes through this program.



Advertising Revenue and Naming Sponsorships:

- Manages \$4 million in advertising revenue through an agency that solicits advertising inventory across DART assets to include exterior and interior displays on buses and trains, facilities such as light rail stations, and kiosk.
- Solicits sponsorship rights across DART assets, primarily, but not limited to, rail stations and rail lines.
- Future opportunities may include advertising on our DART digital assets:
 - Bus and train INFOtransit digital screens
 - Station digital screens
 - Bus shelters

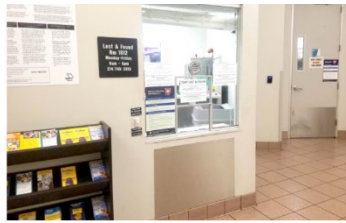
Customer Service

Responsible for responding to customers’ needs in person, by phone, and on DART.org, Customer Service responds to more than 600,000 people a year. This division consists of three primary areas:

- Customer Information
- Customer Care
- Lost and Found

Customer Information

- Handles calls about DART local and regional trip planning, fares and passes, general DART information, special events, promotions, advertisements, and DART initiatives.
- Receives approximately 85% of the 600,000 calls, consisting of route planning and schedule information.
- Operates the DART Call Center 363 days a year, closing only on Thanksgiving and Christmas.
- Collects and categorizes incoming calls and interaction data to gain a more granular and immediate understanding of our customers’ needs.



Customer Care

- Addresses complaints, commendations, and suggestions, which are categorized to align with our drivers of satisfaction from the annual Customer Satisfaction Survey.
- Serves as the frontline support for GoPass® ticketing assistance.



Lost and Found

Question:
If DART headquarters is still closed to the public, how do I get back any belongings that I accidentally left on a bus, train or station from Lost & Found?

Answer:
We want to reunite you with your property as quickly as we can. But to protect our customers and employees, the lobby at DART Headquarters (101 Pacific Avenue) is closed to the public until further notice, including the Lost & Found window and DARTmail.

If you have lost an item while traveling on DART, you must call DART Lost & Found at 214-749-3510. If DART is in possession of your lost item, and can verify ownership, then you may schedule a time to retrieve your item(s) at DART Headquarters.

- Assists customers in recovering articles lost on DART vehicles and property.
- Provides customers opportunities to come in person, call, or send a message through DART.org to inquire about their lost article(s).

Customer Research and Market Intelligence

dartmedia @dartmedia - Jul 7
We really want to know what you think. Share your opinion. Your answers will allow us to better meet your expectations. By completing our survey, you may also win a \$100 gift card to Amazon or Walmart. Take the survey at [DART.org/survey4](https://dart.org/survey4)



Responsible for leading rider focused research and building a rider intelligence database across the agency. This division will focus on meeting the direct needs for marketing specific project requirements and consumer intelligence and galvanizing the rider research across the agency to provide a solid and transparent repository of rider intelligence and rider intelligence. Duties include:

- Lead the annual Customer Satisfaction Survey
- Assist in customer intelligence for Web and Social Media
- Assist in agency wide rider intelligence measures
- Develop a rider/customer intelligence library for the agency

DART Retail

Responsible for retail services across our headquarters retail location, DARTmart (formerly the DART Store), and all retail where DART pass products are sold, which include a network of approximately 900 retail locations. DART Retail is also responsible for internal and customer-facing merchandise fulfillment. This division consists of two primary areas:

- Retail services
- Merchandise fulfillment

Retail Services

- Manage DARTmart to sell transit passes, reload and checks balances, qualify seniors, students, and disabled persons for discount passes, and takes pictures for pass identification cards.
- Manages retail distribution network for GoPass Discount Tap card program consisting of approximately 900 retail locations.
- Over \$2.1 million in passes sold each year.

Merchandise Fulfillment

- Serves as the central ordering and fulfillment provider for the agency's merchandising.
- Responsible for advancing the e-commerce effort to streamline agency wide orders and automate the process of merchandise inventory, selection, fulfillment, and payment.

Key Areas of Focus

DARTzoom: A New Bus Network

The wheels on the bus truly make DART's system "go round and round," underpinning our operations and serving as arteries. The DARTzoom campaign will inform riders that we're building a bus network to better serve them -- addressing everything from service frequency to new mobility offerings. Marketing will drive awareness of the redesign through a comprehensive internal and external campaign. The campaign will transparently convey the redesigned network's benefits. It translates DARTzoom into an easy-to-understand format for rider information; develops and designs clean and clear communication systems; and ensures distribution of collateral and hardware that is essential for seamless communication. From bus timetables to the bus network itself, it's all been reimagined.

Website Redevelopment

As DART's website is often the first point of contact for riders, DART must take the opportunity to engage riders (and potential riders) with interesting, informative content that motivates them to experience all the places DART can take them. Since DART's current web experience is incongruent with this objective, DART is reimagining its site. Roughly half of DART website visits represent existing and future riders seeking trip planning information. Key stakeholders, the financial community, prospective suppliers, and employment seekers represent the balance of the site's visitors. Working with Innovation, Technology, IT, Service Planning and Communications, Marketing seeks to redevelop our customer-facing website to match the demands of today's consumer -- creating a site that is user-friendly, engaging, and responsive for multiple platforms.

Returning to DART

Mar-Comm will continue to promote the DART brand and reinvigorate ridership through consistent and transparent communication that addresses the key drivers of satisfaction. Mar-Comm will inform its core rider segments of DART's solutions-based products and services (e.g., kiosks, the GoPass® app, GoPass® Tap cards, GoLinkSM) as well as Mobility as a Service (MaaS). This positions DART as a modern mobility alternative -- telling the public that we're more than just buses and trains!



Market DART as an Employer of Choice

Ask someone to envision a DART employee, and many would immediately picture a bus or train operator. Mar-Comm wants to shift the public's perception and position the organization as an employer of choice. Aligning with HR, Mar-Comm will develop a strategy and implementation plan designed to showcase the agency's wide-ranging opportunities across all business functions.

Mar-Comm's mission is to promote cross-functional opportunities and make the organization more competitive so that DART can attract the talent it needs to move the business forward. Leveraging LinkedIn, DART will increase its visibility, broaden its reach, and optimize engagement with targeted audiences. DART will market its diverse career opportunities by connecting with these

audiences, which include employees, recruiters, key stakeholders, military veteran organizations, minority business, small business owners and affinity organizations.

Revamp the Corporate Sales Strategy

Since many corporate commuters have worked remotely for more than a year now, this segment has unsurprisingly been among the slowest to return to riding. That's why the DART Access corporate sales team will re-imagine its approach so that it can better appeal to a changing landscape and recapture this significant rider segment. For 2022, the team plans to revamp its marketing campaign, selling tools and pass offerings. In addition, they will leverage DART's full suite of mobility options -- bus, rail, GoLink, vanpool, etc. -- and simplify operating processes to minimize administrative work so that they can focus more fully on making the sale. Additionally, since many employers have shifted to a hybrid work environment, this presents new challenges in how the sales team markets DART's products. The team will brainstorm how to best target employees in this new world of work, as well as reach out to other transit agencies to identify promising new pass products that engage and excite the rapidly evolving corporate market.

Enhanced Customer Communication and Engagement

Inform and communicate with DART board, stakeholders, riders, employees, the public, and other identified audiences of relevant DART news, projects, initiatives, and activities to amplify the impact and benefit to the riders, communities, businesses, and cities. Maintain continuity in delivering Mar-Comm projects and activities through the Quarterly Report (in concert with the agency submission). Continue production of Inmotion, an external stakeholder publication; Insights, a newsletter for the Board highlighting safety and security; and Rider Insider, a brochure that encourages ridership by promoting DARTable events and destinations. All content cross-pollinated across DART's digital and social media channels, and in external consumer publications. DART's social media channels and the DART Daily blog provide a platform for delivering compelling storytelling. A key plank for communication going forward is the execution of an influencer social media strategy to amplify the brand story. Currently, we are deploying the influencer strategy against our key projects and based on findings we will look to strategically deploy this across many other DART activities.



COVID Safety Awareness Campaign

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 communications to drive awareness around the measures DART is taking to keep riders and DART employees safe. This continued effort is aligned with the latest regulations from the Transportation Security Administration (TSA) regarding wearing masks on public transit property. Mar-Comm's efforts have provided transparent "behind the scenes" communication to highlight the agency's efforts to keep our riders safe. The public has been receptive to our messaging that focuses on new cleaning technologies, as well as cleaning processes and approaches.

Through a 360-degree plan that included video elements, marketing, public relations, social media, digital communications, customer service, and operations, DART established a constant communication loop. Under the “Ask DART” umbrella, the campaign focused 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.

Our efforts have focused on the following riders:

- Reliant commuters
- Task riders
- Corporate commuters
- Event goers

Rider intelligence has been gleaned through a series of COVID surveys designed to better understand riders' concerns about public transportation during the pandemic. The survey also analyzed consumer attitude as it relates to other lifestyle activities like grocery shopping or going to the gym. We also measured rider awareness of the different messages and communications regarding DART's specific actions to keep them safe, and asked riders when they expect to return to their workplace and begin using DART again.

What we have seen over time is that our messaging to keep our riders safe has continued to increase along with increased comfort in using public transportation.

Going forward into the new fiscal year, we will continue to adapt our messaging and creative to reflect current conditions and rider sentiment.

Procurement

DART Procurement exists to connect internal needs with external solutions. We leverage our unique expertise to ethically and responsibly secure the resources needed to drive agency success. We succeed by delivering a high-quality work product, providing stellar customer service, and performing as a high functioning team.



Procurement is a contributor to all DART objectives and is proud to support all departments in the efforts to achieve DART’s mission.

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

DART Procurement – Rider-focused, Customer-centric

DART Procurement is comprised of two core divisions – Design-Construction Services and Strategic Services – whose key focus is to procure a broad spectrum of commodities and services. While secured primarily for departments internal to the agency, these purchased acquisitions directly and indirectly benefit our customers and riders as they are implemented or used by our internal business partners in Operations and Administration. Our skilled Procurement

administrative team provides invaluable customer support to keep our suppliers and vendors engaged, while also enabling our internal customers with the procurement systems and tools they require to serve DART riders.

For FY 2022, Procurement is targeting the following ridership-focused initiatives:



- Design-Construction Services

In FY 2022, the design and construction team will continue to procure goods and services to support programs and projects that not only benefit the region, but will also provide innovative, affordable, reliable, and safe mobility options for our riders that enhances their quality of life. Major programs and projects to be supported in FY 2022 include, but are not limited to the following:

- Silver Line Regional Rail Program Continue to administer contracts and task orders that support the Silver Line Regional Rail program. This 26-mile commuter rail line will provide an affordable transportation option for riders traveling to/from Plano and DFW International Airport. Riders utilizing this mobility option will travel in the comfort and safety of DART’s newest fleet of DMU vehicles equipped with positive train control (PTC).
- Red and Blue Line Platform Extension Continue to administer the Red and Blue Line Platform Extension project, which is scheduled for completion by the second quarter of FY 2022. The goal of this project is to extend station platforms to accommodate a three-car consist. In doing so DART can increase its passenger capacity, which will alleviate crowding and allow for a more relaxed and comfortable ride. This project also adjusts platforms to enable level boarding of mobility impaired riders allowing for easier and safer accessibility for the most vulnerable riders of the system.
- D2 Subway Continue efforts to collaborate, advise, and support DART Planning with entry into engineering and full funding grant agreement activities to support Downtown Dallas second Light Rail Alignment (D2). This mobility option, when implemented, will enhance rider experience by connecting riders to Dallas’ downtown destinations.
- Professional Services, General Planning Services, and Miscellaneous Construction Services Continuing to fulfill the agency’s A&E, Planning, and Construction services task order contracts on an as needed basis. Projected projects and programs will be implemented that improve DART stations facilities, amenities, and equipment; all with the intent of enhancing the rider’s comfort, safety, and accessibility.



Strategic Sourcing

Our DART Strategic Sourcing group focuses on three key areas of procurement: Capital Project, Business Services, and Materials Management/Small Purchasing (Supply Chain) – all of which keep the agency rolling on roads and track every day of the year. Key deliverables for these three customer-driven

teams in FY 2022 include the following:

Capital Projects Team

The Capital Projects team procures and administers contracts that improve rider experience and safety. We impact the rider's environmental quality through diverse procurements from renewable natural gas to janitorial services. Rider's comfort and system reliability are impacted by the team ensuring contract adherence on TRE O&M contract and systemwide lift equipment.

We empower and keep safe the most vulnerable rider with the Mobility Management Services, Transportation Assistance Programs, and UTD Shuttle services, which measures the rider impact in the key performance indicators allowing the assessment of liquidated damages or incentive payments to the contractor.

In FY 2022, the Capital Projects team will deliver 27 new, midsize CNG buses and 10 midsize electric buses to improve fleet performance and safety for the public. These fleet additions will impact the customer's air quality with the upcoming 5-year electricity contract, which holds the potential to be 100% renewable at a cost lower than our current traditional energy rates with service to begin in FY23.

Business Services Team

The Business Services team is responsible for procuring goods and services that enable the authority to deliver 5-Star customer service to our riders. Business Services' internal customers include Human Resources, Marketing, and Information Services. Through the procurement and administration of contracts such as employee medical benefits, advertising services and IT goods and services, the Business Services team is a behind-the-scenes force that helps keep the well-oiled machine known as DART running efficiently.

- The GoPass software contract administered by the team provides our riders with an easy-to-pay payment system that integrates DART, Trinity Railway Express (TRE) and Trinity Metro systems. GoPass allows our riders to traverse the entire DFW metropolitan area without having to stop to pay additional fares whenever a service boundary is crossed, saving them time and dollars.
- The employee medical benefits contracts keep our drivers, mechanics, and rail technicians healthy, so they can keep DART services running uninterrupted and provide the unparalleled customer service DART is known for.
- The IT supplies and services contracts keep DART technology functioning 24/7. This makes customer facing services such as “Where’s my Bus?”, mobile fare payment, real time vehicle

tracking and other critical rider information available at our customers' fingertips whenever they need it.

With our eyes on FY 2022, the Business Services team will continue to improve DART with solicitations for:

- Employee benefits, such as life insurance and medical benefits to keep our workforce healthy and engaged.
- Marketing services, such as advertising and revenue-generating contracts, will keep DART services in the forefront of our customers' minds.
- Technology contracts such as CAD/AVL equipment and software which help to keep our buses and trains running to ensure our riders will get to their destinations safely, on time and happy.

Supply Chain Team

The Supply Chain team ensures the safety of riders by procuring goods and services to sustain essential functions and equipment. Together, this customer-motivated team of buyers and contract specialists impacts our riders' experience and safety by providing increased light-rail vehicle cleaning and disinfecting services on high touch-point surfaces. The replacement contract for FY 2022 will expand to include increased cleaning services for DART's bus fleet.

The rider's safety is impacted by our section ensuring all equipment and products such as foggers, sprayers, cleaning solutions used to clean the buses and light rail vehicles are on time and available. In FY 2022, we will continue to promote rider's safety and reduce COVID19 exposure by ensuring that personal protective equipment (PPE) such as face masks and hand sanitizers are available in all bus and light rail vehicles.

Our riders experience bus and light-rail vehicle reliability and minimal service interruptions by the Supply Chain team continuously assessing the internal and external supply chain network to ensure light rail vehicle parts, bus parts, PPE, and repair services are available.

Procurement Administrative Team

The Procurement Administration team provides a comprehensive range of administrative support services linking the supplier community to procurement opportunities that maintain and enhance the rider experience.

Procurement Support is the agency's gateway to procurement information. This team attends supplier outreach events, handles public notices of procurement opportunities, manages the supplier, vendor, and innovation portals, and addresses technical supplier questions,

Procurement Support also helps its partner departments award contracts to ensure timely and safe operations by liaising between organizational units to provide administrative support, assist the Procurement department with a variety of projects including, but not limited to data entry, scheduling meetings, assisting with pre-bid a pre-proposal conferences, office management,

onboarding staff, researching banking and contractor references, and drafting various levels of correspondence.

To ensure the agency’s transparency with stakeholders, the team responds to procurement’s open record requests, edits and drafts publicly viewable agenda reports, oversees records management compliance of procurement documents, drafts procurement policy, completes the contract close-out process, coordinates peer reviews, and manages procurement’s portion of the FTA’s triennial review.

