



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

AGENDA MEETING NOTICE

BOARD OF DIRECTORS

DATE: Wednesday, October 7, 2020

TIME: 8:30 a.m. Board of Directors Meeting, and
Budget Workshop #6
(estimated at 9:30 a.m., although to be held immediately
following the Board of Directors Meeting)

LOCATION: Staples Street Center
602 North Staples Street, 2ND Floor Board Room • Corpus Christi, TX

BOARD OF DIRECTORS MEETING

EDWARD MARTINEZ (Chair)

Michael Reeves (Vice Chair) ~ Dan Leyendecker (Secretary)

Lynn Allison ~ Anne Bauman ~ Patricia Dominguez ~ Anna Jimenez

Glenn Martin ~ Eloy Salazar ~ Philip Skrobarczyk ~ Matt Woolbright

	TOPIC	SPEAKER	EST.TIME	REFERENCE
1.	Pledge of Allegiance	E. Martinez	1 min.	-----
2.	Roll Call	D. Leyendecker	2 min.	-----
3.	Safety Briefing	M. Rendón	5 min.	-----
4.	Receipt of Conflict of Interest Affidavits	E. Martinez	2 min.	-----
5.	Opportunity for Public Comment 3 min. limit – no discussion	E. Martinez	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>				
6.	Award Recognitions – a) Two (2) – South West Transit Association (SWTA) Spotlight Awards for CCRTA b) Texas Transit Association (TTA) 2020 Award Presented to CCRTA by Allen Hunter, TTA Executive Director	J. Cruz-Aedo Allen Hunter, TTA Executive Director	5 min. 5 min.	----- -----
7.	Update on CCRTA's Response to COVID-19	J. Cruz-Aedo	5 min.	PPT
8.	Update – State & Federal Legislative Reports a) State – Longbow Partners b) Federal – Cassidy & Associates	J. Cruz-Aedo Tris Castaneda Barry Rhodes (Virtual)	5 min. 10 min. 10 min.	Pages 1-2 ATTACHMENT PPT
9.	Update – 2020 Second Quarter Investment Report a) Patterson & Associates	R. Saldaña Linda Patterson	10 min.	PPT

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On **Friday, October 2, 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. Secondly, The RTA will also act responsibly to enhance the regional economy.

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.



Subject: Updates on State and Federal Legislative Reports

Background

CCRTA contracts for State and Federal Legislative consulting services to assist with legislative priorities, initiatives, legislative process, access, and identification of discretionary funding opportunities.

COVID-19 impacted public transportation financially, operationally and more importantly the health and well-being of our workforce. The CARES Act provided resources to maintain services that transported depend riders, many who are essential workers that have been negatively impacted during this economic downturn. The CARES Act also helped CCRTA avoid any layoff of our essential workforce and maintain operational services.

The long-term repercussions of COVID-19 will be felt for several years thus representation from our state and federal legislative consultants will be essential.

In addition, the upcoming elections will lay the ground work for how the 2021 state and federal legislative sessions will unfold bringing new challenges and opportunities.

CCRTA's legislative consultants will advise and educate policy makers about the potential effects of legislation and budget matters that impact mass transit.

Identified Need

It is crucial that CCRTA have representation and advocacy that can successfully secure much needed funding for transportation in 2021.

- While the CARES Act provided essential funds in 2020, CCRTA seeks to maximize any pandemic or disaster recovery funds or incentives. 2021 funding would allow the organization to maintain a state of good repair, and avoid layoffs of our workforce and subcontractors. Through a sustained workforce, our community can maintain the efficiency of service, jobs, and transportation while avoiding the economic repercussions that would come from loss of jobs or services.
- State and federal legislative initiatives that can provide material differences financially and operationally to CCRTA and the people we serve.
- State and federal legislation programs designed to advance, protect the agency's interests and establish the building blocks to grow CCRTA.

- Assist CCRTA with grant funding, such as the BUILD Grant that has \$1 billion dedicated to planning and capital investments in surface transportation infrastructure that will significant local or regional impact.
- Assist in the development of various priorities that benefit and support the mission of CCRTA.

Board Priority

This item aligns with All CCRTA's Board Priorities and Mission.

Recommendation

Staff recommends the Board of Directors to receive the State and Federal Legislative Reports.

Respectfully Submitted,

Submitted by: Rita Patrick
Marketing Director

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



THE CCRTA 2021 STATE LEGISLATIVE PROGRAM, 87th REGULAR SESSION ISSUES OF INTEREST AND SUGGESTED TIMELINE

October 7, 2020

GENERAL OVERVIEW

Marked by a disorienting global pandemic, high unemployment, declining public sector revenue streams, and civil unrest, 2020 is poised to be a transformative year -- a time that will be written about, taught in schools, and become part of the collective memory of the people who lived through it! 2020 is also a furnishing the public a front row seat to one of the more contentious Presidential election years, one that promises to historically test further the partisan norms and standards of campaign civility. Even with the prospect of a vaccine, it seems unrealistic at this point to assume that the social distancing protocols associated with COVID will disappear between now and the start of the legislative session, predictably altering standard legislative and public engagement during the session.

The confluence of the above conditions within the context of the Texas Legislature, is sure complicate our advocacy efforts during the session. Further, there is an open Speaker's race and a closely watched Senate election that could have some potentially significant tactical consequences to the Senate's 3/5th rule, which is the number of Senators required to bring a bill to the floor. At the same time, there will be some basic processes and activities that will remain consistent and reasonably predictable, including the constitutionally mandated passage of a state budget, which has been hard hit due to the economic slowdown, redistricting, once census numbers are available, and the necessity to pass various sunset bills that will occupy considerable legislative time and attention. It is conceivable that we could see on more special sessions.

As in previous sessions, there is certain to be numerous legislative opportunities and challenges facing transit properties, including state legislative initiatives that can make a material difference financially or operationally to the CCRTA and the people we serve. We know from experience that each election cycle and legislative session inevitably brings changes, some of which are controllable or foreseeable, while other events and conditions are outside of our control or occur unexpectedly.

Consequently, we have prepared this draft set of possible issues of interest outline, as a first step to developing a mutually agreed upon, sustainable, CCRTA legislative program designed to advance and protect the agency's state legislative interests. As such, this document will not address specific legislative matters and/or policy issues in explicit written detail, but instead will focus on setting forth the essential building blocks to grow the CCRTA's state legislative influence by leveraging the unique aspects of the agency, engaging the board and senior staff, while showcasing your local community connectivity and technical expertise. We will utilize these tactics so that we can better inform policy makers about the potential positive or adverse effects of legislation or budget matters in connection mass transit or the Coastal Bend area – particularly those impacts that legislators or agency officials may not fully understand or be aware of.

PROGRAM STRUCTURE

Building on the organizational system deployed effectively over the last several sessions, it seems prudent at this time to develop an initial set of potential legislative issues based on previously filed legislation, anticipated policy changes based on interim charges, as well as taking into account local and CCRTA interests.

Recognizing the importance of prioritizing limited resources and wanting to maximize the opportunity to deliver agency and community value, we will again organize the CCRTA's legislative program into three distinctive, but equally important categories, which remains an essential tool to enhance the overall effectiveness of the adopted state program and to provide Staff and the Board a mechanism to measure success. Below you will find a description of the three proposed categories.

Initiatives – CCRTA is proactively involved including drafting of legislation recruiting legislative sponsors for filing bills, providing committee testimony and other related activities needed to pursue passage of legislation or amendments.

Endorsements – CCRTA will work collectively with other parties, specifically communicating support for various appropriation decisions, legislative issues, or amendments as appropriate. Endorsement issues might include those identified among large urban transits, community/coastal bend area issues, Texas Transit Authority (TTA) issues, or specific issues involving the City of Corpus Christi, Nueces County or other key stakeholders as deemed appropriate.

Defensive or Preservation Matters – CCRTA will use its government relations and community resources to oppose legislation, amendments, or appropriations decisions that are adverse or detrimental to CCRTA's ability to operate efficiently to deliver high quality services to its customers.

What follows are some possible issues by organizational category for the CCRTA to review and consider adding to their final legislative program. The issues are not weighted nor listed in any order but are provided to begin a dialogue about CCRTA's legislative priorities.

POSSIBLE INITIATIVES

- ❖ Legislation authorizing an MTA to provide natural gas fueling to municipal, county, and other political subdivisions due to a catastrophe or technical breakdown in their fueling capabilities without losing its tax exempt status. Possibly consider enabling the CCRTA to provide CNG to private consumers under the same circumstances, provided that taxes were collected and remitted.
- ❖ Protect, preserve, and seek additional appropriations for air quality planning funds (Clean Air Account 151), which benefits Corpus Christi as a near non-attainment community in meeting SIP requirements.
- ❖ Consider modifications to the fare approval committee under 451.061, Transportation Committee.
- ❖ Seek to maximize any pandemic or disaster recovery funds or incentives.

ENDORSEMENTS / GUAGE INTEREST ISSUES

- ❖ Consider support for reforms to facilitate efficient and more patient centric approaches to Medical Transportation.
- ❖ Consider authority of an urban transit district to expand services, as a means to improve services in rural areas served by the CCRTA.
- ❖ Consider increasing the criminal penalty for certain offenses committed on the premises of a public transportation system or to a transit employee.
- ❖ Consider support for local control, monitoring TexRail, Lone Star Rail, and other high speed/commuter rail initiatives, which will face fierce attack.

DEFENSIVE MEASURES

- ❖ Preserve the integrity of Chapters 451 and 452 of the Transportation Code and general MTA statutory authority.
- ❖ Protect all local and state funding sources for metropolitan and regional public transportation agencies, so that no portion of that funding approved by voters is diverted from public transportation purposes in the area where funding is collected, including:
 - Being subject to a road or street maintenance contribution referendum.
 - Diversion to the state highway fund or restricting the uses of those locally collected revenue for non-transit purposes.
 - Changing the current sales collection increments.
- ❖ Preserve MTA appointed governance structure from requiring members to be elected.
- ❖ Protect against increases in motor fuels tax rates or repeal of alternative fuels exemption achieved in previous sessions that may adversely impact MTAs.
- ❖ Preserve the right for political subdivisions, including the CCRTA, to utilize public money for state legislative and regulatory advocacy.
- ❖ Protect against state legislative changes to the governing body of certain metropolitan rapid transit authorities, including size and make up, unless locally supported.
- ❖ Protect against legislation authorizing the withdrawal by political subdivisions from the territory of a metropolitan rapid transit authority.
- ❖ Preserve the authorization for MTA's to utilize P3, Design-Build and Construction Manager-At-Risk to deliver projects, including the use of eminent domain.
- ❖ Preserve the Health and Safety Code to authorize MTA eligibility for TERP grant funds.

GENERAL TIMELINE AND MILESTONES

- (1) Set CCRTA board meeting in Corpus Christi to review and discuss the 2021 Legislative Program sometime in October 2020. Need guidance on a suitable date from staff, including any subcommittee or workshops as might be needed.
- (2) Consider setting a date for a Corpus Christi delegation dinner, Zoom or one-on-one discussions with members and/or staff after a 2021 program has been finalized, but not yet adopted, to share and solicit valuable delegation feedback on the draft CCRTA legislative agenda. Ideally, sometime in late October or early November 2020.
- (3) Seek board adoption of the CCRTA final legislative program in mid to late November 2020.
- (4) Identify CCRTA / Large Urban Transit Day at the Capitol in early February, or shortly after Committee assignments are made.
- (5) Identify Delegation Dinner opportunity in Austin during the session, sometime after the March filing deadline.
- (6) Engage Board members and senior staff to assist in support of the adopted CCRTA legislative program – January 2021 – June 2021.



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
WEDNESDAY, SEPTEMBER 2, 2020

Summary of Actions

1. Pledge of Allegiance
2. Roll Call
3. Safety Briefing
4. Receipt of Conflict of Interest Affidavits
5. Opportunity for Public Comment
6. Heard Update on CCRTA's Response to COVID-19
7. Action to Approve the Board of Directors Meeting Minutes of August 5, 2020
8. Heard Consent Items –
 - a) Action to Authorize Adopting a Resolution for Electrical Services with the Texas Coalition for Affordable Power (pgs. 10-11)
 - b) Action to Amend the Pension Funding Policy for the Defined Benefit Plan to comply with the language required by the Pension Review Board (pgs. 12-13)
9. Heard Presentation by Fargo Institutional Asset Advisors – CCRTA Defined Benefit Plan & Trust for Period Ending June 30, 2020
10. Action to Authorize Exercise the One (1) Year Option on the Contract to James River Petroleum for Unleaded Fuel Supply
11. Heard Presentations –
 - a) July 2020 Financial Report
 - b) July Procurement Update
 - c) July 2020 Safety & Security Report
 - d) July 2020 Operations Report
12. Heard CEO's Report
13. Heard Chairman's Report
14. Adjournment
15. Informational Items

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. Edward Martinez, Board Chairman, called the meeting to order at 8:32 a.m., and held the Pledge of Allegiance. Ms. Dena Linnehan called Roll and stated a quorum was present.

Board Members Present: Edward Martinez, Board Chair; Michael Reeves, Board Vice Chairman; Dan Leyendecker, Board Secretary; Lynn Allison, Anne Bauman, Patricia Dominguez, Anna Jimenez, Glenn Martin, Eloy Salazar, Philip Skrobarczyk and Matt Woolbright.

Board Members Absent: None.

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



Public Present: None. Public Comment has been made available online to the Public on the CCRTA website at the following link below. No online comments were received.

<https://www.ccrta.org/news-opportunities/agendas/>

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 three exits to the Board of Directors room, to the back by the kitchen, my immediate right, and to the back of this boardroom. He said during an emergency you will utilize the west side door, report to the clock tower adjacent to the transfer station, Ms. Linnehan will account for the Board of Directors members, and that he will make sure everyone exits properly. Mr. Rendón also commented do not use the elevator, do not return to the building unless an 'all clear' has been given, and if we have to shelter in place, we will shelter in place in the west side of the building.

Action to receive Conflict of Interest Affidavits

None received.

Provided Opportunity for Public Comment

No Public Comments received.

Heard Update on CCRTAs Response to COVID-19

Mr. Jorge G. Cruz-Aedo reported the Agency continues to monitor and evaluate daily, the COVID-19 Prevention Action Plan. He said there is aggressive cleaning through the system with the purchasing of PPE for employees and riders, plexiglass barriers that have been installed at Customer Service and on the buses. He said Marketing and Human Resources continue monitoring the health of the employees and maintain the employee morale by daily communication and incentives. Mr. Cruz-Aedo stated the Agency also communicates to the employees and to the public, to practice good hygiene. He said increased safety measures have been put in place at the stations, Operations has closely monitored the ridership numbers to adjust the routes as needed, and we have provided to the ridership, the H-E-B locations to purchase bus passes.

A slide showed the service adjustments for the Agency's Monday through Friday service including the weekend service hours. He said services are evaluated daily to determine if additional buses are needed, with some routes being temporarily suspended due to a decreased ridership or redundancy with other service. Mr. Cruz-Aedo commented masks are required on all buses, and mask dispensers have been installed along with hand sanitizer stations. He said 500 to 800 masks are provided daily. A surveying of riders and non-riders is currently being taken through social media and on our website to find out where they want to go, how often they ride the system, what we can do to get them to ride the system and how COVID-19 has affected them in riding buses.

Mr. Cruz-Aedo commented our number one asset is our employees. He said the Agency has installed free-standing temperature machines at both locations, we have contact tracing as needed, masks are required in shared workplaces, and we communicate daily to employee with text messages. The Agency continues to offer the \$2 per hour increase for essential employees, a 2 to 3 work schedule in some departments, flexible work schedule and emergency FMLA with most employees being back to work at least 2 days per week. He said we have provided \$50 H-E-B cards to employees.



The Agency continues with the 'B-Safe' Campaign throughout the community via local television stations, COVID-19 prevention message played at stations, bus wraps and benches mandating wearing of masks, and social media message daily. He displayed a slide with the costs associated with the pandemic prevention plan as of August 28, 2020 being a over \$1M.

Action to Approve the Board of Directors Meeting Minutes of August 5, 2020

MR. MICHAEL REEVES MADE A MOTION TO APPROVE THE BOARD OF DIRECTORS MEETING MINUTES OF AUGUST 5, 2020 AS AMENDED TO CORRECT MR. SALAZAR MAKING OF MOTIONS YET NOT SHOWN ON THE MINUTES. MR. DAN LEYENDECKER SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, LEYENDECKER, MARTIN, REEVES, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Heard Consent Items

- a) Action to Action to Authorize Adopting a Resolution for Electrical Services with the Texas Coalition for Affordable Power (pgs. 10-11)
- b) Action to Amend the Pension Funding Policy for the Defined Benefit Plan to comply with the language required by the Pension Review Board (pgs. 12-13)

Mr. Eloy Salazar asked for consent item A) to be pulled for further discussion.

MR. ELOY SALAZAR MADE A MOTION TO APPROVE CONSENT ITEM B). MR. GLENN MARTIN SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, LEYENDECKER, MARTIN, REEVES, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Mr. Salazar would like for other vendors to be allowed to bid on the electrical service when this contract expires and this go on the record. Mr. Robert Salazar presented the item again from the prior meeting for this consent item A). After General Discussion, a motion was made for consent item A).

MR. PHILIP SKROBARCZYK MADE A MOTION TO APPROVE CONSENT ITEM A). MS. LYNN ALLISON SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, LEYENDECKER, MARTIN, REEVES, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Heard Presentation by Fargo Institutional Asset Advisors – CCRTA Defined Benefit Plan & Trust for Period Ending June 30, 2020

Mr. Robert Saldaña introduced Mr. Christopher Koeller of Wells Fargo Institution Asset Advisors who would be presenting on the Defined Benefit Plan & Trust ending June 30, 2020 results. Mr. Koeller reported first on the Defined Contribution Plan, he stated for the quarter, the agency began with \$9.3M and ended with \$10.9M market value. He reported the agency broadly saw a little less in cash, reduction in participation in the target date funds, yet a broader increase in the equity funds. He detailed the other funds and said they stayed the same. Mr. Koeller reported on the cash flow funds with contributions being \$283K and distributions being a negative \$82K, and investment gains of \$1.3M that continues to rise as the market rises, ending the quarter with \$10.9M. For performance summary, Mr. Koeller reported on the money market and two fixed income funds have done very well year-to-date, and on the equity side of the funds also doing very well, and our large, small and mid-cap funds are also doing well, including the target date and international funds. He mentioned the charts show the performance and expense ratios of these funds.



Mr. Leyendecker asked what the net return portfolio as a whole and total expenses of the portfolio as a whole. Mr. Koeller commented on the contribution plan, and said it is driven by participation and selection in the various funds on a daily basis and difficult to capture. He said we aggregate on the defined benefit plan, yet the contribution plan has various fund expense ratios. Mr. Koeller asked Ms. Lisa Keckler, Wells Fargo Investment Advisors', Relationship Manager for her comments. Ms. Keckler said they will report back with the calculation on the aggregate return although we look at the expenses fund by fund, although very competitive, and will follow back with Mr. Saldaña. Mr. Matt Woolbright asked about the small cap funds being fairly high ratios and is there alternatives for these. Mr. Koeller stated they looked at this in February and have some options that are the best for the participants.

Mr. Koeller reported on the Defined Benefit Plan & Trust and a slide with the asset class returns ending June 30, 2020 was presented and he this was the full deck. Mr. Koeller reported on cash flow beginning the quarter at \$36.7M and ended the quarter at \$41.1M. He commented on the current volatile market the world is experiencing right now, and reported on how they allocate the various investment funds targets and detailed each fund separately as presented in the chart. Mr. Koeller commented on the structure of the portfolio by taking volatility out, over allocate assets to large cap domestic stocks that are in a better position, and as we view this as a perpetuity given just how unknown the current situation is to manage these types of portfolios with risk first mentality. He continued with the comparative performance to get some out performance out of the market and take out some of the downside risk where this may flow over the next 6, 9, 12, 18-months from an economic perspective, is very hard to see in today's market, and dialing down this risk makes for a better portfolio. He mentioned if we miss it a little on the upside, although not great, is still better than suffering another 2008 of being over allocated.

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

Mr. Derrick Majchszak reported on background information for the agency's unleaded fuel supply that currently includes 28 support vehicles, 3 cutaway vans used by the City of Port Aransas, and 29 ARBOC buses to be delivered by 2021 for our contracted fixed route and paratransit services. Mr. Majchszak commented this is a two-year base contract originally approved by the Board in November 2018, and has a one-year option with the Board approval. He provided the need for the agreement to ensure product availability, predictable pricing, OPIS discounts/markups, and any price-marked per sit delivery date. Mr. Majchszak said staff will monitor the DBE goal and work with James River Petroleum to pursue DBE participation and any sub-contracting opportunities. He said the total costs are determined by actual usage, and funds utilized are locally from the annual operating budgets. Mr. Majchszak provided a slide with a chart showing the estimated usage in gallons and costs for both 2020 and 2021, as based on expected delivery of the 29 ARBOCs scheduled to be delivered before 2021 and be in service.

MR. LEYENDECKER MADE A MOTION TO EXERCISE THE ONE (1) YEAR OPTION ON THE CONTRACT TO JAMES RIVER PETROLEUM FOR UNLEADED FUEL SUPPLY. MS. ANNA JIMENEZ SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, LEYENDECKER, MARTIN, REEVES, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Heard Presentations –

a) July 2020 Financial Report

Mr. Robert Saldaña reported on highlights for the month of July where Total Revenue over Expenses by \$2.5M driven by a \$2.33M draw-down of the CAREs Act. He said our sales tax



for June came in at less than 1 percent variance than last year from what was projected, and we are trending very well with the sales tax, and the COVID-19 CAREs Act at this time. He said Departmental Expenses are at 89 percent of budget. Mr. Saldaña provided a snapshot of the Income Statement and explained the columns of Adopted Budget for the year, Month Actual and Baseline budget for the month, and said we have about \$5.89M with \$2.3M being from the CAREs Act, Expenses being \$3.26M, or \$2.5M revenues over expenses for the month. A slide was shown with the breakdown by category of July Revenues he detailed each line item with total Operating Revenues and Capital Funding being \$5.8M for the month of July on a budget of \$3.8M. Mr. Saldaña presented a pie-chart on a slide detailing each object and amounts with the percentage of budget. These excluded Depreciation, Debt Service and Street Improvements. Mr. Saldaña reported on Expenses coming in at \$2.6M for the month of July on a budget of almost \$3.0M, or \$400K in savings for the month.

Mr. Saldaña reported year-to-date (YTD) highlights Passenger Service revenues are about 35 percent under budget target at almost 66 percent. Staples Street Center collected is almost at 99.7 percent of revenues, and total Departmental Operating Expenses are \$1.7M compared to budget. He stated Total Revenues over Expenses for YTD are at \$7.7M to the good. Mr. Saldaña reported on the Operating Revenues of \$30M on a budget of \$22M with \$8.9M being from the CAREs Act draw-down, and with our grants and donations and transfer-in revenues, has us at \$31M on a \$24M budget for the month, or \$7M to the good. A slide showing the COVID-19 reimbursement to-date of \$9.4M less fares revenue received of \$470K, or a total grant reimbursement of \$8.9M. Expenses came in at \$19.1M on a budget of \$20M, or the \$1.6M savings.

Mr. Saldaña presented a slide of the current averages of fuel cost per gallon of CNG, Diesel and Unleaded fuels. For the June 2020 Sales Tax where in June last year we received \$3.371M, this year we have received \$3,348M, or \$22K less than last year, and comparison to budget where we received \$3.34M on a budget of \$2.96M, or an increase of \$381K for the month. A slide presented of a Sales Tax Trend chart over the past 13 months showed the highs and lows by months and years. He also commented to summarize, the agency is a little over \$7.7M to the good due to the CAREs Act drawdown of \$9.89M

b) July Procurement Update

Mr. Saldaña reported there are 2 procurements/solicitations for the month of July, CNG De-Fueling Station at \$60K with bid due September 24 2020, and the Ultra Violet Germicidal Irradiation UVGI Kits at \$265K with bids due October 6, 2020. He said for the 3 Month Outlook, we have one 2-year contract with a 1-year option for Unleaded Fuel at \$603,087 and looking to exercise the first option year; Texas Municipal League TMLIR Risk Poll at \$440,482 auto renewal until cancelled; Long and Short-Term Disability Insurance at \$108,487 exercise first option year; and a Life and AD&D Insurance 3-year contract with two 1-year options at \$30,050.

He reported for the CEO's Signature Authority of less than \$50K we have 12 items; .HVAC Services at \$39,681 one-year agreement with two 1-year options; Local and Long Distance Phone Provider at \$24,840 three year service contract with one 2-year option; Brass Fittings at \$24,206 two-year agreement with one 1-year option; Hydraulic Hoses and Fittings at \$49,344 two-year agreement with one 1-year option; Maintenance Uniform Rental Services at \$49,459 2-year agreement with one 2-year option; Trapeze FX Blockbuster 1-year agreement at \$28,726; Spanish Translation Services 1-year contract at \$25K; South Texas Military Task Force 1-year agreement at \$25K; Remix Transit Planning Software agreement at \$31K; Investment Advisory Services 14 month agreement at \$25,666; Fleet-Net Software



License and Support 1-year agreement at \$28,750; and the DRI AVL Software Maintenance 1-year agreement at \$46,449. He said we still maintain our Marina Rental Space on a month-to-month contract with the City of Corpus Christi not to exceed \$6,100.

c) July 2020 Safety & Security Report

Mr. Mike Rendón commented for the month of July we did not meet with the ARB Accident Review Board due to safety reasons and hope to meet over the next few months. He reported there were 437 contacts with individuals the month of July with the top two categories at 95 percent; 183 for loitering and 155 for quality of life. The zero stats on the chart for criminal trespass arrest (CTA) and arrests for public intoxication (PI) again this month. Mr. Rendón stated for the Staples Street Center (SSC) continues to have between 60 to 70 visitors in the building per day; Veterans Affairs and Social Services continue their online appointments that has been majority of traffic coming into the building; along with DMV accepting a few online appointments as well. He said the Greyhound counter passengers has also increased slightly. Mr. Rendón reported there are 10 Security guards at this location; 4 are commissioned and 6 are non-commissioned. He requested more female officers/guards from the contractor as they handle check-point entry with individuals better than male counterparts for this type of business, and one of the ladies is a veteran.

Mr. Rendón stated the current issue with individuals using synthetic consumption, we have 1,400 bus stops and target about 40 known stops where these individuals hang out. He said one of the stops near Kleberg Bank, we fenced the area, and now there are zero individuals being reported there. Another was a stop near CVS, we spoke to the Manager, who let us know the overgrown landscaping was being trimmed, and has now been reported no individuals are hanging out. Mr. Rendón reported that a few undercover officers over the past few months have made over 15 arrests of known sellers of the synthetic marijuana as the consumption has increased in the past 6 months. He also mentioned nearby areas that have been a challenge as the synthetic usage is up once again and our officers/guards are on alert to these challenges daily along with their normal security procedures at the building. Our officers/guards work closely with the enforcing agencies in the area, and report any arresting activities going on in our building and surrounding areas.

d) July 2019 Operations Report

Mr. