

OPERATIONS & CAPITAL PROJECTS COMMITTEE

DAN LEYENDECKER (Chair)

Anne Bauman ~ Anna Jimenez ~ Philip Skrobarczyk ~ Matt Woolbright

| | TOPIC | SPEAKER | EST.TIME | REFERENCE |
|---|--|----------------|----------|--------------------------------|
| 1. | Roll Call | D. Linnehan | 2 min. | ---- |
| 2. | Safety Briefing | M. Rendón | 2 min. | ---- |
| 3. | Receipt of Conflict of Interest Affidavits | D. Leyendecker | 2 min. | ---- |
| 4. | Opportunity for Public Comment 3 min. limit – no discussion | D. Leyendecker | 3 min. | ---- |
| <p>NOTE: DUE TO THE CURRENT CONDITIONS FOR COVID-19, WE ENCOURAGE SOCIAL DISTANCING AND FACIAL COVERINGS ARE REQUIRED (AND AVAILABLE) FOR INDIVIDUALS ATTENDING THE MEETING.</p> <p>Public Comment may be provided in writing, limited to 1,000 characters, by using the Public Comment Form online at www.ccrta.org/news-opportunities/agenda or by regular mail or hand-delivery to the CCRTA at 602 N. Staples St., Corpus Christi, TX 78401, and MUST be submitted no later than 5 minutes after the start of a meeting in order to be provided for consideration and review at the meeting. All Public Comments submitted shall be placed into the record of the meeting.</p> | | | | |
| 5. | Discussion and Possible Action to Approve the Operations & Capital Finance Committee Meeting Minutes of July 22, 2020 | D. Leyendecker | 3 min. | Pages 1-4 |
| 6. | Discussion and Possible Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Exercise the One (1) Year Option on the Contract to James River Petroleum for Unleaded Fuel Supply | D. Majchszak | 3 min. | Pages 5-6 <i>PPT</i> |
| 7. | Adjournment | D. Leyendecker | 1 min. | ---- |

Total Estimated Time: 19 min.

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BOARD OF DIRECTORS BUDGET WORKSHOP #3

| | TOPIC | SPEAKER | EST.TIME | REFERENCE |
|----|--|------------|----------|------------|
| 1. | 2020 Budget Workshop #3 a. Dept. 41 – CEO b. Dept. 44 – Human Resources c. Dept. 50 – Marketing d. Dept. 52 – Safety & Security | R. Saldaña | 45 min. | <i>PPT</i> |

Total Estimated Time: 45 min.

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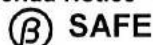
On **Friday, August 21, 2020** this Notice was posted by **Dena Linnehan** at the CCRTA Staples Street Center, 602 N. Staples Street, Corpus Christi, Texas; and sent to the Nueces County and the San Patricio County Clerks for posting at their locations.

PUBLIC NOTICE is given that the Board may elect to go into executive session at any time during the meeting in order to discuss matters listed on the agenda, when authorized by the provisions of the Open Meetings Act, Chapter 551 of the Texas Government Code. In the event the Board elects to go into executive session regarding an agenda item, the section or sections of the Open Meetings Act authorizing the executive session will be publicly announced by the presiding officer.

In compliance with the Americans with Disabilities Act, individuals with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the Assistant Secretary to the Board at (361) 903-3474 at least 48 hours in advance so that appropriate arrangements can be made. Información en Español: Si usted desea esta información en Español o en otro idioma, por favor llame al teléfono(361) 289-2712.

Mission Statement
The Regional Transportation Authority was created by the people to provide quality transportation in a responsible manner consistent with its financial resources and the diverse needs of the people.

Agenda Notice – Page 2



Vision Statement
Provide an integrated system of innovative accessible and efficient public transportation services that increase access to opportunities and contribute to a healthy environment for the people in our service area.



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES
WEDNESDAY, JUNE 24, 2020

Summary of Actions

1. Roll Call
2. Safety Briefing
3. Receipt of Conflict of Interest Affidavits
4. Opportunity for Public Comment
5. Action to Approve the Administration & Finance Committee Meeting Minutes of May 27, 2020.
6. Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Approve Issuing a Request for Proposals (RFP) for Third Party Administrators for Administration of the Self Insurance Plan.
7. Action to Recommend the Board of Directors to Adopt the 2020 Public Transportation Action Safety Plan (PTASP) Manual.
8. Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a One-Year Contract to Carlisle Insurance for Windstorm and Hail Insurance Coverage.
9. Adjournment

The Corpus Christi Regional Transportation Authority Board of Directors met at 8:30 a.m. in the Corpus Christi Regional Transportation Authority Staples Street Center facility located at 602 N. Staples Street, 2nd Floor Board Room, Corpus Christi, Texas.

Call to Order & Roll Call

Ms. Patricia Dominguez called the meeting to order at 8:30 a.m., called Roll, and stated a quorum was present.

Board Members Present Lynn Allison, George Clower, Glenn Martin and Michael Reeves. Board members attended remotely.

Board Members Absent Patricia Dominguez.

Staff Present Jorge G. Cruz-Aedo, CEO; David Chapa, John Esparza, Dena Linnehan, Derrick Majchszak, Sharon Montez, Rita Patrick, Mike Rendón, Gordon Robinson, Robert Saldaña and Ashlee Winstead-Sherman.

Public Present *DUE TO THE CURRENT CONDITIONS FOR COVID-19, WE ENCOURAGE SOCIAL DISTANCING AND FACE MASKS (AVAILABLE) FOR INDIVIDUALS ATTENDING THE MEETING.* Rob MacDonald, MPO.

Public Comment may be provided in writing, limited to 1,000 characters, by using the [Public Comment Form](http://www.ccrta.org/news-opportunities/agenda) online at www.ccrta.org/news-opportunities/agenda or by regular mail or hand-delivery to the CCRTA at 602 N. Staples St., Corpus Christi, TX 78401, and **MUST** be submitted no later than 5 minutes after the start of a meeting in order to be provided for consideration and review at the meeting. All Public Comments submitted shall be placed into the record of the meeting.



No public comment received in-person or online.

Held Safety Briefing

Mr. Mike Rendón provided safety information in the event of an emergency for the Board members and guests in the audience. He pointed out the area in the Employee Parking Lot where individuals are to assemble outside of the building, including shelter in-place instructions, and said Ms. Linnehan would be responsible for guiding the Board Members to the Muster Point. He also told us once you leave the building, you may not enter until an 'all clear' is given by Security personnel if or when you may re-enter.

Action to receive Conflict of Interest Affidavits

None received.

Action to Approve the Administration & Finance Committee Meeting Minutes of May 27, 2020

MS. LYNN ALLISON MADE A MOTION TO APPROVE THE ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES OF MAY 27, 2020. MR. MIKE REEVES SECONDED THE MOTION. THE MOTION CARRIED. ALLISON, CLOWER, MARTIN AND REEVES VOTING IN FAVOR. ABSENT DOMINGUEZ.

Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Approve Issuing a Request for Proposals (RFP) for Third Party Administrators for Administration of the Self Insurance Plan

Mr. Jorge Cruz-Aedo presented this item on behalf of Ms. Angelina Gaitan. He commented on the background of the health, dental and vision self-funded program the agency provides to their employees and retirees. He stated this is a program designed by the CCRTA for the benefits the employees over the last 25-30 years have requested and we have been able to look at to self-fund for the CCRTA. Mr. Cruz-Aedo commented the third-party administration, 90 Degree Benefit, formerly ENTRUST, Inc., and their contract will expire December 31, 2020. The program covers all of the agency's medical, vision and dental plans benefits, and the third-part administrator manages several items to include audit of stop-loss carrier and plan compliance, fiduciary for the plan, also manages various case management services and the is an intermediary with the Pharmacy benefit manager. He said the third-party administrator is an important element of the self-funded program as they are actually the one who manage and run the program on the agency's behalf. He said management of the program includes the Affordable Care Act (ACA) requirements, COBRA administration and enhanced educational outreach of the plan and wellness programs.

Mr. Cruz-Aedo continued to say there is no Disadvantaged Business Enterprises (DBE) requirement as this is a service agreement and not funded by any federal monies. He said the financial impact of the FY2020 costs is \$238,395 from local funds. He commented Staff is requesting due to the plan expired this December, to solicit a request for proposals (RFP). Mr. Cruz-Aedo mentioned that additionally, after discussions with some peer organizations and local expertise, that there may be a mechanism under the professional services component of contract we can potentially renew this contract if we would like, under revise terms and conditions we can negotiate with this company. He stated he is asking permission to move forward with the request for issuing an RFP. He also stated he is requesting permission to continue researching the ability to see if there is an option to automatically renew, if this is to our benefit. He said this

would be twofold, and he has Mr. Roland Barrera, our current consultant, here to add a few words regarding the program.

Mr. Roland Barrera introduced himself as our consultant who handles the self-funded medical, dental and vision program for the agency. He pointed out some highlights of the program and why we are looking at the additional option because the value of the service they provide does not always commiserate on price or value. He said 90 Degree Benefits is the largest vendor for the Spohn Network. Mr. Barrera said if you chose one of the big carriers like Humana, Blue Cross, or United, whichever the case may be, those contracts with the discounts come out for about, say for example, 275 to 300 percent of Medicare. So, for Spohn being local, and 90 Degree Benefit being their largest vendor, they have negotiated a discount of 175 percent of Medicare pricing with the hospital, and this would not be done by a big carrier as it is very specific and a customized contract. He said the agency has a very highly customized plan and it would be very difficult to issue an RFP. He said even in the industry, as an example, like the agency's windstorm coverage, since it is highly customized to meet the needs of the agency, if you issue an RFP, you would only have one bidder. Mr. Barrera commented so you have one group who highly customizes their program, so you only get one bidder, it puts you at an adverse situation where you are unable to negotiate. He added this allows us to be able to customize, review and chisel, instead of issuing a blanket RFP especially when the agency needs something highly specialized.

Mr. Cruz-Aedo commented that if the agency has to make a transition, he is concerned in doing so during this time in December of 2020, as he is still not certain how the COVID-19 situation will be affecting our employees and their healthcare and any claims they may have. Mr. Cruz-Aedo said he would like to see some consistency of some kind of benefit with 90 Degree Benefits, and sort all of this out with an RFP with the ability to see if there may be an option for renewal with 90 Degree Benefits on December 31, 2020.

MS. LYNN ALLISON MADE A MOTION TO RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO APPROVE ISSUING A REQUEST FOR PROPOSALS (RFP) FOR THIRD PARTY ADMINISTRATORS FOR ADMINISTRATION OF THE SELF INSURANCE PLAN. MR. GEORGE CLOWER SECONDED THE MOTION. AFTER GENERAL DISCUSSION, THE MOTION WAS AMENDED.

FOR THE RECORD, MS. ALLISON AND MR. CLOWER BOTH RESCINDED THEIR PREVIOUS FIRST MOTIONS.

MR. MIKE REEVES MADE A MOTION AS AMENDED, TO RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO ENTER INTO A PROFESSIONAL SERVICE AGREEMENT WITH OUR CURRENT PROVIDER 90 DEGREE BENEFITS, IN LIEU OF AN AGREED UPON PRICE, OR GO OUT FOR AN REQUEST FOR PROPOSALS (RFP). MS. ALLISON SECONDED THE MOTION. THE MOTION CARRIED. ALLISON, CLOWER, MARTIN AND REEVES VOTING IN FAVOR. ABSENT DOMINGUEZ.

Action to Recommend the Board of Directors to Adopt the 2020 Public Transportation Action Safety Plan (PTASP) Manual

Mr. Miguel Rendón reported on the three pillars of the Public Transportation Action Safety Plan (PTASP) which is a document, if approved, will be submitted to Texas Department of Transportation (TxDOT) and the MPO local office. He explained each area of Safety Risk



Management, Safety Assurance and Safety Promotion of the Plan. The implementation was also described of our Transit Agency Information, Safety Policy and Procedures here at the CCRTA, and an Executive Summary. Mr. Rendón asked for the Board's approval to submit to TxDOT for certification of the CCRTA's safety measures in place.

MR. REEVES MADE A MOTION TO RECOMMEND THE BOARD OF DIRECTORS TO ADOPT THE 2020 PUBLIC TRANSPORTATION ACTION SAFETY PLAN (PTASP) MANUAL. MS. ALLISON SECONDED THE MOTION. THE MOTION CARRIED. ALLISON, CLOWER, MARTIN AND REEVES VOTING IN FAVOR. ABSENT DOMINGUEZ.

Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a One-Year Contract to Carlisle Insurance for Windstorm and Hail Insurance Coverage

Mr. Rendón provided background information with our current contract with Carlisle Insurance for Windstorm and Hail insurance which expires on July 27, 2020. He said a deductible of 1 percent of the sum of the state values for each building that we have a loss and identified in the State of Values is subject to \$25K minimum per occurrence of a named storm of wind and hail. There is also a \$25K per occurrence for any other wind/hail storms. Mr. Rendon said the premium that is expiring is \$92,589, and an RFP was issued on May 11, 2020, with only one proposal received.

Carlisle Insurance was the only proposal received who currently is who our windstorm and hail coverage is under. Mr. Rendón said the new contract will begin on July 28, 2020 for the agency's property values totaling \$45,109,315. He presented a slide with a table showing the evaluation details where Carlisle score was 93.80 at a cost of \$109,410.

MS. ALLISON MADE A MOTION TO RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO AWARD A ONE-YEAR CONTRACT TO CARLISLE INSURANCE FOR WINDSTORM AND HAIL INSURANCE COVERAGE. MR. REEVES SECONDED THE MOTION. THE MOTION CARRIED. ALLISON, CLOWER, MARTIN AND REEVES VOTING IN FAVOR. ABSENT DOMINGUEZ.

Adjournment

There being no further review of items, the meeting adjourned at 9:24 a.m.

Submitted by: Dena Linnehan



Subject: Authorize Adopting a Resolution for Electrical Services with the Texas Coalition for Affordable Power

Background

The CCRTA is a founding member of Texas Coalition for Affordable Power (TCAP). The CCRTA joined STAP in 2002, TCAP was formed when STAP merged with CAPP in 2011.

Identified Need

In order to take advantage of the group purchasing power of the Coop, the CCRTA entered into a 5-year agreement with TCAP for the purchase our electricity via the Strategic Hedging Program (SHP). Instead of buying electricity through a fixed price longer term contract, SHP will procure one twelfth of the annual supply each month, two years forward year to year. This provides the lowest market pricing to reduce carrying charges and risk premiums that longer term contracts must charge. SHP features an ultra-competitive RFP process of 20+ vetted creditworthy supplies. At least 4 suppliers will be in each TCAP portfolio at all times. Prices will be known to members well prior to fiscal year budgeting needs. This will also provide members with twice a year periodic off ramps if a member desires to revert to a traditional fixed price/fixed term contract.

In order to prepare for an electric supply contract beyond the 2022, it is necessary for members to have their governmental bodies pass the enclosed resolution to approve the Professional Services Agreement and the Commercial Electricity Service Agreement. The resolution authorizes TCAP to function as a procurer of energy in addition to serving as an agent in negotiating contracts.

Disadvantaged Business Enterprise

For this procurement the DBE goal is zero percent (0%).

Financial Impact

CCRTA uses approximately 5,245,000 kWh per year. The contract price that CCRTA had from 2014-2017 was \$0.07485/kWh. The current contract price for 2018-2022 is \$0.03649/kWh.

Board Priority

The Board Priority is Financial Transparency.

Recommendation

Staff requests the Administration & Finance Committee to recommend the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Authorize Adopting a Resolution for Electrical Services with the Texas Coalition for Affordable Power.

Respectfully Submitted,

Submitted & Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Jorge G. Cruz-Aedo
Chief Executive Officer

Corpus Christi Regional Transportation Authority



Resolution

RESOLUTION NO. 1

RESOLUTION OF THE CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY ADOPTING TCAP'S PROFESSIONAL SERVICES AGREEMENT AND GEXA ENERGY'S COMMERCIAL ELECTRIC SERVICE AGREEMENT FOR POWER TO BE PROVIDED ON AND AFTER JANUARY 1, 2023

WHEREAS, the Corpus Christi Regional Transportation Authority is a member of Texas Coalition For Affordable Power, Inc. ("TCAP"), a non-profit, political subdivision corporation of the State of Texas; and

WHEREAS, TCAP has previously arranged for the Housing Authority to purchase power through Gexa Energy with a contract set to expire December 31, 2022; and

WHEREAS, TCAP has designed a new procurement strategy that will involve TCAP initially committing to purchase power two years in advance of delivery on behalf of its members who desire participation in a Strategic Hedging Program ("SHP") that will involve a series of monthly competitive auctions; and

WHEREAS, TCAP has prepared a Professional Services Agreement ("PSA"), attached as Exhibit A, that, in addition to enumerating services and benefits to members of TCAP, provides TCAP with specific authority to procure power in the wholesale market on behalf of members who choose to participate in the SHP; and

WHEREAS, approval of the PSA is a necessary, but not sufficient, prerequisite to participation in the SHP; and

WHEREAS, the PSA is a relational contract that defines services provided by TCAP to members regardless of whether a member decides to commit to the SHP; and

WHEREAS, the industry-standard retail contract is a Commercial Electric Service Agreement ("CESA") offered by a Retail Electric Provider ("REP"); and

WHEREAS, TCAP has negotiated modifications to the current CESA between the City and Gexa Energy to reflect participation in the SHP; and

WHEREAS, the CESA that will facilitate participation in the SHP effective for power deliveries in and beyond 2023 (attached as Exhibit B) will need to be approved and signed prior to October 1, 2020; and

WHEREAS, the Housing Authority desires to participate in the SHP.

NOW THEREFORE, BE IT RESOLVED BY THE CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY BOARD OF DIRECTORS THAT:

SECTION 1. That the CCRTA Chief Executive Officer is authorized to sign Exhibit A, TCAP's Professional Services Agreement, and Exhibit B, Gexa Energy's CESA, and send the agreements to TCAP, 15455 Dallas Parkway, Ste 600, Addison, TX 75001.

DULY PASSED, APPROVED AND ADOPTED this 5TH day of September, 2020.

ATTEST:

**CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY**

Jorge G. Cruz-Aedo
Chief Executive Officer

Dan Leyendecker
Board Secretary

APPROVED AS TO FORM:

John D. Bell, Legal Counsel for CCRTA

Exhibit A

PROFESSIONAL SERVICES AGREEMENT BETWEEN
CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY AND TEXAS
COALITION FOR AFFORDABLE POWER, INC.

This Professional Services Agreement (“AGREEMENT”) is made and entered by and between Texas Coalition for Affordable Power, Inc. (“TCAP”), a non-profit, political subdivision corporation, and Corpus Christi Regional Transportation Authority, a TCAP member.

SECTION 1 DURATION:

This AGREEMENT becomes effective as of signing by MEMBER and shall remain effective as long as MEMBER is being served by TCAP and MEMBER’s electric load included in a current TCAP procurement.

SECTION 2 PURPOSE OF AGREEMENT:

The purpose of this AGREEMENT is to define services and obligations of TCAP to MEMBER and obligations of MEMBER to TCAP and other members. In furtherance of this AGREEMENT, MEMBER will enter into a Commercial Electric Service Agreement (“CESA”) with a retail electric provider (“REP”) selected by TCAP pursuant to the terms set forth herein; provided that nothing in this AGREEMENT is intended to alter the price or other terms of MEMBER’s current CESA in effect through December 31, 2022.

SECTION 3 OBLIGATIONS OF TCAP TO MEMBER:

MEMBER authorizes TCAP to contract for the purchase of energy for MEMBER in the wholesale market from an energy manager selected by TCAP (“Energy Manager”) and to select an acceptable, cost-beneficial REP to serve MEMBER’s electric accounts. TCAP shall provide procurement services, which services shall consist of securing wholesale power for MEMBER through an alternative procurement strategy, such as TCAP’s Strategic Hedging Program (“SHP”), as may be authorized and defined by TCAP’s Board of Directors. MEMBER may elect to consider fixed-price, fixed-term offers for wholesale power supply, such election to be communicated to TCAP separately in writing by providing an Authorized Election Form to TCAP, the form of which has been attached to this AGREEMENT as Exhibit A. If MEMBER has provided to TCAP an Authorized Election Form, TCAP’s procurement services to MEMBER shall also consist of arranging fixed-price, fixed-term offers to MEMBER following solicitation of competitive offers. TCAP consultants and attorneys will negotiate terms and conditions of all contracts, monitor performance of Energy Managers and REPs, work to avoid and remedy problems that may be encountered by MEMBER where possible, assist MEMBER with wires company issues, and represent MEMBER in energy related matters before State agencies, the courts or legislature. TCAP will provide additional customer services to MEMBER that are defined in SECTION 5.

SECTION 4 OBLIGATIONS AND RIGHTS OF MEMBER:

MEMBER will honor the terms of its CESA and promptly pay or promptly dispute invoices from its REP. MEMBER will comply with the confidentiality and non-disclosure obligations contained in its CESA and Section 7 of this AGREEMENT. MEMBER will designate one or more individuals to receive notices and updates from TCAP and will promptly update contact information. MEMBER will pay aggregation fees to support the non-profit functions of TCAP assessed annually by the TCAP Board of Directors and recovered as part of the energy charges paid to REP. Also, MEMBER will pay or receive refunds equal to the Quarterly Adjustment and the Annual Adjustment mutually agreed upon by TCAP and the Energy Manager to address certain variable costs and charges, including costs imposed by ERCOT, such payment or receipt of funds subject to the reserve account as further described herein. TCAP members will fund, and TCAP will maintain and administer, a reserve account to facilitate the reconciliation of any Quarterly Adjustments or Annual Adjustments by collecting any excess amounts paid and/or paying any deficient amounts incurred (as possible). The reserve account balance will be maintained at a minimum level to cover anticipated future needs for up to two (2) years. The TCAP Board may vote to refund to members amounts in excess of future anticipated needs. Any monies remaining in the reserve account at the dissolution of TCAP will be refunded to current membership at the time of dissolution. TCAP is owned and controlled by its members and is governed by a Board of Directors consisting of employees or elected officials of members. Consistent with TCAP's Bylaws, each MEMBER has a right to nominate its representative to serve on the Board of Directors and has a right to vote in annual elections of Board members. MEMBER has a right to attend or monitor each Board meeting. TCAP has a financial audit performed each year and MEMBER has a right to a copy of the annual audit upon request.

SECTION 5 TCAP SERVICES TO MEMBER:

A. Procurement of Energy Supplies and REP Services

1. TCAP Procurement Services and Capabilities

TCAP will assist prospective members in reviewing market conditions and in estimating the most price opportune time to contract for energy supplies. TCAP will work with MEMBER to achieve a competitive price that balances supply security and risk tolerance while maintaining superior billing and customer services. As a political subdivision corporation, offering electricity procurement to political subdivisions, TCAP has the ability to procure wholesale energy supplies and REP services separately to secure the most effective combination of competitively priced energy supplies and superior billing and customer services. TCAP may utilize either wholesale or retail sources of power, or some combination of both. TCAP may utilize multiple suppliers with different generation resources. TCAP will solicit bids from multiple sources for energy supplies. TCAP aggregates the load of all members to maximize clout in negotiating contract terms. TCAP's objective in negotiations with suppliers is to continue obtaining favorable

terms regarding band widths for annual usage based on total load of all members (rather than based on MEMBER's individual load) and to minimize fees for adding or deleting accounts. TCAP will monitor the wholesale and retail markets for favorable hedging opportunities. TCAP will also monitor, evaluate and issue requests for proposals for power development opportunities beneficial to its MEMBERS, including renewable projects (each, a "Power Project").

2. MEMBER Procurement Options

If MEMBER elects a fixed-price contract for a fixed period by submitting an Authorized Election Form, TCAP will function as MEMBER'S agent in the wholesale energy marketplace in soliciting, evaluating and negotiating each such fixed-price contract. Absent an election, MEMBER shall participate in other procurement strategy options offered by TCAP, such as TCAP's SHP, and TCAP will function as MEMBER's electric energy procurer. As such, TCAP will (i) oversee the Energy Manager, (ii) will direct the Energy Manager to solicit wholesale energy market quotes, (iii) will cause the Energy Manager to transact at the most favorable executable market quotes and (iv) will negotiate and develop the Energy Price in MEMBER'S CESA (the "CESA Energy Price"). The CESA Energy Price shall be developed and agreed upon by TCAP, the Energy Manager and the REP and shall include the wholesale energy market transactions as well as Energy Manager's estimate of any non-fixed charges, including zonal congestion charges, ancillaries service charges, and other charges in connection with MEMBER'S load. If MEMBER elects to purchase power from a Power Project solicited and chosen by TCAP via a competitive RFP process (or other similar process), TCAP will function as MEMBER'S electric energy procurer, and will direct the Energy Manager to include the value of the power procured from such projects in the development of MEMBER'S CESA price.

B. Customer and Billing Services Provided by TCAP

1. REP Portal

TCAP consultants oversee the development and presentation of the REP's portal for TCAP members; the REP will be responsible for operation of the portal. TCAP provides training and assistance regarding portal use.

2. REP Customer Service

TCAP negotiates with the REP regarding service standards and annually reviews REP performance. TCAP maintains a right to replace a REP for unsatisfactory performance without affecting the price of wholesale power, so long as the replacement REP has a credit rating acceptable to the Energy Manager. TCAP continuously monitors customer billings and will alert both the REP and MEMBER, when appropriate, of any billing errors and the adjustments needed to ensure accurate and reliable billings to MEMBER. TCAP will advocate on behalf of MEMBER when needed to resolve billing or customer

service issues. TCAP will review customer billings and make MEMBER aware of inactive accounts that MEMBER may be able to disconnect to save monthly charges.

3. TCAP Assistance with Budgets and Required Filings and Assistance with TDSP Issues

TCAP monitors Public Utility Commission (“PUC”) and ERCOT activity and will provide MEMBER a forecast of changes in non-by passable charges that may impact MEMBER’s annual budget estimates. TCAP will prepare an annual electricity cost estimate for MEMBER. TCAP will assist MEMBER in preparation of energy related reports that may be necessary for MEMBER to file in response to legislative or agency mandates. TCAP will assist MEMBER in understanding non-bypassable charges included in REP invoices, and assist in resolving issues caused by errors of MEMBER’S Transmission and Distribution Service Provider (“TDSP” aka “wires company”).

4. Information Services

TCAP maintains a member web site, www.tcaptx.com. In addition to regular blog postings on energy news relevant to MEMBER, TCAP has prepared and posted major reports on the history of deregulation in Texas and a history of ERCOT. TCAP consultants continuously monitor the Nymex gas market, ERCOT energy market, and economic conditions that may affect MEMBER, as well as activities at the PUC and ERCOT. Important trends are noted in consultant reports to the Board of Directors and are attached to Board Minutes. TCAP’s Executive Director prepares and distributes a monthly newsletter and coordinates TCAP activities with various city coalitions and Texas Municipal League (“TML”). The Executive Director monthly newsletters will also include important or trending issues in the energy markets.

5. Demand Response, Distributed Generation and Cost Savings Strategy

TCAP will work with relevant service providers to make available to MEMBER competitive demand reduction programs that facilitate MEMBER’s participation in TDSP and ERCOT cost reduction strategies approved by the PUC. Upon request, TCAP will monitor and evaluate demand reduction program performance metrics. TCAP will assist MEMBER in reviewing, analyzing and developing distributed generation programs that can reduce wires and energy costs and/or provide backup power to specific facilities. TCAP will assist MEMBER in meeting renewable energy goals established by MEMBER, including behind-the-meter solar projects and local wind projects.

6. Regulatory and Legislative Representation

TCAP will provide representation and advocacy services on energy issues relevant to MEMBER in regulatory and legislative areas including, but not limited to, ERCOT stakeholder meetings, PUC projects and dockets, and legislative actions.

7. Strategic Hedging

To the extent that there is sufficient interest and commitment of load of TCAP members within an ERCOT zone, and to the extent MEMBER has not elected a fixed-price contract for a fixed period, MEMBER will perpetually (subject to potential charter or ordinance constraints on length of contracts) commit to two-year participation obligations. MEMBER may terminate participation in the SHP, without energy price penalties and with minimal other termination fees, by providing sufficient notice as set forth herein (Section 6). A SHP price will be determined at least 9 months prior to the effective date of the price by averaging the winning bids from periodic competitive auctions that occur throughout the 24 months preceding the effective date. TCAP will direct Energy Manager to conduct the periodic competitive auctions. TCAP will have the right to audit the auction results. The auction process will be designed to identify competitively priced energy supplies from a variety of creditworthy suppliers, resulting in prices that are rarely, if ever, significantly above prevailing market prices and that should generally be less than pricing for long-term fixed priced contracts (when evaluated from a common contract start date and term). Designed to take advantage of the characteristics of the nation's well supplied energy markets, the SHP will also be flexible enough to respond to market changes when and if they occur in the future. Participation in the SHP may be viewed as a series of 24 -month forward year-to-year contracts for as long as desired by MEMBER. If MEMBER participates in the SHP, MEMBER agrees that TCAP is authorized to direct Energy Manager to procure electric energy in the wholesale market on MEMBER's behalf and that TCAP is authorized to commit MEMBER's load to periodic competitive auctions.

SECTION 6 MEMBER RIGHT OF TERMINATION:

A. Fixed-Term, Fixed-Price Contract

MEMBER may terminate a CESA prior to the end-of-term specified in a contract subject to payment of "Liquidated Damages" prescribed in MEMBER's CESA. If MEMBER commits to a fixed multi-year term, fixed-price contract and wants to terminate the agreement prior to the end of the fixed multi-year term, liquidated damages will be based on the differential in the price of electric energy futures contracts used to support the fixed-price agreement and the price of comparable electric energy contracts at time of termination and shall also include damages prescribed herein and in the CESA, as applicable. If electric energy prices are lower at the point of termination than they were at time of contracting, MEMBER should expect to pay energy price damages upon early termination. In any event, any termination payment will be calculated and assessed in accordance with MEMBER's CESA.

B. Strategic Hedging Program

Since the SHP is based on a series of one-year term contracts, MEMBER is entitled to exit the program so long as notice of termination can be given prior to inclusion of MEMBER's load in the competitive auction process for a future year's price. TCAP will

periodically notify MEMBER of expected procurement schedules and provide no less than 90 days prior notice of any upcoming solicitation, and MEMBER may notify TCAP that it wants to exclude its load from the competitive auction process by giving notice at least 60 days prior to the next procurement date. Termination of involvement in SHP without appropriate notice will require calculation of damages as prescribed by CESA under Edison Electric Institute ("EEI") principles with the intent of making the REP and Energy Manager whole for the termination. Liquidated damages will be based on the differential in the price of electric energy futures contracts used to support the SHP price and the price of comparable electric energy contracts at time of termination and shall also include damages prescribed herein and in the CESA, as applicable. If electric energy prices are lower at the point of termination than they were at time of contracting, MEMBER should expect to pay energy price damages upon early termination. In any event, any termination payment will be calculated and assessed in accordance with MEMBER's CESA.

C. Participation in Power Projects

If MEMBER has chosen to purchase power from a Power Project through TCAP, in accordance with a signed Project Addendum attached to MEMBER'S CESA, MEMBER's termination rights with respect to its commitment to purchase power from the Power Project shall be contained in the Project Addendum.

SECTION 7 CONFIDENTIALITY:

MEMBER is a governmental body subject to public information laws, including Chapter 552 of the Texas Government Code. If MEMBER receives a valid request under applicable public information laws for information related to this AGREEMENT or its CESA, it shall provide TCAP notice of the request including a description the information sought prior to MEMBER's release of information so that TCAP has the opportunity to determine whether such information is subject to an exception as trade secret, competitive, commercial, or financial information. With the exception of the preceding disclosures pursuant to public information laws, a Party (that party, the "Receiving Party") shall keep confidential and not disclose to third parties any information related this AGREEMENT, except for disclosures to Authorized Parties or as otherwise required by law; and provided that MEMBER authorizes TCAP to provide Energy Manager and REP with any relevant information concerning MEMBER's account, usage and billings. The provisions of this Section 7 apply regardless of fault and survive termination, cancellation, suspension, completion or expiration of this AGREEMENT for a period of two (2) years. "Authorized Parties" means those respective officers, directors, employees, agents, representatives and professional consultants of MEMBER and TCAP and each of their respective affiliates that have a need to know the confidential information for the purpose of evaluating, performing or administering this AGREEMENT.

SECTION 8 PARAGRAPH HEADINGS:

The paragraph headings contained in this AGREEMENT are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs.

SECTION 9 COUNTERPARTS:

This AGREEMENT may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

SECTION 10 DEFINITIONS:

“Annual Adjustment” shall mean either a credit to MEMBER for the over-collection of funds, or a charge to MEMBER for under-collection of funds, related to Power Project settlements, if applicable. For those MEMBERS that participate in SHP, the Annual Adjustment shall also include (i) adjustments related to the loss factor for each specific ERCOT zone and (ii) adjustments related to load reconciliation as determined by TCAP, the Energy Manager and the REP.

“Energy Manager” means the wholesale market participant selected by TCAP to conduct SHP procurements at TCAP’s direction, in accordance with Section 5A and Section 7 of this Agreement. The Energy Manager may sell all or a portion of the required wholesale energy to TCAP or TCAP’s REP.

“Power Project” means a power generation project identified by TCAP to supply electric energy to one or more TCAP Members.

“Project Addendum” means the Addendum for a Power Project, if any, signed and attached as an Exhibit to MEMBER’S CESA.

“QSE Services Fee” means the QSE Services Fee in effect during the Delivery Term, as agreed between TCAP and Energy Manager.

“Quarterly Adjustment” shall mean either a credit to MEMBER for the over-collection of funds, or a charge to MEMBER for under-collection of funds, related to (i) ERCOT zonal congestion charges and (ii) ancillary services charges and other charges imposed by governmental agencies or ERCOT upon wholesale suppliers or REPs under statutes, regulations or courts for services within ERCOT zones. Said charges or refunds will be proportional to MEMBER’S relative contribution to TCAP load within specific ERCOT zones.

“Retail Electric Provider” or “REP” means the Retail Electric Provider that is party to (i) the REP Services Agreement with TCAP and (ii) the CESA between itself and MEMBER for the provision of retail electric service.

“Strategic Hedging Program” or “SHP” means an energy procurement strategy approved by TCAP’s Board of Directors, overseen by TCAP’s designated consultants, and administered by TCAP’s appointed Energy Manager, whereby wholesale energy is solicited and procured at agreed upon intervals, as directed by TCAP.

EXECUTED on this the 5TH day of September, 2020.

MEMBER:

By: _____

Printed Name: Jorge G. Cruz-Aedo

Title: Chief Executive Officer

TCAP:

By: _____

Printed Name: _____

Title: _____



Subject: Amend the Pension Funding Policy for the Defined Benefit Plan to comply with the language required by the Pension Review Board and change the target funding ratio from the range of 85% to 95% to a long-term target funding ratio of 100% with an annual target funding ratio above 85%

Background

The Texas Government Code Section 802.2011 requires the governing board of a Texas public retirement system to “adopt a written funding policy that details the governing body’s plan for achieving a funded ratio of the system that is equal to or greater than 100%.” In response to this new legislative requirement to adopt a written funding policy, the Board approved a Funding Policy for the Defined Benefit Plan on September 6, 2019 that set the funding ratio at a range from 85% to 95%.

Identified Need

Management is in the opinion that a Funding Improvement Plan is necessary to progressively move the Defined Benefit Plan towards the goal of achieving the funded status of 100% over a reasonable period of time, as required by the legislation. Setting the funding ratio at a specific, long term target funding ratio instead of a range will allow sound management decisions to be made to progressively move the Plan closer to its 100% goal. The funding level will be reviewed annually. When the funding ratio falls below the stated target funding level (85%), appropriate strategies can be put into place to restore the financial position of the Plan in accordance with Plan policies and resources. This would include additional contributions to improve the funded status.

Noting that the funding ratio is a core indicator of a pension fund’s financial health there are numerous other factors to consider that influence the financial health of the Plan. Some of those options have already been implemented and include:

- Utilizing the entry-age normal actuarial method to determine the Actuarially Determined Contribution
- Reviewing actuarial assumptions – economic and demographic
- Utilizing Asset Smoothing Method to determine the actuarial value of assets
- Reviewing mortality tables to better align current and future mortality expectations
- Reviewing amortization policy for actuarial gains and losses
- Reviewing rate of return and discount rate in order to align with future expectations
- Review funding ratio
- Annual review of the financial position of the Plan by Management, Board, and Authority’s Actuary.

Disadvantaged Business Enterprise (DBE)

Not applicable.

Board Priority

This Policy aligns with the Board Priority – Financial Transparency.

Committee Review

This item was discussed and approved at the Administration & Finance Committee meeting on July 24, 2019.

Recommendation

Staff requests the Administration & Finance Committee to recommend to the Board of Directors to Amend the Pension Funding Policy for the Defined Benefit Plan to comply with the language required by the Pension Review Board and change the target funding ratio from the range of 85% to 95% to a long-term target funding ratio of 100% with an annual target funding ratio above 85%.

Respectfully Submitted,

Submitted by: Sandy Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Jorge G. Cruz-Aedo
Chief Executive Officer

Corpus Christi Regional Transportation Authority
RETIREMENT PLAN FUNDING POLICY
Effective September 5, 2020

PURPOSE

The intent of this funding policy is to establish a formal methodology for financing the pension obligations accruing under the RTA Employees Defined Benefit Plan and Trust (the Plan). It is intended that **current assets plus future assets from employer contributions and investment earnings** should be sufficient to finance all benefits provided by Corpus Christi Regional Transportation Authority (CCRTA).

The funding policy is intended to reflect a reasonable, conservative approach to fund the cost of pension benefits being accrued. This funding policy recognizes that there will be investment market place volatility and that actual economic and demographic experience will differ from assumed experience. Accordingly, this funding policy is intended to provide flexibility to smooth such volatility and experience in a reasonable, systematic, and financially sound manner. Further, it is the intent that this funding policy comply with all applicable laws, rules, and regulations of the State of Texas and the Federal Government, specifically SB 2224:

Funding Policy (SB 2224, effective September 1, 2019): The governing body of a public retirement system shall:

- Adopt a written funding policy that details the governing body's plan for achieving a funding ratio that is equal to or greater than 100%;
- File a copy of the policy with the Pension Retirement Board no later than the 31st day after the date the policy or change, as applicable.
- Each public retirement system shall adopt a funding policy by January 1, 2020.

COMPONENTS OF THE FUNDING POLICY

- Background and Funding Objectives
- Statement of Funding Guidelines
- Actuarial Valuation Methods
- Actuarial Experience Study
- Approval and Effective Date

BACKGROUND

CCRTA provides its employees with a defined benefit pension plan and a defined contribution plan and does not participate in social security. In addition, CCRTA provides its employees the opportunity to increase personal retirement savings by offering supplemental retirement plans that allow additional contributions to be made either on a pre-tax basis or a post-tax basis. While this policy primarily focuses on the Authority's Defined Benefit Plan, it recognizes the importance of offering supplemental retirement plans in assisting employees in achieving retirement security.

The retirement benefit formula is currently set by the Board to provide a monthly benefit equal to 2% of average compensation for the last 3 years of employment times years of service divided by 12.

Corpus Christi Regional Transportation Authority
RETIREMENT PLAN FUNDING POLICY
Effective September 5, 2020

FUNDING OBJECTIVES

The fundamental financial objective of the Defined Benefit Plan is to fund the long-term cost of the benefits promised to participants. Management acknowledges that the appropriate way to attain reasonable assurance that benefits will remain sustainable is for the retirement system to accumulate resources for future benefit payments in a systematic and disciplined manner during the active service life of the benefitting employees.

The objective is to keep contributions relatively stable while equitably allocating the costs over the employees' period of active service.

The Pension Review Board states that the funding policy must target a funded ratio of 100% or better over as brief a period of time as possible. The objective of this funding policy is to have a Funding Improvement Plan in place to progressively attain and maintain a funded status of 100% over a reasonable period of time. As described in this Policy, the Actuarially Determined Contribution (ADC) will target 100% funding after 15 years which is the amortization period of the plan.

STATEMENT OF FUNDING GUIDELINES

Long-term funding is accomplished through contributions from the employer and from investment earnings which typically provide the largest component of funding.

An annual actuarial valuation to determine the "Actuarially Determined Contribution (ADC)" to finance pension obligations shall be performed each year as of January 1. As required by the Pension Review Board, the ADC shall target a funded ratio of 100% or greater over a 15-year period. With respect to the obligations of the Plan, CCRTA's budget shall include funding of at least 100% of the ADC. Pension fund contributions will have the same budget priority as other salaries and wages.

If the funded ratio (Actuarial Accrued Liability/Actuarial Value of Assets) falls below 85%, CCRTA will make additional contributions above the ADC in order to improve the funded status of the Plan.

Cost-of-living-adjustments (COLAs) may only be granted when the adjustment can be financially supported. COLAs will not be granted to retirees if the funded ratio, after the benefit change, falls below 85%.

The Defined Benefit Plan does not currently require employee contributions.

Corpus Christi Regional Transportation Authority
RETIREMENT PLAN FUNDING POLICY
Effective September 5, 2020

ACTUARIAL VALUATION METHODS

Valuation Method and Frequency. The Actuarially Determined Contribution (ADC) is defined as the contribution requirement determined by the actuary using the methods described in this section, including the cost method, Asset Smoothing Method, and amortization method. The valuation to determine the (ADC) shall utilize the entry-age normal actuarial method. The ADC shall include (1) the normal cost and (2) the amortization of the unfunded liability. The ADC shall be calculated as of January 1 and be applicable for the plan year.

Asset Smoothing Method. An asset smoothing method shall be utilized to determine the actuarial value of assets in order to help keep contributions stable and more predictable over time. The difference between the amount actually earned and the earnings assumption for a particular year shall be amortized in level amounts. The asset smoothing period shall be five (5) years beginning January 1, 2019. The actuarial value of assets shall not be less than 90% or more than 110% of the market value of assets.

Amortization policy for actuarial gains and losses. Unfunded liabilities shall be amortized utilizing the level dollar amortization method over a closed period not to exceed 15 years beginning on January 1, 2019. Actuarial gains and losses may result from (1) actual experience versus assumed experience, (2) changes in demographic and economic assumptions, and (3) changes in benefit provisions.

Demographic data. The demographic data in an actuarial valuation shall include: (1) all active employees, (2) all inactive vested participants, and (3) all annuitants (including beneficiary annuitants).

Benefit provisions. The actuarial valuation shall include all benefits being accrued by participants of the Plan including, but not limited to, retirement, disability, death benefits, and any applicable COLAs. The valuation shall be based on the benefit eligibility and benefit terms described in the plan document.

Assumptions utilized. Demographic and economic assumptions as determined by an actuarial experience study and adopted by the Board shall be utilized in the actuarial valuation.

Mortality tables may be updated on an annual basis to better recognize current and future mortality expectations.

The investment rate of return and discount rate will be reviewed by the Board with the intent to gradually reduce the expected rate of return over 5 years beginning January 1, 2019 until a rate of 7.0% is reached in order to align with future expectations.

Corpus Christi Regional Transportation Authority
RETIREMENT PLAN FUNDING POLICY
Effective September 5, 2020

ACTUARIAL EXPERIENCE STUDY

An actuarial assumption study shall be conducted at least every five years. Assumptions should be established based on past experience and future expectation as a result of the actuarial assumption review.

- Demographic assumptions to be studied include, but are not limited to, the following:
 - Turnover pattern
 - Pattern of retirement
 - Mortality
- Economic assumptions to be studied include, but are not limited to, the following:
 - Investment earnings
 - Salary increases
 - Inflation

APPROVAL AND EFFECTIVE DATE

This policy will be effective upon its adoption by the Board of the RTA Employees Defined Benefit Plan and Trust, and shall remain in effect until amended by the Board or preempted by federal or state law.

APPROVED this ____ day of **September, 2020**.

Edward Martinez
Board Chairman



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
OPERATIONS & CAPITAL PROJECTS COMMITTEE MEETING MINUTES
WEDNESDAY, JULY 22, 2020

Summary of Actions

1. Roll Call
2. Safety Briefing
3. Receipt of Conflict of Interest Affidavits
4. Opportunity for Public Comment
5. Action to Approve the Operations & Capital Finance Committee Meeting Minutes of June 24, 2020
6. Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to The Lilly Company for Parts Inventory Storage Cabinets and Shelving
7. Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Issue a Request for Proposals (RFP) for Bus Stop Amenities
8. Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Issue an Invitation for Bids (IFB) for Power Washing at all Bus Transfer Stations
9. Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Issue an Invitation for Bids (IFB) for Bear Lane Bus Parking Lot Reconstruction
10. Adjournment

The Corpus Christi Regional Transportation Authority Board of Directors met at 8:30 a.m. in the Corpus Christi Regional Transportation Authority Staples Street Center facility located at 602 N. Staples Street, 2nd Floor Board Room, Corpus Christi, Texas.

Call to Order & Roll Call

Mr. Dan Leyendecker called the meeting to order at 8:31 a.m. Ms. Dena Linnehan called Roll and stated a quorum was present.

Board Members Present

Dan Leyendecker, Committee Chair, Anne Bauman, Anna Jimenez, Philip Skrobarczyk and Matt Woolbright. Board members attended remotely.

Board Members Absent

None.

Staff Present

Jorge G. Cruz-Aedo, CEO; Dena Linnehan, Derrick Majchszak, Sharon Montez, Rita Patrick, Mike Rendón, Gordon Robinson, Robert Saldaña, Dan Shelton and Ashlee Winstead-Sherman.

Public Present

No public comment received in-person or online.

DUE TO THE CURRENT CONDITIONS FOR COVID-19, WE ENCOURAGE SOCIAL DISTANCING AND FACE MASKS (AVAILABLE) FOR INDIVIDUALS ATTENDING THE MEETING. Rob MacDonald, MPO.

Public Comment may be provided in writing, limited to 1,000 characters, by using the [Public Comment Form](http://www.ccrta.org/news-opportunities/agenda) online at www.ccrta.org/news-opportunities/agenda or by regular mail or hand-delivery to the CCRTA at 602 N. Staples St., Corpus Christi, TX 78401,



and **MUST** be submitted no later than 5 minutes after the start of a meeting in order to be provided for consideration and review at the meeting. All Public Comments submitted shall be placed into the record of the meeting.

Held Safety Briefing

Mr. Mike Rendón provided safety information in the event of an emergency for the Board members and guests in the audience. He said everyone should report to the Clock Tower at the Station area, and Ms. Linnehan would be responsible for guiding the Board Members to the Muster Point. He also told us once you leave the building, you may not enter until an 'all clear' is given by Security personnel if or when you may re-enter. Mr. Rendon commented to not use the elevators, and if there is a shelter-in-place, we will utilize the west side stairwell area.

Action to receive Conflict of Interest Affidavits

None received.

Action to Approve the Operations & Capital Finance Committee Meeting Minutes of June 24, 2020

MS. ANNA JIMENEZ MADE A MOTION TO APPROVE THE OPERATIONS & CAPITAL FINANCE COMMITTEE MEETING MINUTES OF JUNE 24, 2020. MR. PHILIP SKROBARCZYK SECONDED THE MOTION. THE MOTION CARRIED. LEYENDECKER, BAUMAN, JIMENEZ, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to The Lilly Company for Parts Inventory Storage Cabinets and Shelving

Mr. Derrick Majchszak reported the Board Priority aligns with Public Image and Transparency. He provided background information of the Materials Management department. He said there are three Parts Clerks including a Lead Clerk, and there is approximately \$865K in inventory of parts and supplies. These are used for any necessary repairs, and preventative maintenance inspections and the department utilizes heavy-duty cabinets. Mr. Majchszak commented the inventory storage cabinets and shelving support a fleet of 70 buses, and are over 35 years old and worn out from daily usage. He said this project will support a more efficient use of storage space in the warehouse. He continued and stated there is no Disadvantaged Business Enterprise (DBE) goal to meet. Mr. Majchszak stated this project is budgeted at \$150K and is a 2020 CIP project that is partially funded by 5307 Formula Funds; the agency's 20 percent amount is \$17,983.98, and the Federal grant of 80 percent is \$71,935.93. He displayed a chart showing the 4 bids received with one be non-responsive. The Lily Company of provided a bid of \$89,919.6 and staff asks for your authorization to proceed with this project.

MR. SKROBARCZYK MADE A MOTION TO RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO AWARD A CONTRACT TO THE LILLY COMPANY FOR PARTS INVENTORY STORAGE CABINETS AND SHELVING. MS. JIMENEZ SECONDED THE MOTION. THE MOTION CARRIED. LEYENDECKER, BAUMAN, JIMENEZ, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.



Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Issue a Request for Proposals (RFP) for Bus Stop Amenities

Ms. Sharon Montez reported this Request for Proposals (RFP) aligns with the Board Priority of Facilities. Ms. Montez said the agency has 1,375 bus stops, with 199 that have Tolar Shelters and sun shade structures, with 951 benches and 12 Simme seats, and there are 647 trash bins. Additional background information was given on the agency's Shelter Program that consists of a Maintenance Program with an Expansion/Replacement Program. In November last year, the Board of Directors awarded a contract to A. Ortiz Construction and Paving, Inc. for shelter refurbishment. A. Ortiz and the agency's maintenance crew have already completed 52 bus stop shelters to date, and near 8 months in the first year of the contract. Ms. Montez stated Phase I of the expansion program has budgeted funds to add 40 shelters in 2020 to the 198 shelters currently in place. She said these are scheduled for delivery in August 2020. Ms. Montez also commented our goal over the next 10 years, is to continue to add to the existing number, so the agency will have almost 700 bus stops in place with shelter amenities. She also provided a slide with a chart showing the need, and projected purchase schedule of shelters over the next 3-year period at an estimated total cost of \$2.27M. Each RFP will be evaluated for shelter design, experience and past performance, maintenance and durable shelters and amenities, responsiveness, delivery and costs. She mentioned there is no DBE goal for this contract, and provided amounts for the 3-year period of the contract at \$523,750 for 2020, \$814,326 for 2021 and \$983,653 for 2022.

MS. JIMENEZ MADE A MOTION TO RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE ISSUE A REQUEST FOR PROPOSALS (RFP) FOR BUS STOP AMENITIES. MR. SKROBARCZYK SECONDED THE MOTION. THE MOTION CARRIED. LEYENDECKER, BAUMAN, JIMENEZ, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Issue an Invitation for Bids (IFB) for Power Washing at all Bus Transfer Stations

Ms. Montez commented this IFB aligns with the Board Priority of Facilities. She provided background information of the four transfer stations of the agency being Robstown, Southside, Port Ayers and Staples Street. She said these stations were power washed once a month with the custodians cleaning them twice a day prior to COVID-19 pandemic. She commented with the highly contagious spread of this virus, the agency is intensifying all cleaning processes which is exhausting current Facilities Staff with their regular and other types of cleaning and maintenance of the facilities. She said the Board of Director awarded a short-term contract in May to Phoenix Clean for power washing the stations, and the amount was not to exceed \$121,800. Ms. Montez also commented on the latest data and widespread nature of the COVID-19 virus. She stated CCRTA Staff feel the need of power washing the stations be continued at the current frequency of twice a week to help minimize the spread of COVID-19 and ask the Board of Directors for authorization to Issue for Bids (IFB) for power washing services. The estimated base contract of \$487,200 would have a one-year option. She said no DBE percentage is required for this project.

MR. SKROBARCZYK MADE A MOTION TO RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO ISSUE AN INVITATION FOR BIDS (IFB) FOR POWER WASHING AT ALL BUS TRANSFER STATIONS. MS. JIMENEZ SECONDED THE MOTION. THE MOTION CARRIED.



LEYENDECKER, BAUMAN, JIMENEZ, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Issue an Invitation for Bids (IFB) for Bear Lane Bus Parking Lot Reconstruction

Ms. Montez reported this IFB also aligns with the Board Priority of Facilities. Ms. Montez provided prior background information where in 2019 the Federal Transit Administration (FTA) announced the opportunity to apply for funds under the Grants for Buses and Bus Facilities Infrastructure Investment Program (CFDA# 20.526). She said the agency identified three separate projects with one being the improvements to the Bear Lane Parking Lot. In 2019, this was previously presented to the Board of Directors in May at Committee and approved, and taken to the Board in June where it was also approved. Ms. Montez provided a slide to show this project's scope of work summary to remove 4,900 square yards of existing concrete and base material with various improvements that is expected to take six months for completion. Several slides were shown of the areas of damage needing the reconstruction and repairs and Ms. Montez commented this project will be executed in phases. She also displayed the Construction Estimate with totals equaling \$945,010 to include A&E, Geotech, and Materials Testing amount of \$102,406. She said the cost is a 2020 CIP project partially funded by the 5339(B) Formula Funds and the agency's 20 percent cost is \$189,002 and Federal funds of \$756,008 at 80 percent.

MR. MATT WOOLBRIGHT MADE A MOTION TO RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO ISSUE AN INVITATION FOR BIDS (IFB) FOR BEAR LANE BUS PARKING LOT RECONSTRUCTION. MR. SKROBARCZK SECONDED THE MOTION. THE MOTION CARRIED. LEYENDECKER, BAUMAN, JIMENEZ, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Adjournment

There being no further review of items, the meeting adjourned at 8:57 a.m.

Submitted by: Dena Linnehan



Subject: Exercise the One (1) Year Option on the Contract to James River Petroleum for Unleaded Fuel Supply

Background

The RTA will require approximately 22,758 gallons of unleaded fuel in 2020 and 189,414 gallons of unleaded fuel in 2021 for the contracted paratransit and fixed route services fleet, security and supervisor SUVs, and support vehicles. Projected usage is based on current consumption, projected delivery of 29 gasoline powered ARBOCs, MPG (miles per gallon), and estimated service miles for FY2020 and FY2021.

On November 7, 2018, the Board of Directors awarded an Unleaded Fuel Supply agreement to James River Petroleum Company with a two-year base and one-year option following Board approval.

Identified Need

An unleaded fuel supply agreement assures that the RTA will be able to meet demand, maintain firm pricing, and eliminate supply shortages. Contract pricing is based on vendor mark-ups or discounts from the Oil Price Information Service (OPIS) price schedule on each delivery of unleaded fuel.

The current cutaway van fleet uses CNG fuel. To improve the reliability and versatility of our fleet and to diversify our fuel source requirements, future cutaway van purchases will use unleaded fuel. These future purchases include the projected delivery of 29 ARBOCs prior to 2021.

Disadvantaged Business Enterprise

Staff will monitor DBE and collaborate with James River Petroleum to pursue DBE participation, including subcontracting opportunities.

Financial Impact

Total expenditures will be determined by consumption and OPIS. Expenditures in 2019 were \$20,507 on 9,719 gallons. The projected cost in 2020 is \$48,020 on 22,758 gallons, and the projected cost in 2021 is \$399,664 on 189,414 gallons. The increase in 2021 is due to the expected delivery of the 29 ARBOCs and having them enter revenue service prior to 2021. Funds are budgeted in the annual Operating Budget.

| Year | Estimated Annual Usage in Gallons | Estimated Annual Cost |
|------|-----------------------------------|-----------------------|
| 2020 | 22,758 | \$48,020 |
| 2021 | 189,414 | \$399,664 |

Board Priority

This Board Priority aligns with Public Image & Transparency.

Recommendation

Staff requests the Operations & Capital Projects Committee recommend the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Exercise the One (1) Year Option on the contract with James River Petroleum for Unleaded Fuel supply.

Respectfully Submitted,

Submitted by: Bryan Garner
Director of Maintenance

Reviewed by: Derrick Majchszak,
Managing Director of Operations

Final Approval by: 

Jorge G. Cruz-Aedo
Chief Executive Officer