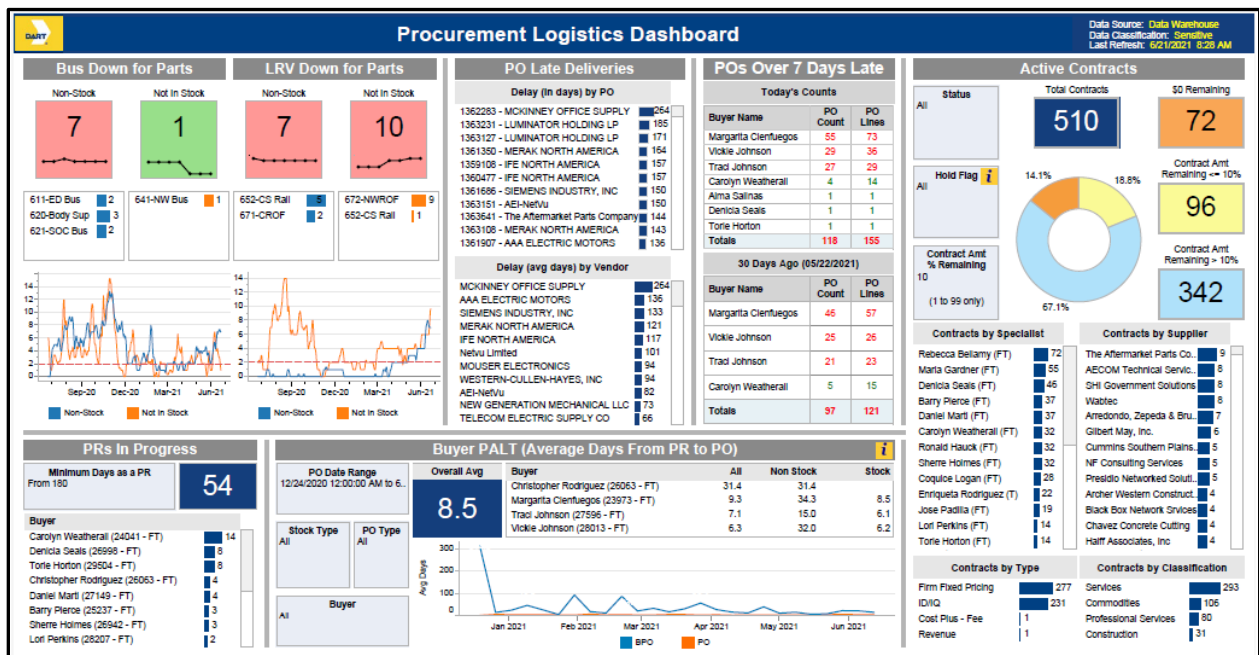
Key Performance Indicators (KPIs) for FY 2022

- 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

The management team in Procurement and other management teams in the agency receive an executive dashboard and a Procurement dashboard daily. The dashboards identify weekly measurements toward Key Performance Indicators (KPIs). Shown below is an example of the new Procurement dashboard page indicating vital logistics’ data for purchase orders, contracts, requisitions, and parts.



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 that first 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



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.

COVID-19 Procurements as of FY21-3Q	
Total Procurements:	264
Total Items:	6.2 million
Total Spend:	17.6 million

Technology Department

The Technology department provides strategic technology vision and enterprising solutions to help the agency achieve its vision, service, and business goals. Through our comprehensive approach to technology, we can enhance customer confidence in DART's regional transit system. The Vice President and Chief Information Officer leads the technology transformation and directs the department's overall strategic activities, driving the organization toward adopting new capabilities and technology solutions.

Our Mission

We are 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
Perseverance	Professionalism	Continuous Learning
Creativity		

DARTzoom – Bus Network Redesign



Technology is an essential component of bus network redesign. This team is working collaboratively with other departments to support the project’s requirements in enhancing customer experience in all 13 of the cities connected to DART’s transit ecosystem.

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 platforms, cybersecurity’s impact on transit, contactless technology, virtual and artificial realities, and converged networks.



Cloud Strategy



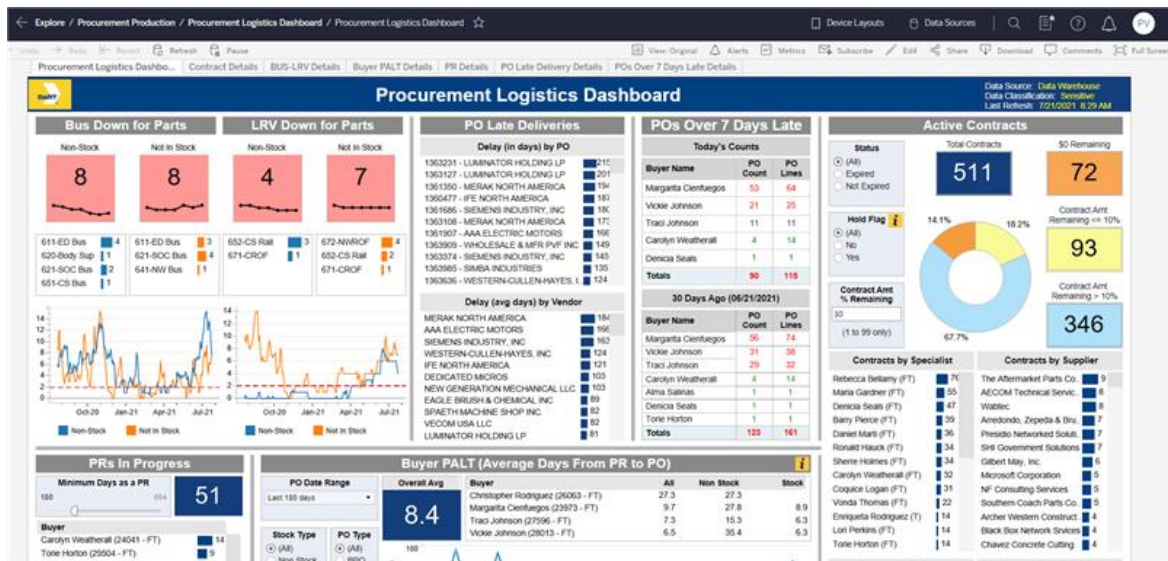
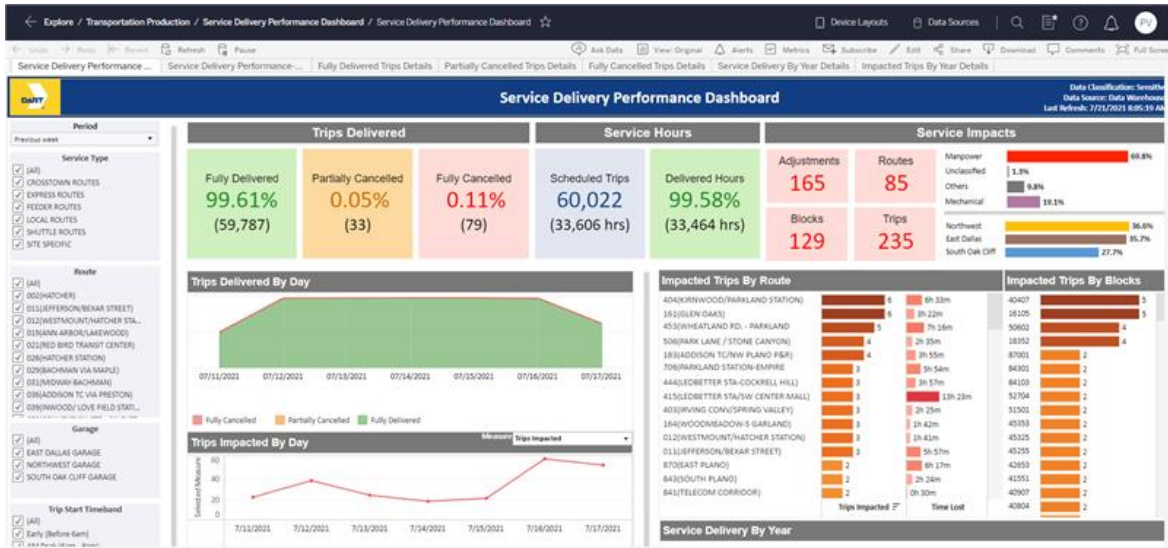
DART continues to transition its technology solutions to cloud solutions, with Software as a Service (SaaS) as the preferred solution, but also considering Platform as a Service (PaaS) and Infrastructure as a Service (IaaS) as viable solutions when a SaaS solution does not exist or is impractical. DART 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.

Technology Activities

- Data Center Relocation - Relocating the hardware from the data centers to a secure colocation site will improve the operational reliability; minimize or transfer the operational risk; and allow the agency to take advantage of the commoditized cost structure of the colocation vendor. This shall provide DART with a hardened Tier 3/Tier 4 compliant facility within the DART service area.
- Oracle Database Appliance - Technology upgraded the Oracle Database Appliance to the latest version at the secondary data center and headquarters to strengthen the database management security and maintenance. To streamline and consolidate MS SQL Server operations at DART, the teams built a SQL Server cluster with Always ON and active-active architecture, enhancing database availability, and disaster recovery capabilities.
- Department Dashboards - Dashboards were designed and developed using user interface design principles, usability, ADA-compliant color, and font pallets. Dashboards provide

KPIs at a glance, and offer the ability to drill down into the insights and root causes – prescriptive and actionable.



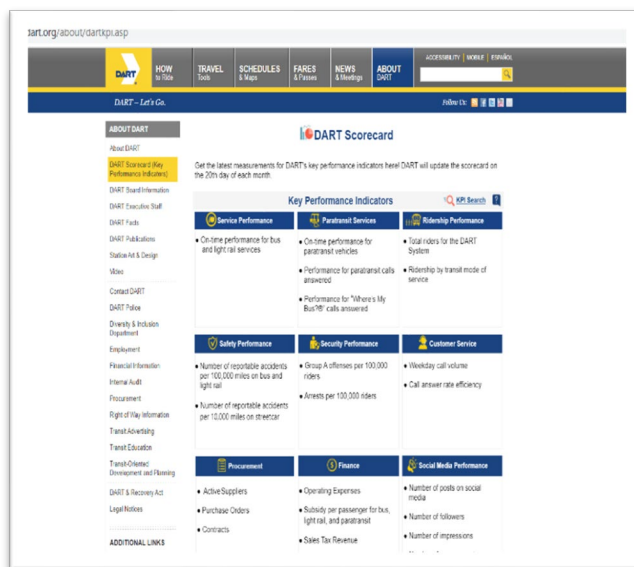
- **Enterprise Learning Management System** - The Enterprise LMS consolidates records and creates a one-stop-shop for all DART Learning. Instructors will have all their resources in one place. Managers will have an easy way to run reports and access dashboards.
- **Enterprise Document Management** – Established an agency-wide file plan based on DART records management control schedules. The application will apply classifications and retention rules to the program. The project provides an electronics records management process to identify all files eligible for destruction and requires review and sign-off by the



department head. DART utilizes the IBM FileNet P8 platform to streamline and automate business processes and automate records management to help meet compliance needs.

- **Student Art Contest** – DART hosts a student art contest at all grades level throughout North Texas each year. The competition challenges students to illustrate an annual theme through lines, color, and composition, the 2021 Contest theme – "Everyday Heroes Ride DART." Due to COVID, the team required a more sophisticated digital method to accomplish this. The Web team took to the drawing board and delivered what is now the Virtual Gallery. Within the application, everyone can view all student artwork submissions, vote, and allow the external judges to participate. The fantastic feature added was that you could view previous year's winners all in the same place.
- **Severe Weather Enhancements and Health Monitoring** is a cross-departmental effort to synchronize systems and operational processes. DART systems health alert notifications, essentials of component management, and monitoring rely on an inherent framework that is sometimes inefficient or unreliable, reporting affecting real-time information in onboard and customer-facing technologies.
- **Social Agency Application** – The agency required an application to incorporate pass purchasing option for social agencies and nonprofit organizations within DART’s service area. The goal was to bring all corporate pass purchase programs under one platform in DART Access. Social agencies would have the ability to purchase day pass vouchers and paratransit coupons. DART Access is integrated with the CyberSource Payment channel to facilitate credit card payment. This payment channel will be extended to other transit pass programs available through DART Access.
- **DART Scorecard** - To increase the transparency of DART KPIs and make it readily

available at a one-stop location, from where both internal and external audiences can access them easily and released the DART Scorecard.



Future Endeavors

- Customer Relationship Management - DART seeks to deepen our connection with our riders through personalized and relevant digital communications across all channels, enabled and supported by a data-driven customer relationship management (CRM) product suite. This product suite should be highly flexible to facilitate integration by Application Programming Interface (API) with several customer-facing systems utilized by DART and integrate with systems used by other partnering agencies.
- Lawson ERP Replacement Program
The agency implemented Lawson Enterprise Resource Planning in the 1980s. Infor is not adding any new features to the Lawson ERP and planning to discontinue it in its current form. The new ERP will deliver a secure and integrated platform capable of efficiently meeting DART needs, improving processes, facilitating data-driven decision-making, and empowering employees to perform daily activities. This will provide a unified hub for HR services and information, ultimately improving employee satisfaction.
- Upgrade LRV and Streetcar Vehicle Communication from 2G to 4G
The purpose of this contract is to upgrade the light rail and streetcar in-vehicle computer (COPILOTpc) with 4G LTE for reliable data transfer due to the end of 2G service by the cellular providers in December 2022. The system is responsible for displaying the train's schedule to the operator, determining estimated arrival time, onboard announcements, transmitting train location, and other pertinent information to the central system. The project provides an enhanced Light Rail and Streetcar in-vehicle computer (COPILOTpc) to provide upgraded hardware and security that conform to the DART Technology architecture standards.
- Bus Technology Mobile Data Terminals (MDT) Upgrade
Technology and Bus Operations upgrade of new MDT hardware and device installation support services for 600 buses. The intended outcome is to equip the DART bus fleet with state-of-the-art onboard hardware to improve the onboard information and communication system's accuracy, for operators and other staff, within DART operations.

Technology Teams

Records Management Office (RMO)

The RMO is responsible for a wide array of DART records created, received, archived, and used by the agency for the conduct of official business. The RMO facilitates the efficient and systematic control of the creation, receipt, maintenance, use, and disposition of records.

Enterprise Architecture

The primary objective of Enterprise Architecture (EA) is to ensure that DART's business strategy and processes are translated into well-defined future capabilities and technology plans that support 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.

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. The team is entrusted with identifying, protecting, and detecting any malicious activity against DART's enterprise network.

DART security team observes millions of unusual behavior events annually, detecting a network, system, or user activity defined as abnormal.

Intelligent Transportation Systems (ITS)

The ITS team contributes to the rider experience, vehicles, and traffic prioritization. The 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.

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 and standardized way. The team reinforces project delivery by ensuring that all business change is managed in a controlled manner.

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 ensures departmental service delivery.

Infrastructure Services consist of four core areas:

- Network Engineering
- Systems Engineering
- Client Services
- Infrastructure Applications

Applications and Information Management

This team is responsible for 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 enhance DART and the customer experience.

Web and Mobile Application Development

The Web and Mobile Application Development group provides consulting, web and mobile application development for all DART departments. The group builds custom applications and workflows to support day to day operations at DART.

Customer Care Delivery Team

This team provides maintenance and support for DART's enterprise systems and several dedicated applications across 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.

Enterprise Applications Delivery

The Enterprise Application Delivery division provides DART stakeholders with applications and technology solutions.

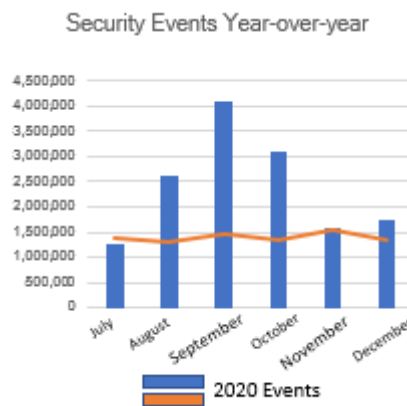
The application portfolio is comprised of the following:

- *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
- 2. *Time and attendance for tracking employee time, attendance, and data collection*
- 3. *Enterprise Document Management (EDM) IBM FileNet + Encapture*
 - Provides DART with a solution that supports the maintenance of records retention and policies, enabling the agency 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) Aurigo Masterworks*
 - 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 and dashboarding function

COVID-19 INITIATIVES

Network Security Operations:



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.

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 preparedness 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 1000 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 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 across multiple systems, reports, and dashboards seamlessly incorporating these additional codes. The Human Resources Department and Finance Payroll section effectively integrated the new COVID-19 pay codes. Also, dedicated COVID 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, and the team automated the process of generating, validating, and distributing our schedule information (GTFS-Static). Since March 2020, the Technology team has published eleven schedule changes.

The Executive Office

The President & Chief Executive Officer has oversight of Government and Community Relations, Diversity & Inclusion, Safety, Office of Policy and Strategy, and Finance departments. The President & Chief Executive Officer reports to the DART Board.

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 2022, 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.

Diversity & Inclusion Department

The Diversity & Inclusion 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), and Equal Employment Opportunity (EEO) Program. 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, and Outreach. The Vice President of Diversity & Inclusion directs the overall activities of the department. The below chart illustrates the reporting structure of the Diversity and Inclusion 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 area is also charged with the responsibility of ensuring compliance with the Americans with Disabilities Act (ADA) and Title VI of the Civil Rights Act. Civil Rights 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, providing EEO training, and developing a focused recruitment plan and diversity strategy.
- Outreach 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. Additionally, this area engages in communication programs and maintains relationships with organizations representing the small business community.

Government and Community Relations



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 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 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 others. The team is engaged in numerous local and regional civic groups, meetings and events. Staff also manage the contracted Federal, State and Local consultants to help 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 an array of local and regional officials' and their constituent concerns and helps generate high-level responses from DART for the Executive Office. The team develops and maintains strong relationships with city staff, ensuring the timely resolution of concerns. 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. 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 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 such as 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 bill-tracking reports, and legislative updates 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 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 coordinates with other Agency staff to develop and implement strategies to obtain federal funds for several DART programs, including capital projects, surface transportation programs, annual congressional appropriations and federal discretionary grants. The staff 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 includes Community Outreach and Transit Education. This team 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. The group coordinates 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. The Community Relations team is also responsible for assembling 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 events, National Night Out activities, Cinco de Mayo celebrations, Science Day at the Zoo, and teacher orientations. Additionally, staff are responsible for DART signature events, including the Annual Student Art Contest and the Older Americans Information and Health Fair.

Finance Department



The Finance Department provides world-class, creative, responsive financial thought-leadership and solutions to propel DART's growth and sustainability, with accountability to all DART's valued shareholders. Additionally, Finance seeks to be a collaborative, strategic partner, serving as innovative stewards of DART's financial resources, influencing major business decisions, and providing astute fiscal management.

DART's Finance Department effectively collects passenger fares, pay DART employees and its business partners in a timely manner, ensure cash is available to meet payment obligations in a cost-efficient manner, and collect and provide financial information to DART management and other stakeholders to make informed decisions. Accounting (including payroll and accounts payable), budgeting and financial planning, revenue systems and administration, risk management, and treasury comprise the Finance Department. Performance reporting from the various Finance Department sections is included in the DART Quarterly Operating and Financial Performance Report which is available on DART's website, DART.org.

Accounting Section

This section has three units: Financial Accounting and Reporting, Payroll, and Accounts Payable. The Accounting Division is responsible for financial recordkeeping, financial reporting, payroll, accounts payable, and management of the corporate card function at DART.

The Financial Accounting and Reporting unit is responsible for managing the annual financial audit and recording all of DART's business transactions in accordance with generally accepted accounting principles (GAAP). This section includes accounts receivable, cash accounting, fixed assets, general ledger, and financial reporting. Financial reports prepared by this section includes: monthly, quarterly, and annual financial reports; DART's three retirement plan financial reports; and the DART Comprehensive Annual Financial Report, as well as reporting for DART subsidiaries and interests.

This unit also maintains proper accounting records and delivers consistent, accurate, and timely reporting of financial results, with the following goals: build stakeholder confidence that DART is being a good steward of public funds; ensure that financial information is accessible to accommodate the interest of the purchasers and holders of debt issued by the agency; assist in tracking financial targets and goals; and provide financial data that supports grant reporting and enhances DART's ability to obtain grants in the future.



Exhibit 86 illustrates the KPIs tracked for Financial Reporting.

Exhibit 86
Financial Reporting KPIs

Key Performance Indicators	FY 2018	FY 2019	FY 2020	FY 2021
Monthly Close/On-Time Percentage (Avg. 5 days)	100%	100%	97%	100%
Number of Financial Statements Issued	41	41	41	33
Financial Statement Issuance/On-Time Percentage	100%	100%	100%	100%
Clean Opinion on Audited Financials	100%	100%	100%	N/A
Received GFOA Certificate of Achievement for Excellence in Reporting	Yes	Yes	N/A	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 guaranteeing 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	FY2018	FY2019	FY2020	FY2021
Number of out-of-cycle checks	1,142	1,063	870	624
Total number of checks	109,503	113,380	114,066	87,126
Percent on time statutory reporting	100%	100%	97%	100%
Service requests volume	4,031	3,684	3,396	3,192
Average service request turn-around time in days	6.4	13.5	8	9

The Accounts Payable unit 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 unit.

Exhibit 88 Accounts Payable Payments Processed

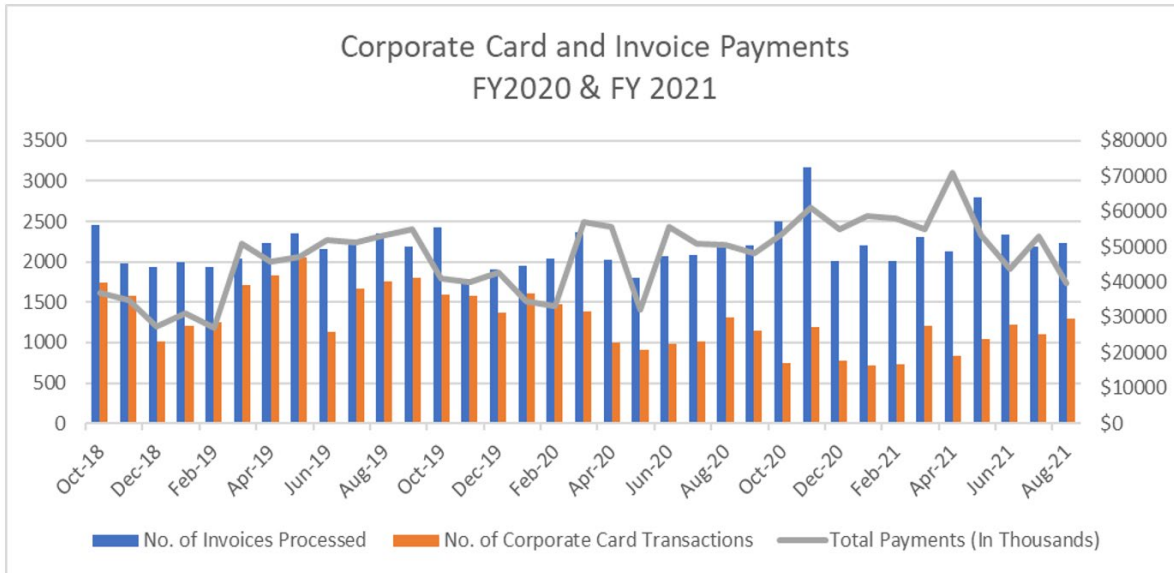
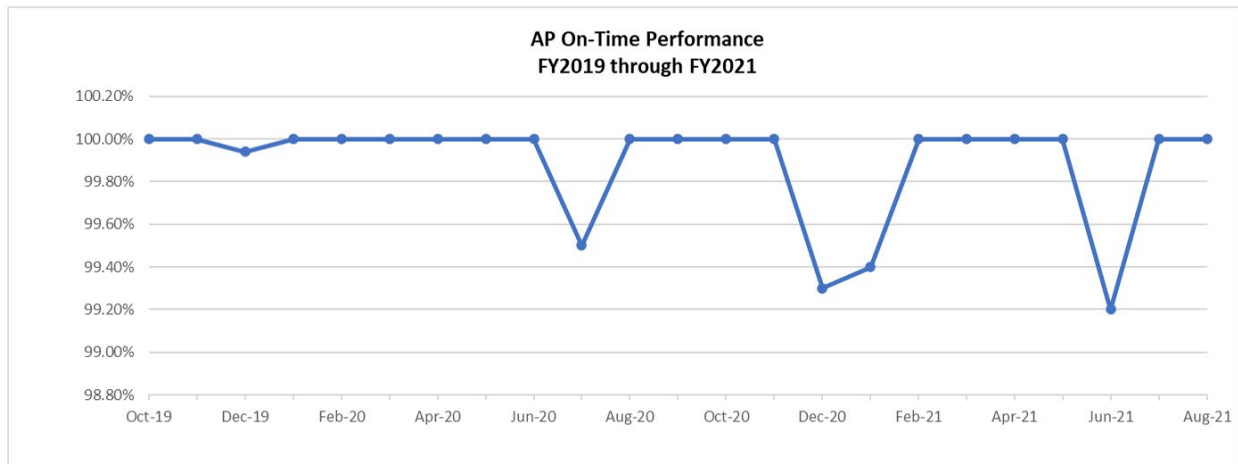


Exhibit 89 Accounts Payable On-Time Payments Record



Business Planning and Analysis Section

This section 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 2022 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

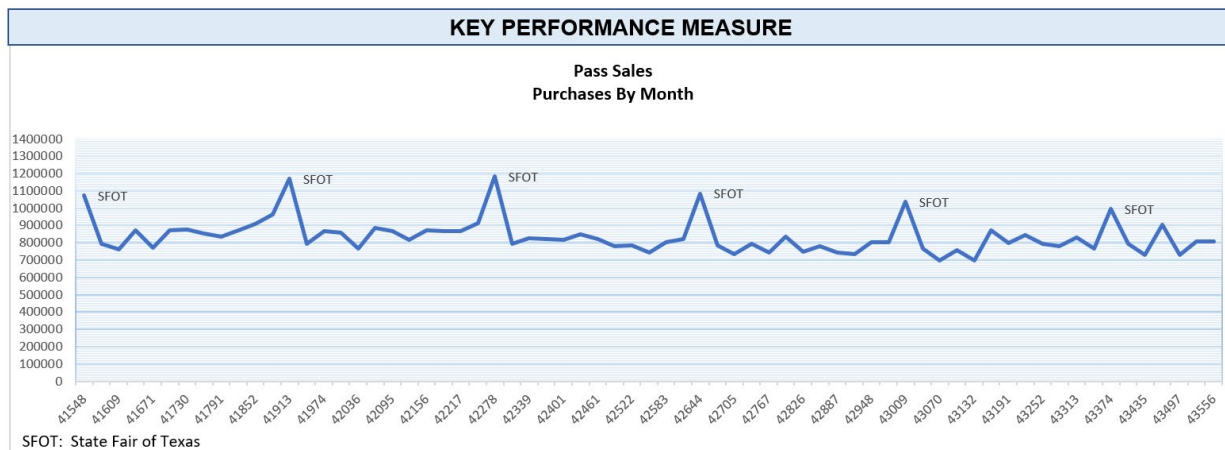
Revenue Section

This section consists of Revenue Administration and Revenue Systems.

Revenue Administration consists of two separate functional groups within the Revenue Section (Revenue Administration and Finance Distribution). The primary responsibilities of these groups 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 2014 to April 2021.

Exhibit 90
Fare Media Purchases by Month



The *Revenue Systems* unit 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

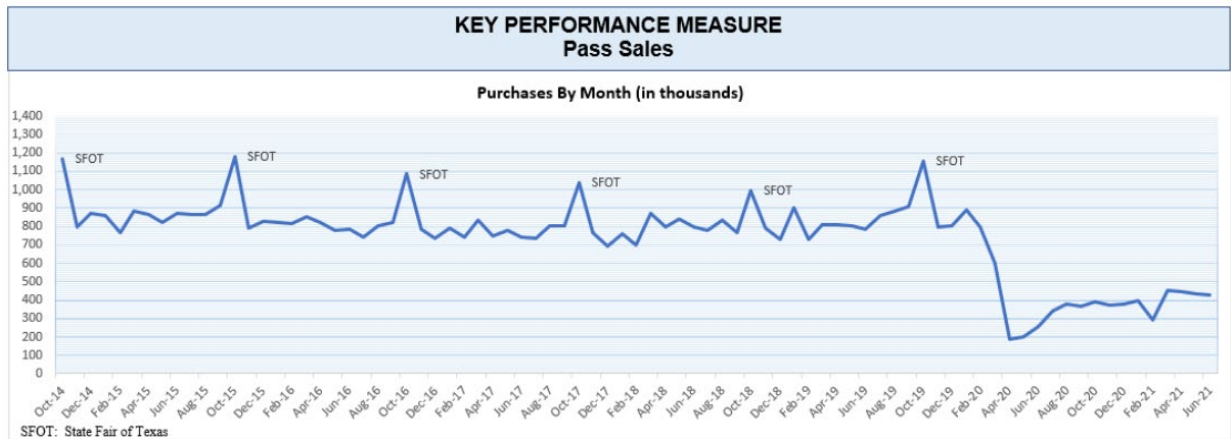
2020 Goals						2020 Results			
Q1	Q2	Q3	Q4	Q1		Q2	Q3	Q4	
5.68	5.68	5.68	5.68		Complaints/100k Passengers	5.74	6.50		
6.80	6.80	6.80	6.80		Unscheduled Absences (Per Person Annually)	7.61	11.60		
97,636	89,072	93,507	93,767		Average Weekday Ridership - Rail	92,006	78,721		
90.00%	90.00%	90.00%	90.00%		% 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		

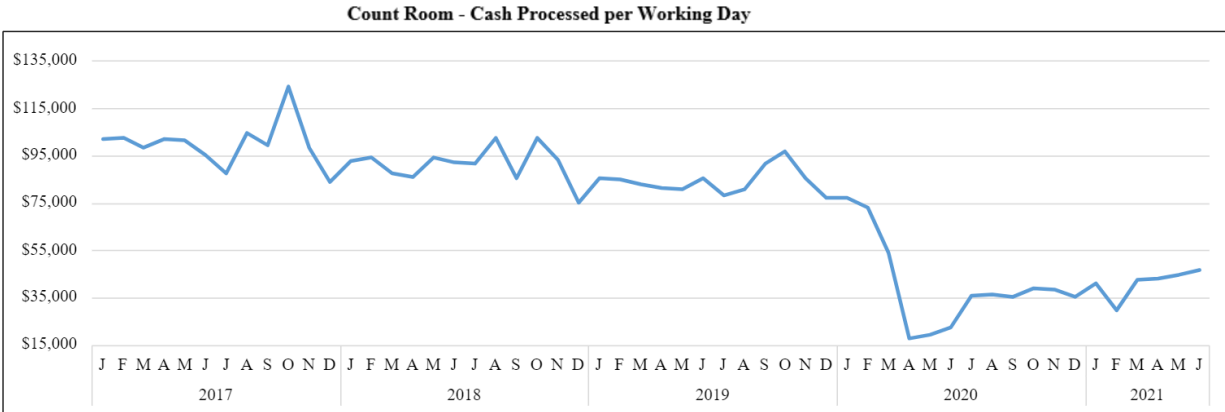
2020 Goals						2020 Results			
Q1	Q2	Q3	Q4	Q1		Q2	Q3	Q4	
151	133	137	139		Complaints	147	131		
2,654,954	2,339,263	2,402,419	2,442,776		Ridership - Rail	2,462,272	2,036,368		
10.20	10.20	10.20	10.20		Unsched. Absences 8 Hr. Days	10.53	17.36		
18	18	18	18		Employees	18	17		
2,940	2,940	2,940	2,940		Service 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 function 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





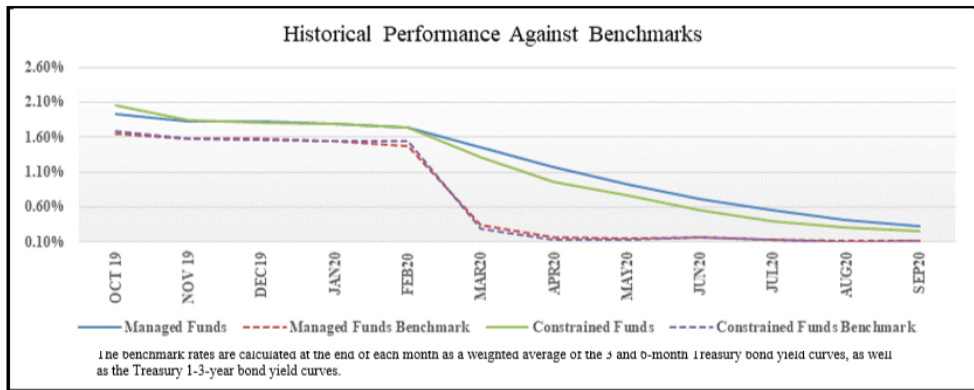
Treasury Section

This section has responsibility for cash/investment management, debt management, and securing/monitoring grants.

The Treasury Section maintains strict compliance with the Government Code Chapter 2256 known as the Texas Public Funds Investment Act (PFIA), Transportation Code 452.105, 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. Transportation Code 452.105 and the 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.

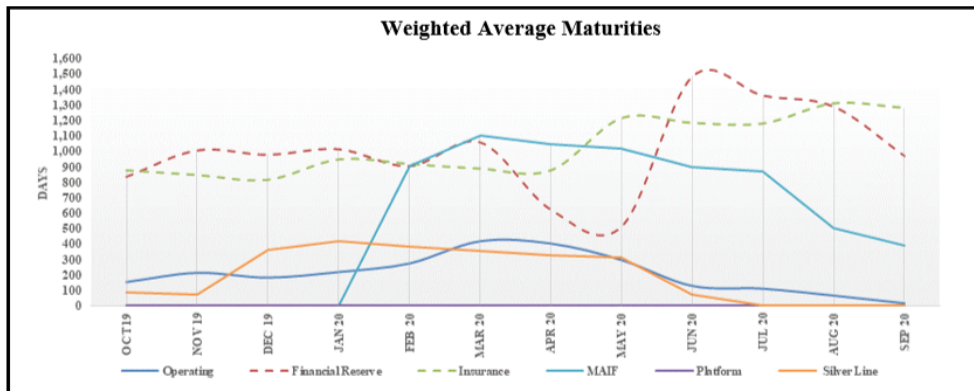
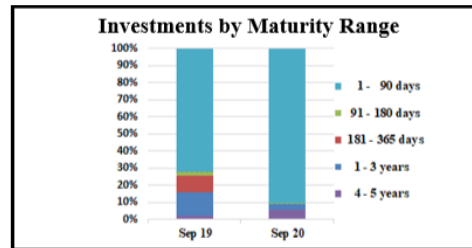
Treasury staff also maintains tight controls over all cash held by the depository bank or any other institution holding funds on DART’s behalf. They maintain strict compliance with debt covenants, make all debt payments on time, and stay informed on industry changes resulting from economic factors or actions by Congress. See Exhibit 93 for an example of the information tracked by the Treasury Section.

Exhibit 93 Fund Yields Historical Performance Against Benchmarks



The benchmark rates are calculated at the end of each month as a weighted average of the 3 and 6-month Treasury bond yield curves, as well as the Treasury 1-3-year bond yield curves.

Average Yield to Worst All Funds				
	12 months ending		12 months	
	FY17	FY18	FY19	FY20
Actual	1.04%	1.46%	2.02%	1.21%
Benchmark	1.02%	1.95%	2.30%	0.75%



The *Grants Unit* 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 Unit 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 Section

The Risk Management Section consists of four units 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 Unit* 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 Unit* 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 Unit* 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 Unit* 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.

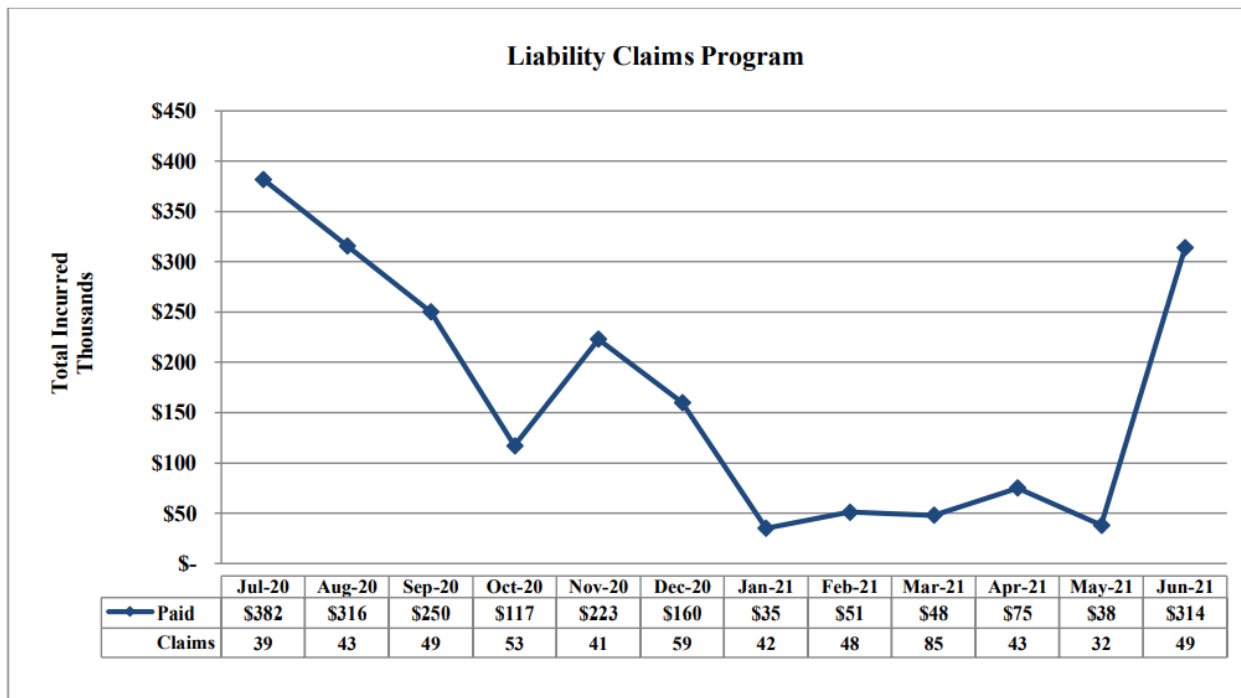
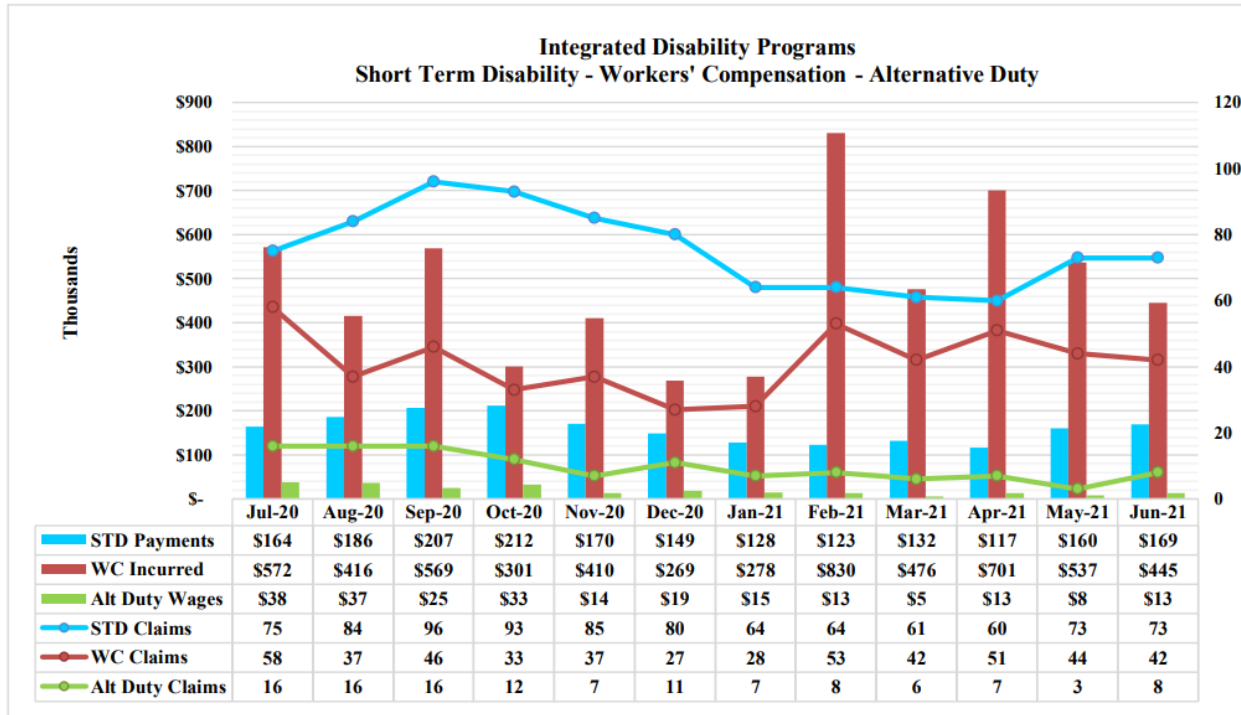
Risk Management’s primary objectives are:

- 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 the twelve-month period beginning July 2020 and ending June 2021, DART paid \$1,917,000 (320 employees) in STD benefits, compared to \$1,681,000 (264 employees) for the prior twelve-month period, July 2019 - June 2020. This is a 14% increase in annual Short-Term Disability benefit payments.

Workers' Compensation

In the twelve-month period beginning July 2020 and ending June 2021, the average total incurred was \$484,000 with an average of 42 new claims reported monthly. This is an increase over the prior twelve-month period that included an average total incurred of \$280,000 and an average of 49 new claims monthly.

Alternative Duty

In the twelve-month period beginning July 2020 and ending June 2021, DART paid \$233,000 in Alternative Duty wages, compared to \$957,000 for the prior twelve-month period, July 2019 - June 2020. This is a 76% decrease in Alternative Duty wages. During this reporting period, an average of 10 employees worked with restrictions, compared to a monthly average of 36 employees working with restrictions in the prior twelve-month period. The pandemic continues to adversely impact DART's ability to return employees to work with restrictions at the rate we were prior to the pandemic.

Liability Claims

In the twelve-month period beginning July 2020 and ending June 2021, DART paid \$2,009,000 in claims settlements, compared to \$2,640,000 for the prior twelve-month period, July 2019 - June 2020. This is a 24% increase in settlement payments. For this reporting period, there were on average 49 new claims reported monthly, compared to 69 for the prior twelve-month period.



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Reference

A. Business Plan Development

Purpose of Business Plan

The FY 2022 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 2022 Annual Budget, the FY 2022 Twenty-Year Financial Plan, the Transit System Plan, and the Agency's Strategic Plan. The resolutions at Exhibit 98 and Exhibit 99 show approve the funding levels for the FY 2022 Annual Budget and the approved FY 2022 Twenty-Year Financial Plan, respectively, 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 – Sep	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 Executive Vice President, the President & Chief Executive Officer, 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.

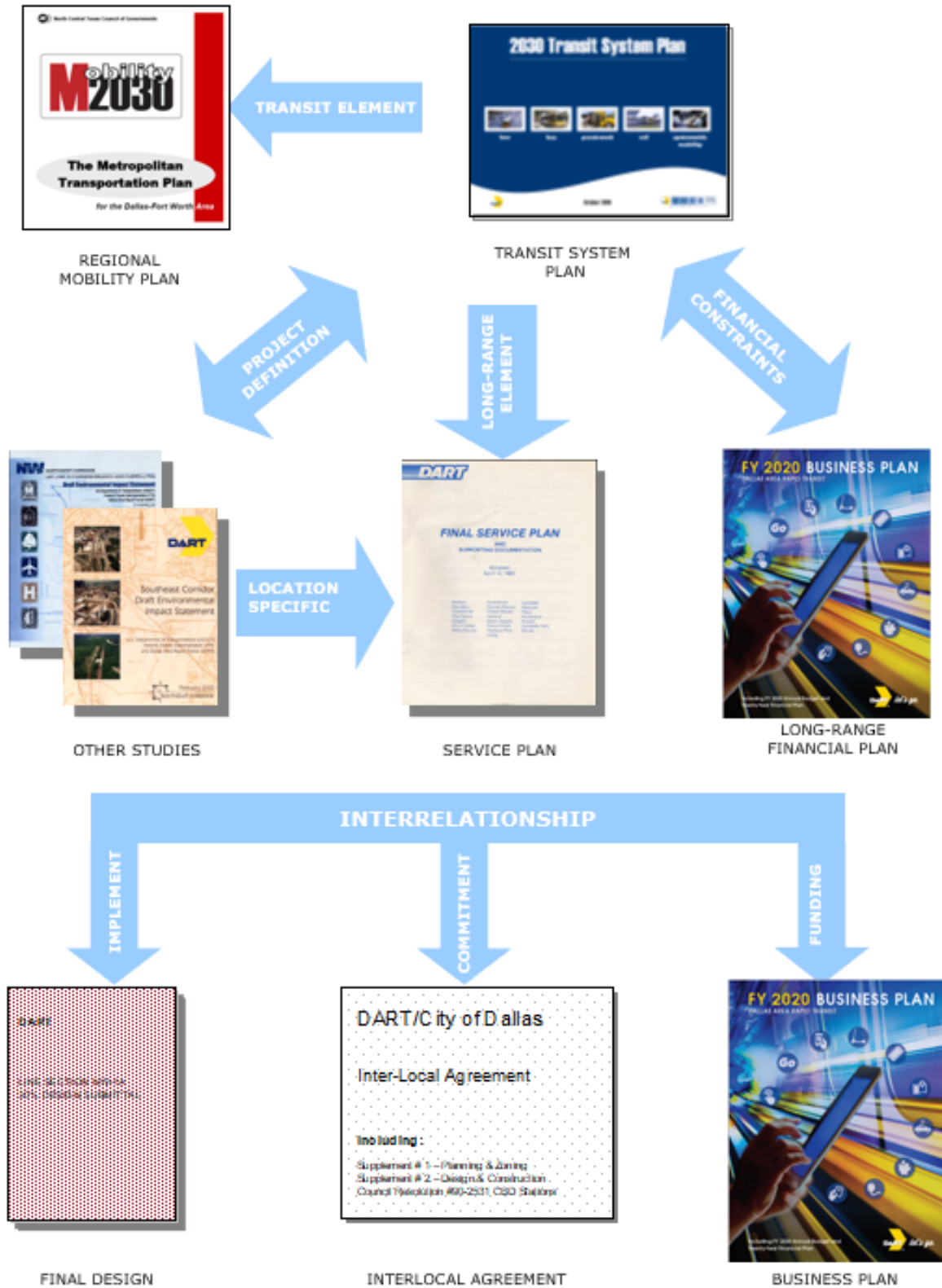
Exhibit 96 DART Current and Future Rail Services



2045 Transit System Plan – The DART Board has initiated a revision to the existing 2030 Transit System Plan using a two-phased approach. Phase I included a Comprehensive Operations Analysis (COA) of the bus system to develop recommendations for improvements to the bus network. Phase I focused on evaluating potential high-capacity transit corridors, including those deferred from the 2030 Transit System Plan. Phase II 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 # 210134**

210134**RESOLUTION**

of the

**DALLAS AREA RAPID TRANSIT BOARD****(Executive Committee)****RESOLUTION****Approval of Fiscal Year (FY) 2022 Annual Budget**


WHEREAS, on May 11, 2021 (Resolution No. 210057), 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 2022 Annual Budget; and

WHEREAS, the Board has been briefed on the assumptions used to prepare the FY 2022 Annual Budget; and

WHEREAS, the proposed FY 2022 Annual Budget was sent to the governing bodies of the municipalities within the DART Service Area (Resolution No. 210105) 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 2022 Annual Budget is approved in the amount of \$1,628,837,390.

Operating	\$580,364,205
Capital & Non-Operating	841,941,316
Debt Service	206,531,869
Total FY 2022 Proposed Annual Budget	\$1,628,837,390


Jonathan R. Kelly
Secretary


Paul N. Wageman
Chair

APPROVED AS TO FORM:

ATTEST


Gene Gamez
General Counsel


Nadine S. Lee
President & Chief Executive Officer

September 14, 2021
Date

Exhibit 99
Twenty-Year Financial Plan
Resolution # 210135

210135

RESOLUTION

of the



DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

RESOLUTION

Approval of Fiscal Year (FY) 2022 Twenty-Year Financial Plan

WHEREAS, on May 11, 2021 (Resolution No. 210057), 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 2022 Twenty-Year Financial Plan; and

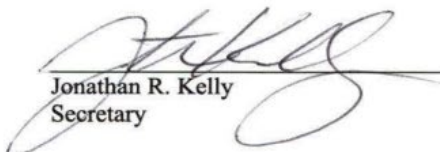
WHEREAS, all Financial Standards have been met in the compilation of the FY 2022 Twenty-Year Financial Plan; and

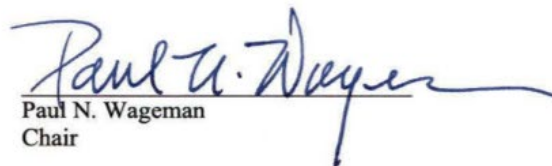
WHEREAS, the Board has been briefed on the assumptions used to prepare the FY 2022 Twenty-Year Financial Plan; and

WHEREAS, the proposed FY 2022 Twenty-Year Financial Plan was made available to the governing bodies of the municipalities within the DART Service Area (Resolution No. 210105) 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 2022 Twenty-Year Financial Plan as shown in Exhibit 1 to the resolution is approved.


Jonathan R. Kelly
Secretary


Paul N. Wageman
Chair

APPROVED AS TO FORM:

ATTEST


Gene Gamez
General Counsel


Nadine S. Lee
President & Chief Executive Officer

September 14, 2021
Date

B. Financial Policies

Board Policies – The Board has several 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 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 2022 Financial Standards
Resolution No. 210057**

210057

RESOLUTION

of the



DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

RESOLUTION

**Approval of Financial Standards for FY 2022 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 2022 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 2022 Budget and Twenty-Year Financial Plan process as shown in Exhibit 1 to this Resolution are approved.

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 2022 Financial Standards
Resolution No. 200044

FY 2022 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 2022 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 2022 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 2022 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 2022 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 2022 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>	
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 2021
(in Millions)

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
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	\$50.7
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	49.3
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	67.6
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	49.3
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	42.7
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	61.4
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	58.1
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	56.1
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	29.6	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	41.7	45.2	47.9	50.0	50.2	51.4	55.4	55.1	
FY Total	\$416.1	\$377.6	\$375.5	\$402.4	\$432.5	\$455.7	\$485.8	\$545.1	\$566.5	\$595.6	\$624.4	\$615.8	\$435.2



Exhibit 105 Sales Tax Collections by City Since Inception (\$000s)

(January 1984 - May 2021)								
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
2021**	435,222	9,795	0	26,526	349	224,748	11,771	28,932
TOTAL	13,079,473	325,100	1,407	688,962	5,972	6,917,815	399,723	640,642
% of 2021		2.25%	0.00%	6.09%	0.08%	51.64%	2.70%	6.65%
% of Total		2.49%	0.01%	5.27%	0.05%	52.89%	3.06%	4.90%
FISCAL YEAR	GLENN HEIGHTS	HIGHLAND PARK	IRVING	PLANO	RICHARDSON*	ROWLETT	UNIVERSITY PARK	COPPELL/ 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
2021**	619	3,662	51,351	59,175	30,067	5,188	3,341	0
TOTAL	8,255	73,959	1,421,886	1,655,010	770,087	123,678	92,973	2,991
% of 2021	0.14%	0.84%	11.80%	13.60%	6.91%	1.19%	0.77%	0
% of Total	0.06%	0.57%	10.87%	12.65%	5.89%	0.95%	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 (revenue bonds). A change to DART's enabling legislation was enacted during the 2009 Texas legislative session allowing DART to pledge Sales Tax Revenue and Pledged Farebox Revenue as a first lien on Senior Lien Long-Term Bonds (Sales Tax Revenue and Pledged Farebox Revenue). 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 \$375 million in Commercial Paper notes, including \$125 million backed by self-liquidity, \$125 million bank-backed, and \$125 million of extendible CP, all 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. ..."DART's bank-backed CP program requires a third-party bank to provide funds if the seller cannot find a buyer for the maturing CP notes, which is known as a remarketing failure. A requirement of the extendible CP program is that the initial note issuance can be no greater than 90 days, and upon a remarketing failure the maturity of the note(s) can be extended an additional 180 days. As of September 30, 2021, DART had \$20 million in Self-Liquidity Commercial Paper, \$84.1 million in Bank-backed Commercial Paper, and \$15 million in Extendible 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 assets with a useful life of seven (7) years or more 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 style="text-align: center; color: green;">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 Investor Services	Kroll Bond Rating Agency	Fitch Ratings
Series 2007	AA+	Aa2	No rating sought	AA-
Series 2009B	AA+	Aa2	No rating sought	No rating sought
Series 2010B	AA+	Aa2	No rating sought	No rating sought
Series 2012	AA+	Aa2	No rating sought	No rating sought
Series 2012A (TIFIA)	AA+	Aa2	No rating sought	No rating sought
Series 2014A	AA+	Aa2	No rating sought	No rating sought
Series 2015	AA+	No rating sought	No rating sought	No rating sought
Series 2016A	AA+	Aa2	No rating sought	No rating sought
Series 2016B	AA+	Aa2	No rating sought	No rating sought
Series 2019	AA+	Aa2	AA+	No rating sought
Series 2020A	AA+	Aa2	AAA	No rating sought
Series 2020B	AA+	Aa2	AAA	No rating sought
Series 2020C	AA+	Aa2	AAA	No rating sought
Series 2020D	AA+	Aa2	AAA	No rating sought
Series 2021 (RRIF)	AA+	No rating sought	No rating sought	No rating sought



Exhibit 108 shows DART’s weighted average interest rate on long-term debt as of September 30, 2021.

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 increases for all base fares, excluding Paratransit
August 28, 2012	December 3, 2012	\$2.50	120105	Fare increases 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 2020 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**

200060

RESOLUTION

of the



DALLAS AREA RAPID TRANSIT BOARD

RESOLUTION

(Executive Committee)

Approval to Amend DART Fare Structure for the Dallas Streetcar

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

WHEREAS, DART’s fare structure requires amendment from time to time; and

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

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

WHEREAS, a public hearing was held on May 26, 2020 to receive comments on the proposed fare structure change; and

WHEREAS, the Board desires to modify the fare structure; and

WHEREAS, the Dallas streetcar fare will have no impact on the FY 2020 Twenty-Year Financial Plan.

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

Section 1: The Fare Equity Analysis is approved as shown in Exhibit 2.

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.



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	<u>Effective Date</u>
	<u>August 1, 2018</u>
<u>Single Ride (1) (available only on bus)</u>	
Local	\$2.50
Reduced Fare	1.25
Regional	N/A
	<u>December 1, 2020</u>
<u>Single Ride – Paratransit</u>	
Paratransit – Demand Response Van/Sedan Service	\$3.50
Paratransit – Trips to Fixed-Route Stops	1.00
Paratransit – Eligible Riders on Fixed-Route Service	FREE
	<u>July 1, 2020</u>
<u>Dallas Streetcar</u>	
Dallas Streetcar - Local	\$1.00
<u>Mid-Day (9:30 a.m. – 2:30 p.m.) (6)</u>	
Local	2.00
<u>Day</u>	
Local	6.00
Regional (4)	12.00
Reduced (5)	3.00
<u>Regional Day Pass Vouchers</u>	
	<u>January 1, 2020</u>
Regional – (7)	\$3.60
	<u>August 1, 2018</u>
<u>Month</u>	
Local	\$96.00
Regional	192.00
Reduced Fare (5)	48.00
	<u>December 1, 2020</u>
Paratransit	\$112.00

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.)

<u>Annual</u>	<u>August 1, 2018</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	58,765	\$ 188,279
Reduced	38,570	48,213	31,804	39,755	25,559	31,057
Paratransit (book of ten)	31,652	949,568	17,937	538,120	12,078	362,350
Total Single Fare	190,001	\$ 1,297,228	137,068	\$ 796,193	96,402	\$ 581,686
AM/PM						
Local	1,597,411	\$ 4,792,215	3,440,269	\$ 10,320,774	776,010	\$ 2,328,019
Regional	3,136,205	9,654,483			1,514,809	4,709,162
Reduced	429,490	644,231	983,835	1,475,734	216,743	325,109
Mesquite	879,920	1,319,871			441,998	662,991
Total AM/PM	6,043,025	\$ 16,410,800	4,424,104	\$ 11,796,508	2,949,559	\$ 8,025,282
Midday						
Local	882,267	\$ 1,764,514	624,673	\$ 1,249,335	415,686	\$ 831,367
Regional	-	-	25,624	51,238	17,107	34,208
Total Midday	882,267	\$ 1,764,514	650,297	\$ 1,300,573	432,793	\$ 865,575
Day Passes						
Local	1,642,160	\$ 9,852,936	919,132	\$ 5,514,745	642,906	\$ 3,857,413
Regional	126,930	1,523,160	108,494	1,301,928	75,067	900,808
Reduced	549,855	1,649,553	305,797	917,372	209,883	629,637
High School	19,703	59,109	18,753	56,259	13,190	39,571
College/Trade	34,450	103,350	34,182	102,546	23,968	71,904
Mesquite	72	504	5	35	4	26
Vouchers (book of ten)	46,882	1,742,386	30,729	1,075,515	20,805	728,165
Total Day Passes	2,420,053	\$ 14,930,998	1,417,092	\$ 8,968,401	985,823	\$ 6,227,524
Monthly Passes						
Local	94,034	\$ 9,027,264	47,356	\$ 4,546,176	32,705	\$ 3,139,674
System	-	900	-	-	-	-
Regional	1,660	318,720	656	125,952	471	90,384
Reduced	26,157	1,255,536	10,506	504,288	7,417	356,031
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	8,537	409,786
College/Trade	607	29,136	0	0	0	0
Total Monthly Passes	140,137	\$ 11,485,592	69,046	\$ 5,681,760	49,130	\$ 3,995,874
Annual Passes						
Local	366	\$ 393,993	137	\$ 60,284	93	\$ 61,520
System	-	-	-	-	-	-
Regional	11	20,020	5	9,100	3	6,300
Senior	109	62,784	2	624	0	0
Corporate Programs - Local	13,425	10,056,468	11,047	8,331,994	6,794	4,584,772
Corporate Programs - System					-	0
Corporate Programs - Regional					669	494,877
Total Annual Passes	13,911	\$ 10,533,265	11,191	\$ 8,402,002	7,559	\$ 5,147,469
Other Programs						
Secondary/College Decals	59,152	\$ 2,062,608	51,488	\$ 3,121,325	35,975	\$ 1,907,129
Special Events	14,157	42,471	18,658	55,974	12,501	37,503
Total Other Programs	73,309	\$ 2,105,079	70,146	\$ 3,177,299	48,476	\$ 1,944,631
Total Pass Sales	9,763,837	58,530,271	6,778,944	40,122,735	4,569,741	26,788,041



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.



Exhibit 113 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 114 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
Vanpool	3,640	3,893	4,067	3,728	3,516	1,855	1,954	1,876	1,761	1,808
	204,650	214,530	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
Vanpool	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
Vanpool	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
Vanpool	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
Vanpool	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

N/A= Not applicable

Notes

(1) Average weekday revenue miles and hours for rail services are car revenue miles and hours.

Source: National Transit Database



Exhibit 115 Ridership

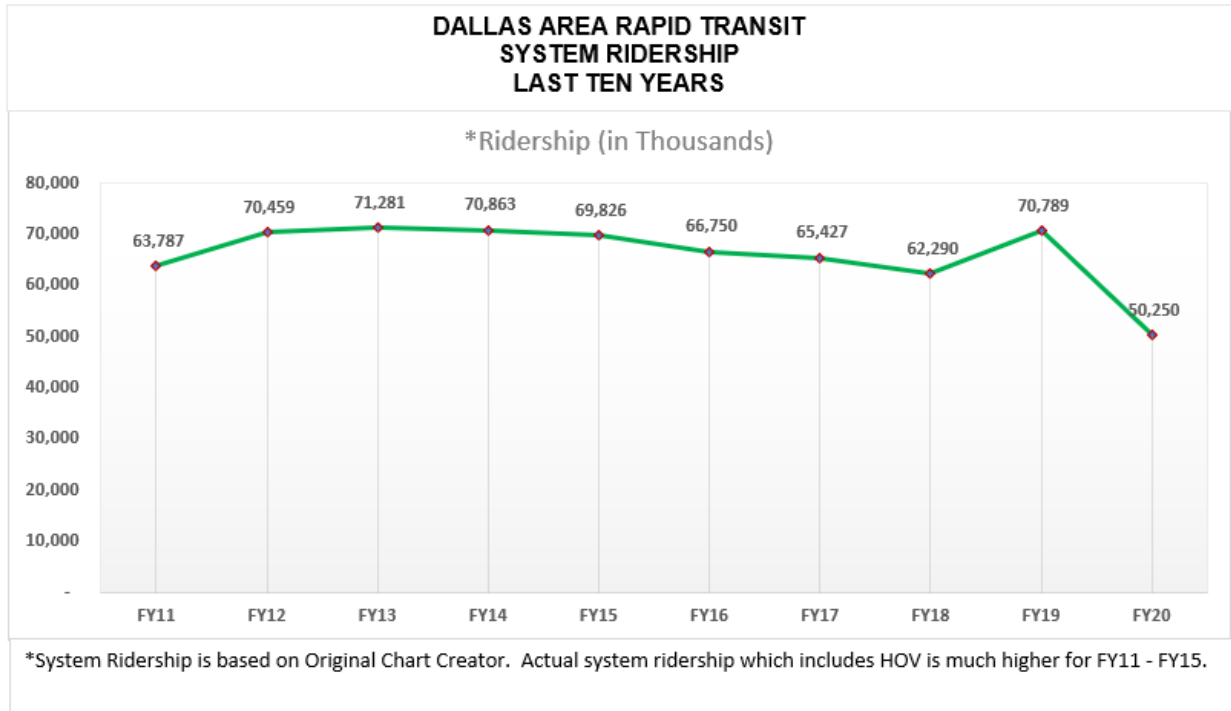


Exhibit 116 Revenue Miles

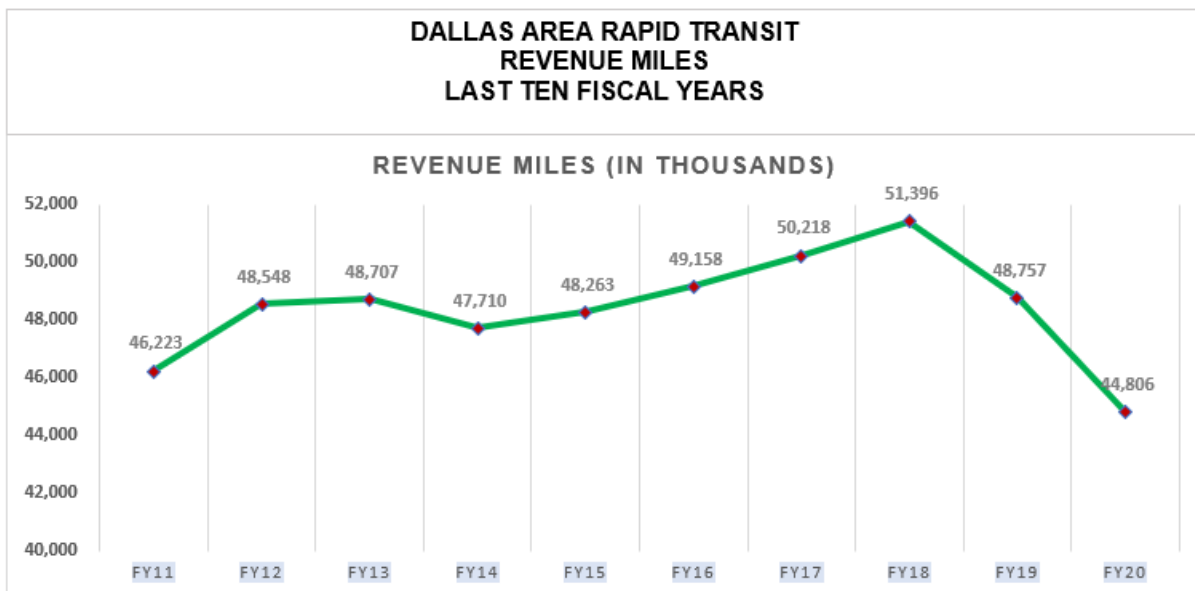




Exhibit 117 Revenue Hours

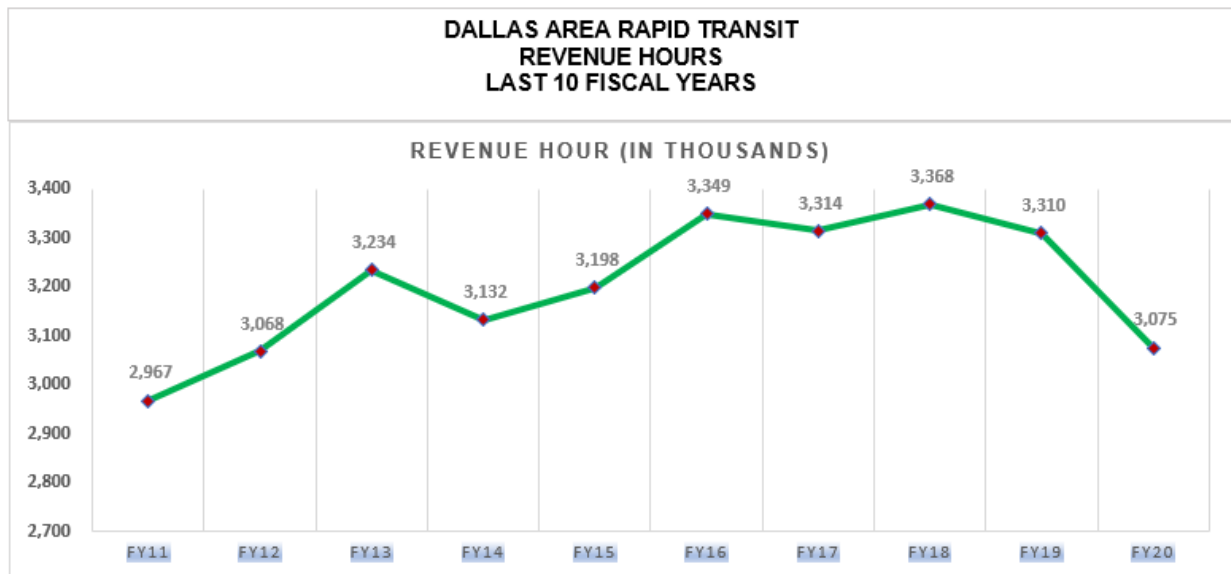




Exhibit 118 Number of Vehicles and Operating Facilities

**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 stations	1	1	2	2	2	2	2	2	2	2
Number of operating garages	34	34	34	34	34	34	34	34	34	34
Commuter Rail	10	10	10	10	10	10	10	10	10	10
Miles of tracks	1	1	1	1	1	1	1	1	1	1
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

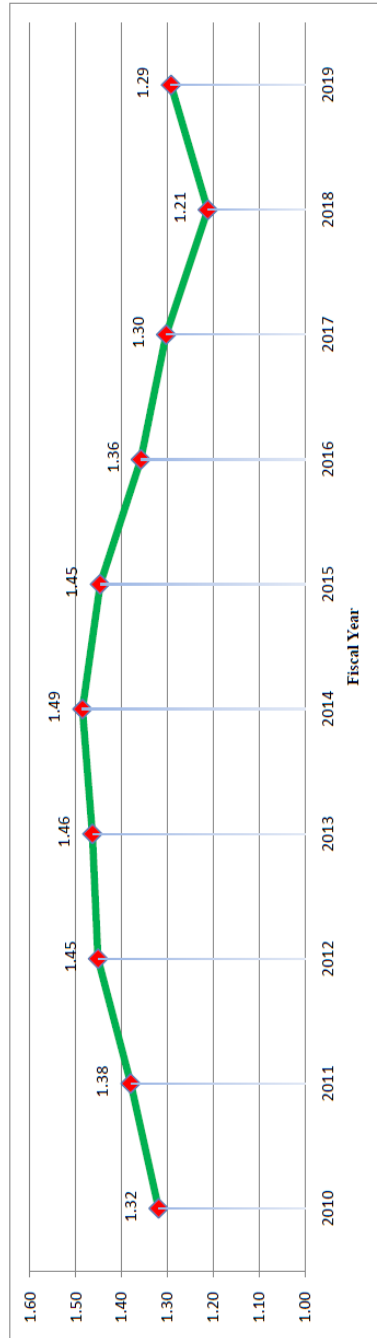
Sources:
 1) National Transit Database
 2) Internal DART records



Exhibit 119 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

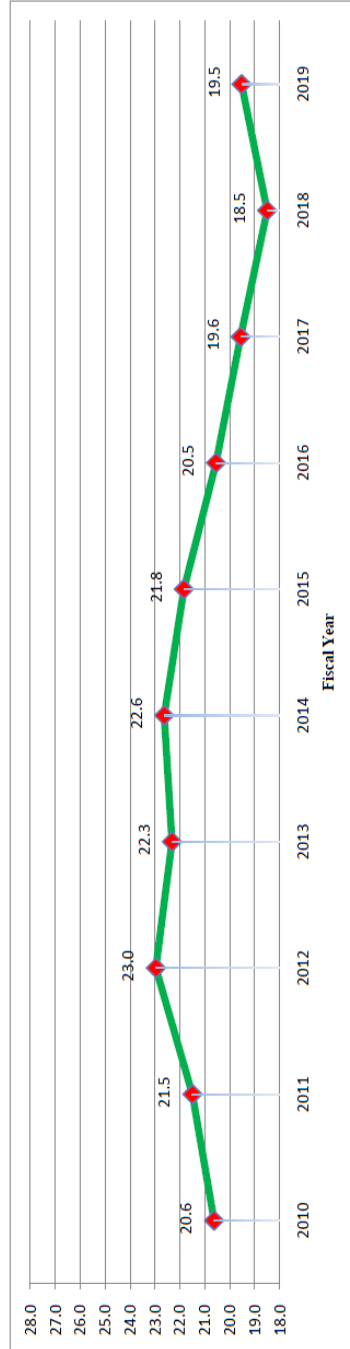




Exhibit 120 Cost of Capital Assets

	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 121 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.

	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.

	Class A Office	Class B Office	Class C Office	Community Centers	Neighborhood Centers	Shopping Mall	Retail 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).

<i>Description</i>	<i>2009</i>	<i>2014</i>
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).

Property Type	Est. Value of All Properties		Est. Tax Contributions		Tax
	DART	Control	DART	Control	Differential
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
<small>* Includes state and local sales and use taxes, property taxes, and license and permit fees. Source: IMPLAN</small>	

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
<small>* Includes state and local sales and use taxes, property taxes, and license and permit fees. Source: IMPLAN</small>	

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 have 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 121 DART Fast Facts

SECTION	FAST FACTS	
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"> • FY20 sales tax revenue \$615.8 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) • 3,973 employees (FY20) • 3,748 employees (FY21)
3.0 RIDERSHIP		
MODE	FY20 ANNUAL	FY20 AVERAGE WEEKDAY
Bus	27.7 million	88,300
Light Rail	20.1 million	62,600
Commuter Rail	1.3 million	4,300
Paratransit	643,800	2,200
Vanpool	309,700	1,200
Dallas Streetcar	189,400	550
Total System	50.1 million	159,100
4.0 OPERATIONS AND PERFORMANCE (FY20)		
<ul style="list-style-type: none"> • Annual Bus Revenue Miles – 26,891,856 • Annual Demand Response Revenue Miles – 7,647,513 • Annual LRT Revenue Car Miles – 9,866,803 • Annual Commuter Rail Revenue Car Miles – 1,404,961 	Service Quality-On-Time Performance <ul style="list-style-type: none"> • Bus 83.6% • LRT/Streetcar 92.1% • TRE 96.4% 	<ul style="list-style-type: none"> • Subsidy per Passenger – Total System \$9.91 • Subsidy per Passenger – Fixed Route \$9.28



Exhibit 122 DART Fast Facts (cont.)

5.0 FLEET OVERVIEW			
BUS	LIGHT RAIL	COMMUTER RAIL	
<ul style="list-style-type: none"> • 516 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 • 7 Proterra Electric Buses <ul style="list-style-type: none"> ◦ Vehicle length: 35 feet ◦ Capacity: 35 seats 	<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 	
	<p style="text-align: center;">PARATRANSIT</p> <ul style="list-style-type: none"> • 77 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 		<p style="text-align: center;">DALLAS STREETCAR</p> <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
		<p style="text-align: center;">NON REVENUE VEHICLE</p> <ul style="list-style-type: none"> • 746 vehicles 	
6.0 FACILITIES			
BUS	LIGHT RAIL	COMMUTER RAIL	
<ul style="list-style-type: none"> • 10,325 bus stops • 1,289 shelters, 56 enhanced shelters, 1,542 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 <p>*Hidden Ridge Station opens April 2021 and is not included in above total</p>	<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 	



**Exhibit 123
DART Fast Facts (cont.)**

8.0 OPERATING AND CAPITAL BUDGET (FY21)		
<ul style="list-style-type: none"> • \$647 million Capital and Non-Operating Budget • \$542.4 million Operating Budget • \$583.8 million Sales Tax Revenue 	FAREBOX RECOVERY <ul style="list-style-type: none"> • Bus 8.6% • Light Rail 10.9% • Commuter Rail 13.3% • Total 9.7% 	BUDGET SUBSIDY PER PASSENGER <ul style="list-style-type: none"> • Bus \$9.93 • Light Rail \$8.23 • Commuter Rail \$16.96 • Paratransit \$46.48 • Vanpool \$1.97
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 underway, complete 2022) ◦ Silver Line Regional Rail Project (Design/Build underway, complete 2023) ◦ D2 Subway Second CBD Alignment (Planning/Design underway) ◦ Dallas Streetcar Central Link (Planning underway) ◦ Dallas Streetcar Loop - Extension 2 (Planning/Design underway) 		
10.0 ECONOMIC DEVELOPMENT		
<ul style="list-style-type: none"> • Existing, under construction and planned developments around DART stations total more than \$16 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 124
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.

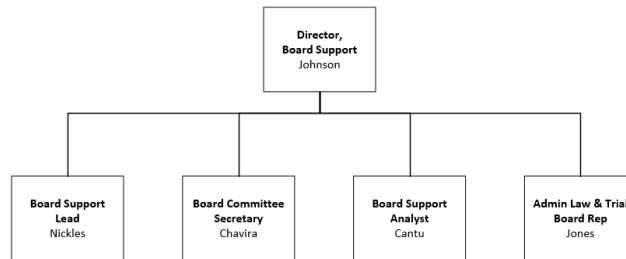


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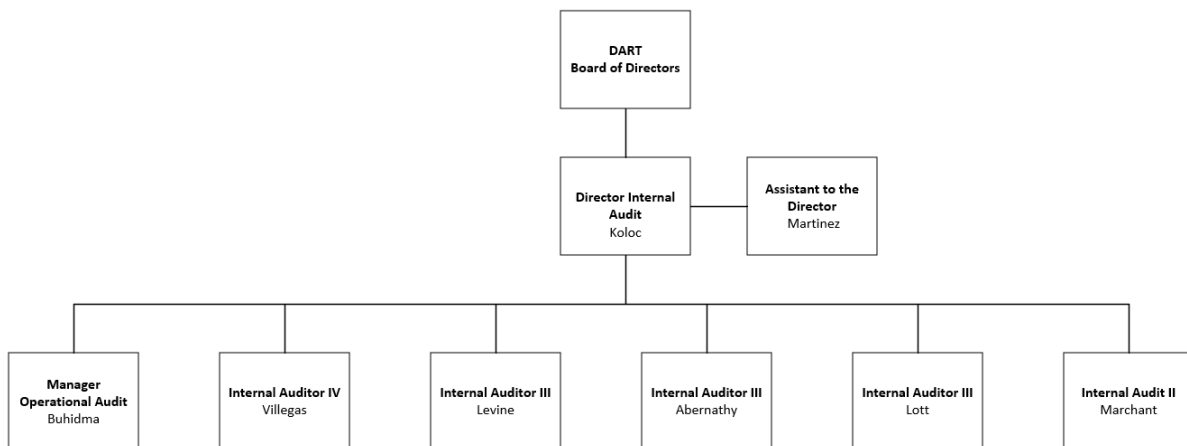
I. DART's Organizational Charts

The following pages shows the organizational charts for each major functional group within DART.

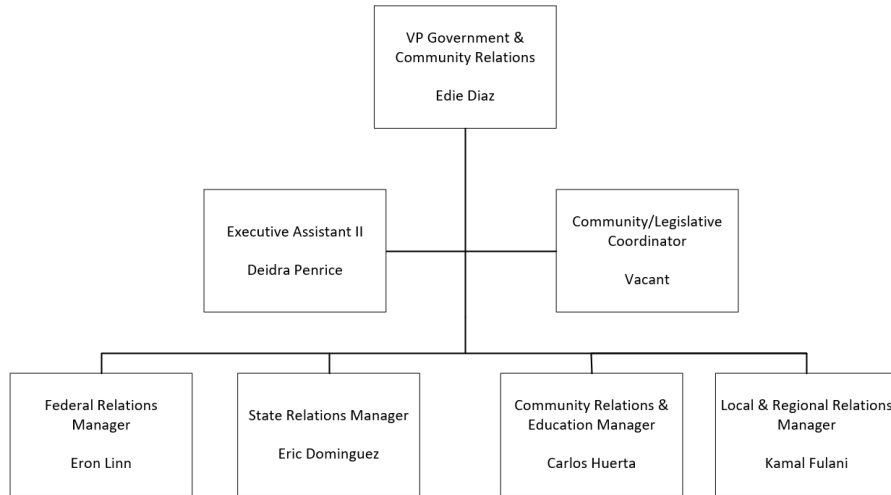
Office of Board Support



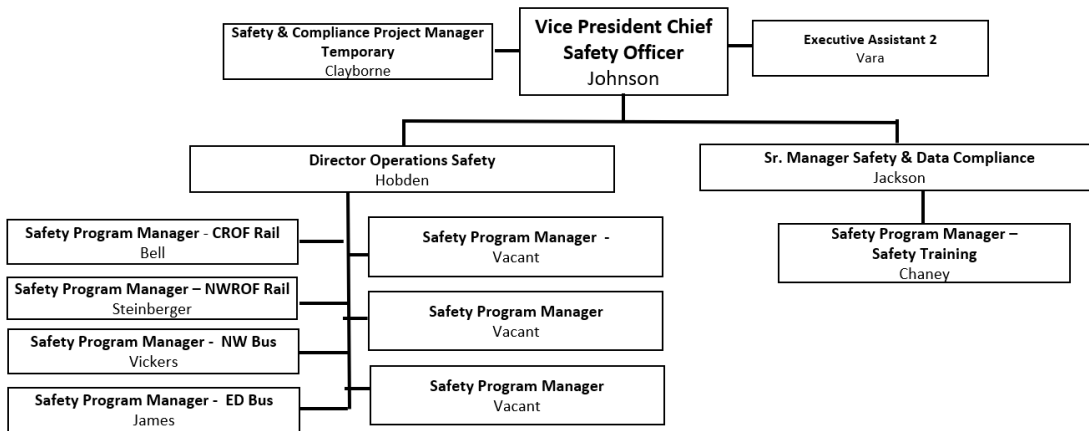
Office of Internal Audit



Government & Community Relations Department

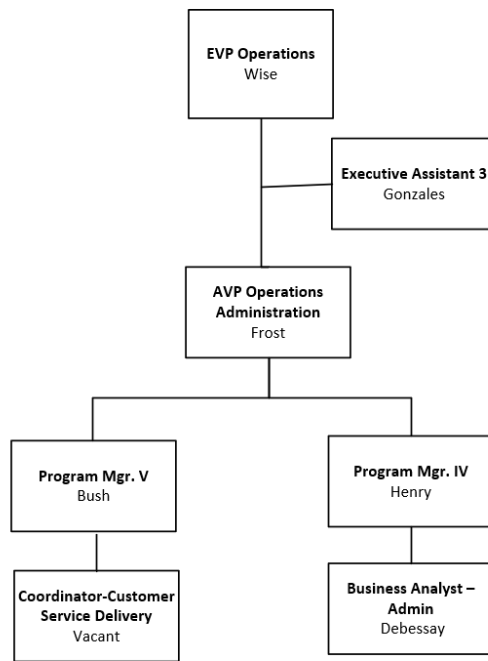


Operations Safety Department

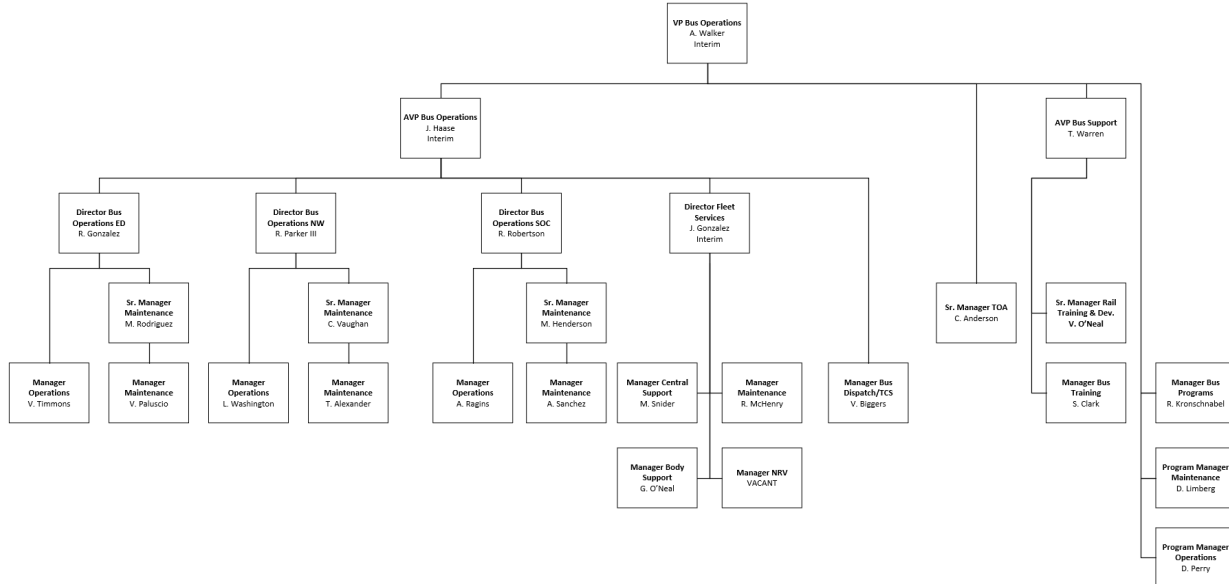




Customer Care & Service Delivery

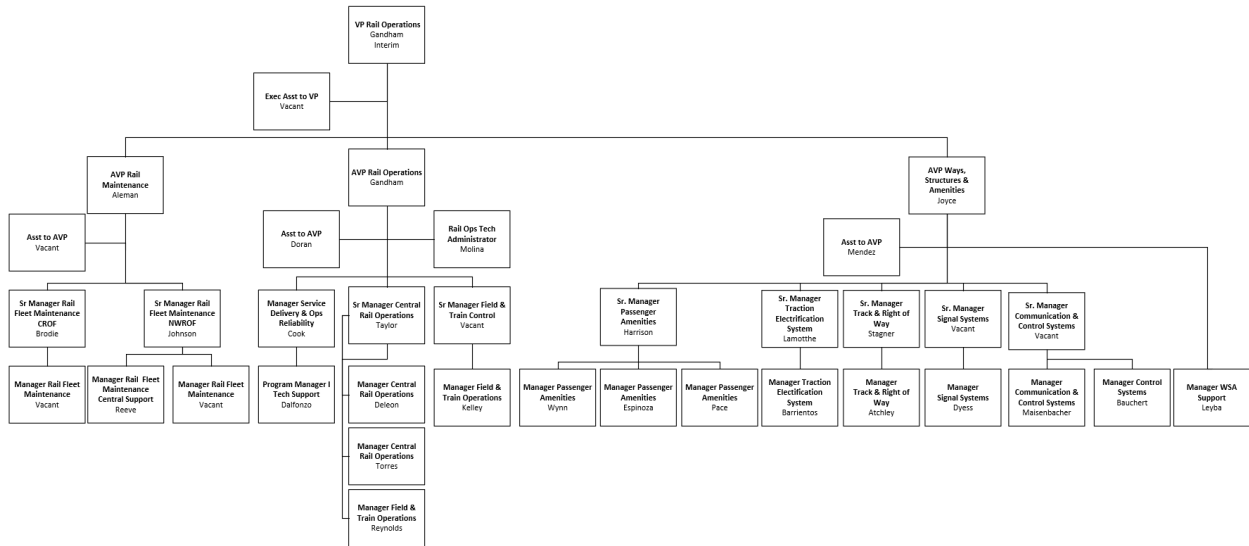


Bus Operations Department

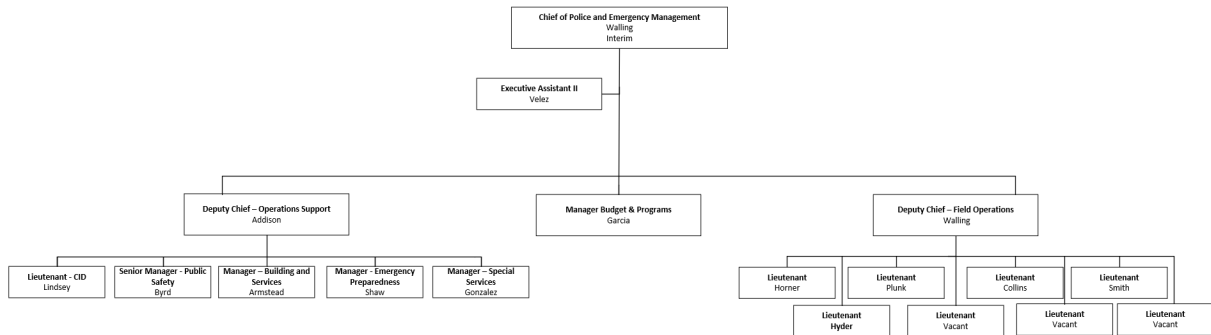




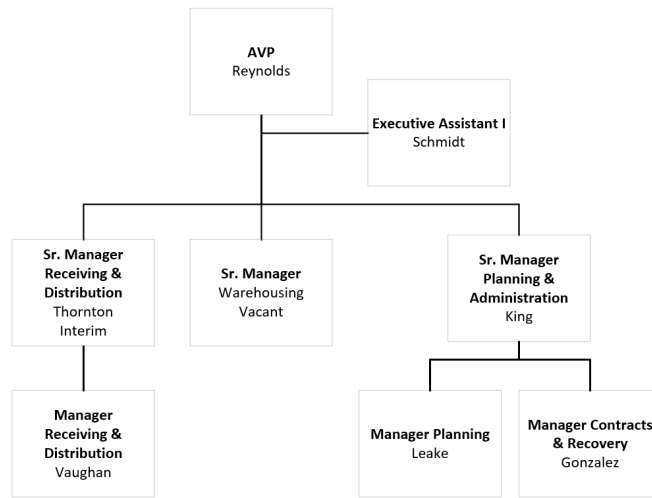
Light Rail Operations Department



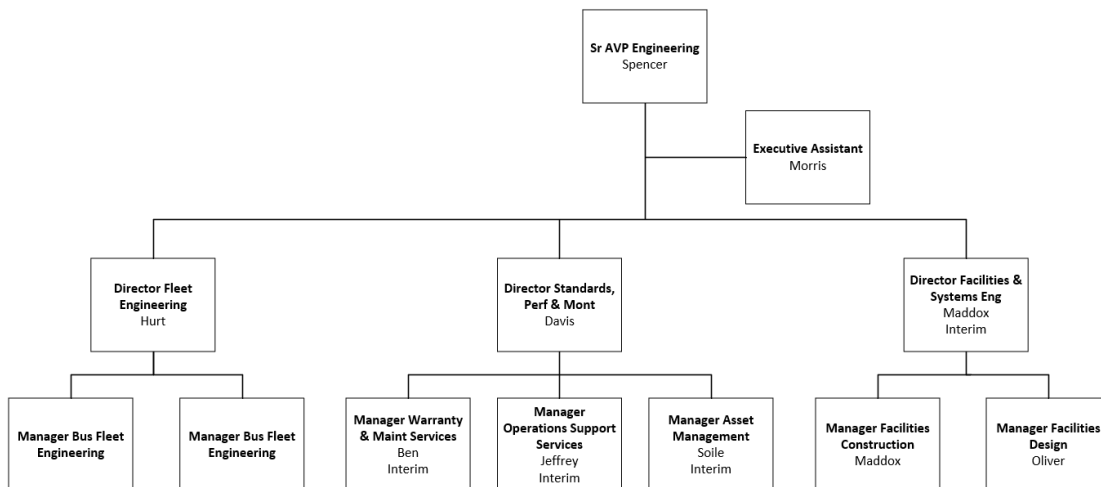
Police & Emergency Management



Materials Management Department

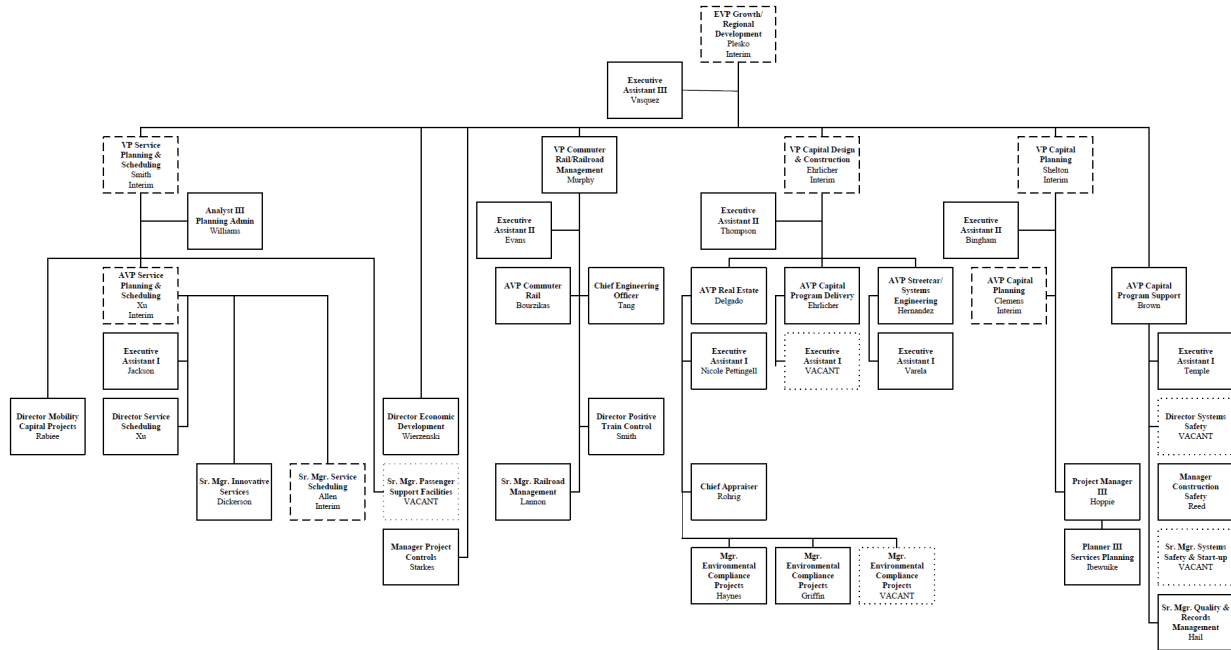


Engineering Department

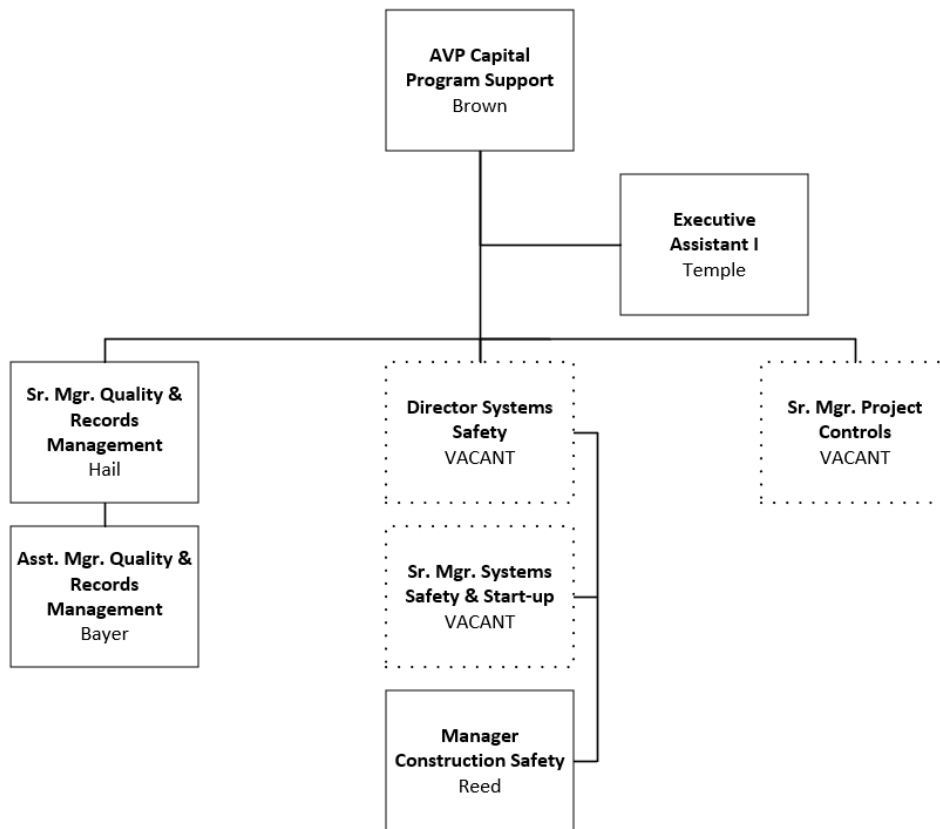




Growth/Regional Development

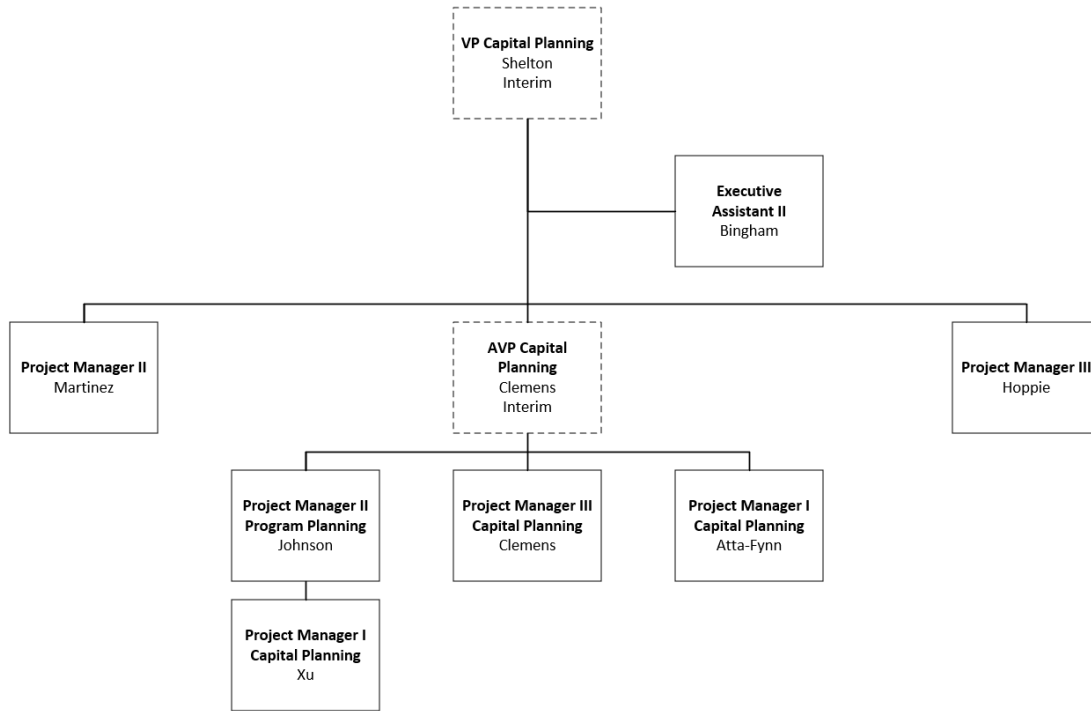


Capital Program Support

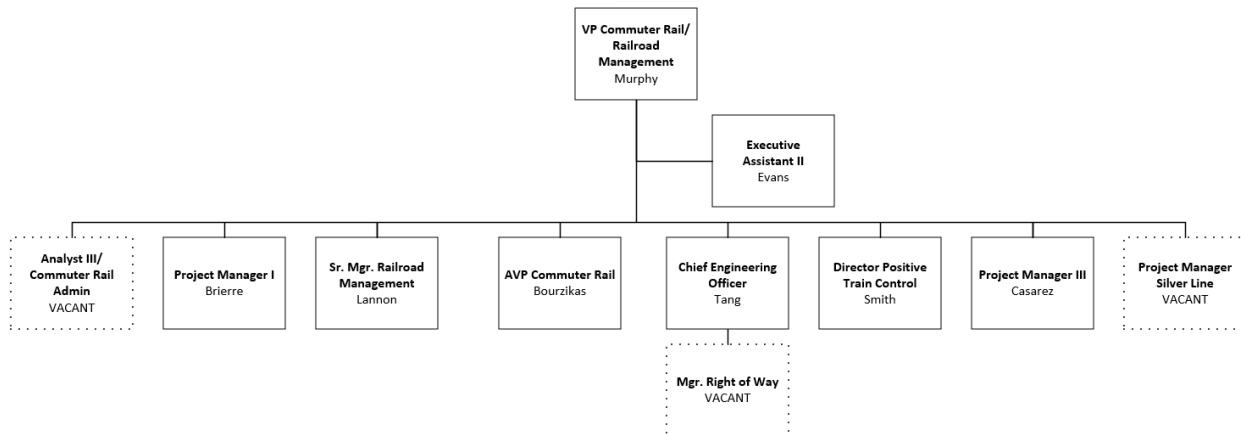




Capital Planning Department

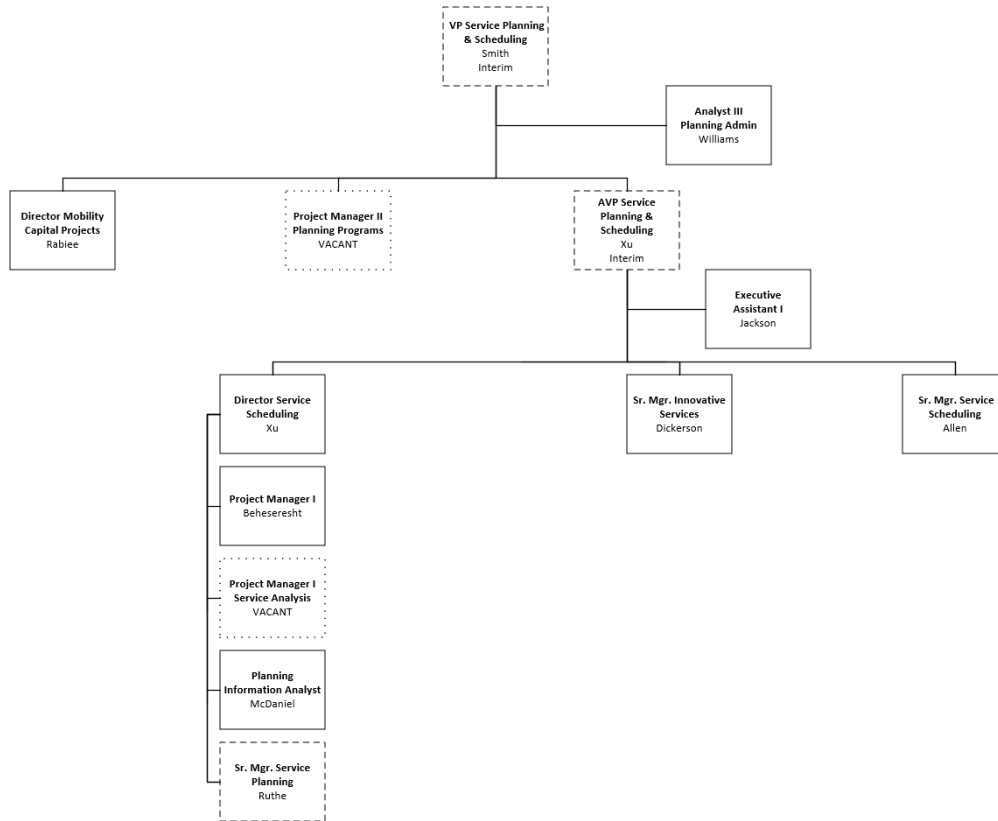


Commuter Rail/Railroad Management Department

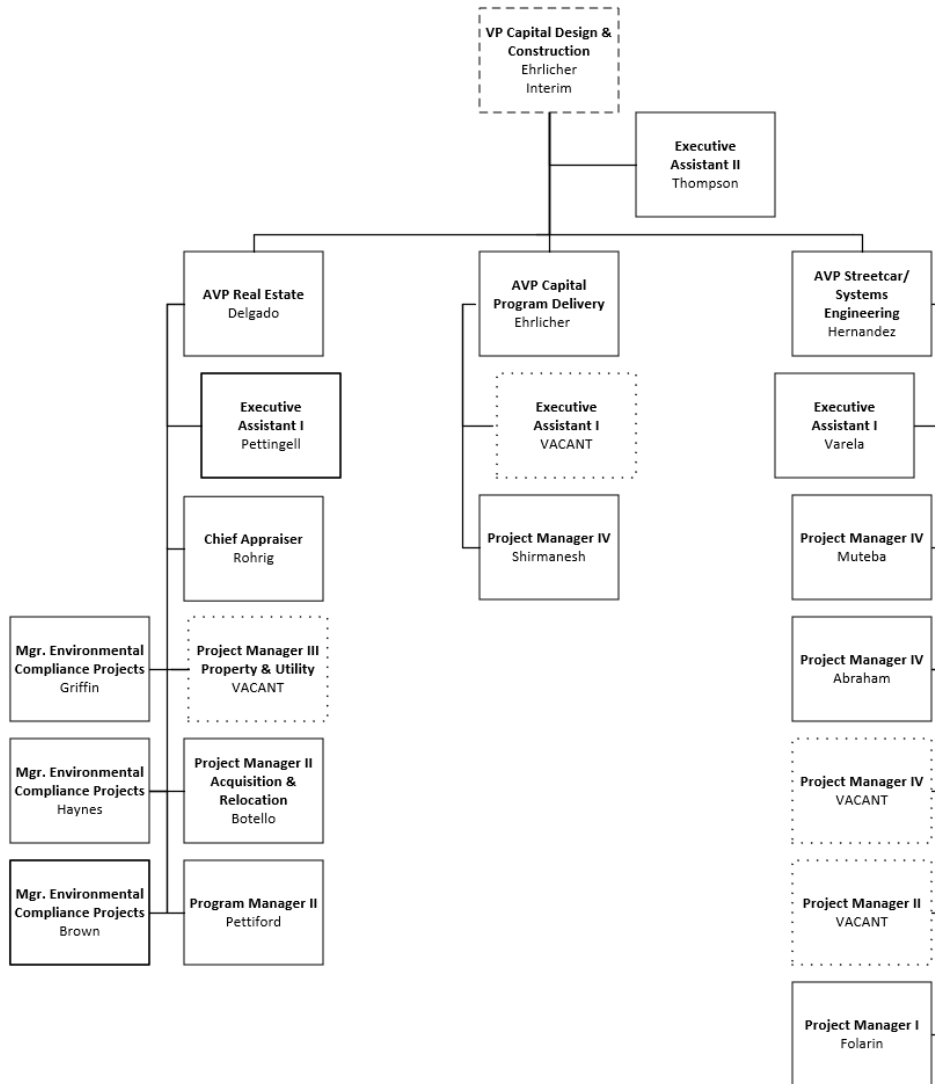




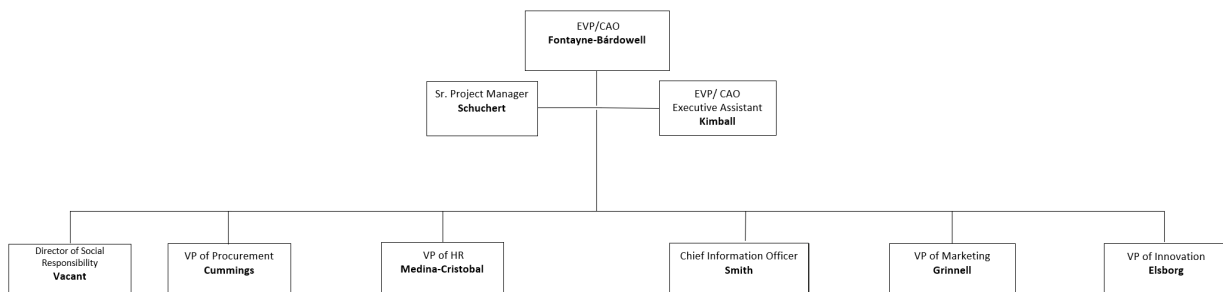
Service Planning & Scheduling Department



Capital Design & Construction Department

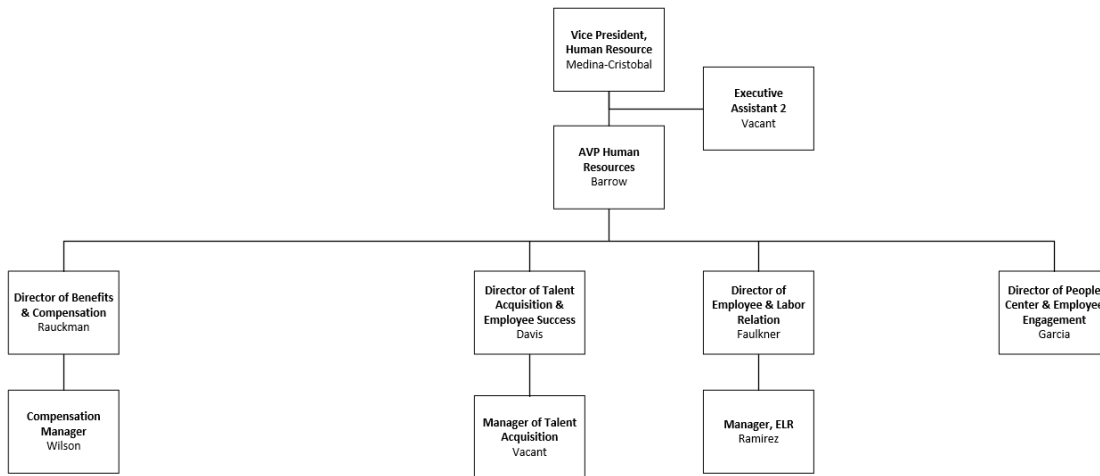


Business & Innovative Solutions

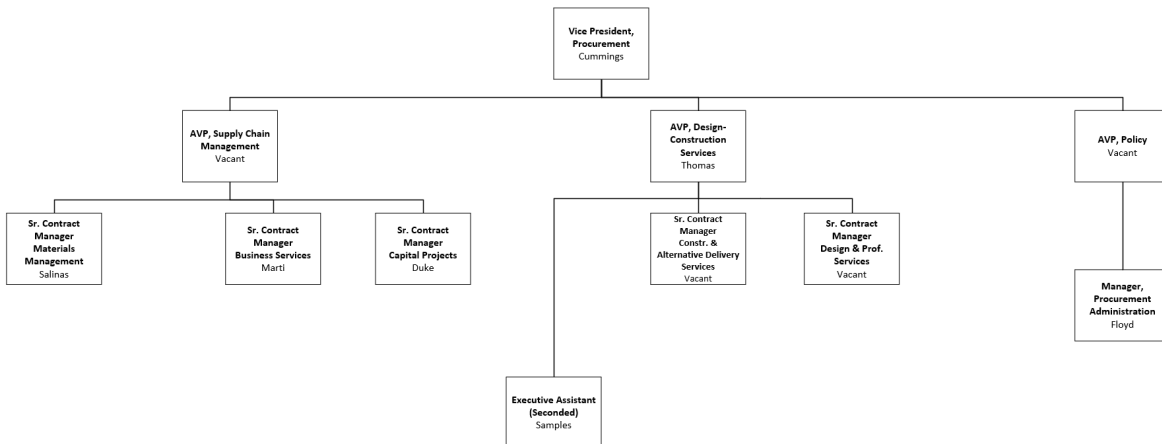




Human Resources Department

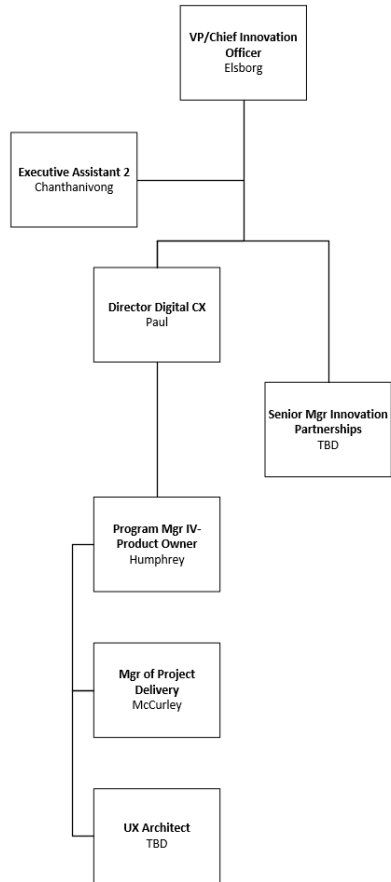


Procurement Department

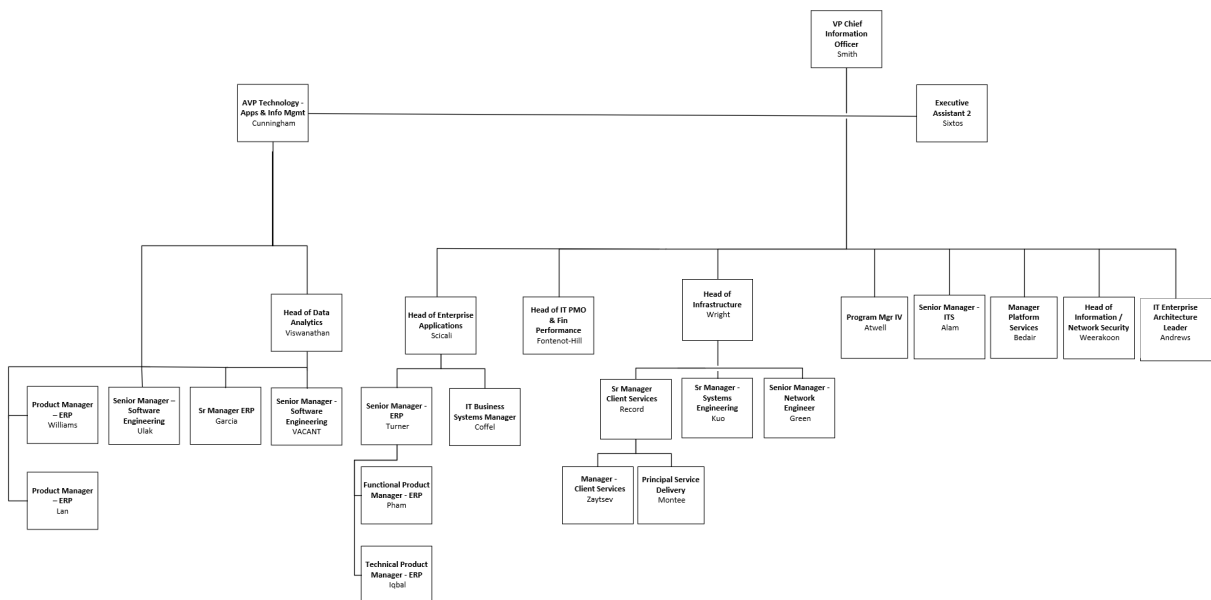




Innovation Department



Technology Department





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J. 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.



K. 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
CAD/AVL	Computer Aided Dispatch/Automatic Vehicle Locator
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



K. Acronyms

CIT	Continuous Improvement Team
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



K. Acronyms

EAP	Employee Assistance Program
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



K. Acronyms

HRA	Health Reimbursement Account
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



K. Acronyms

MAP-21	Moving Ahead for Progress in the 21st Century
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)



K. Acronyms

NWROF	Northwest Rail Operating Facility
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



K. Acronyms

R	Registration (mark)
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



K. Acronyms

SS	Support Services
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
TWC	Train-to-Wayside Control
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



K. Acronyms

USC	United States Code
UT	University of Texas
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



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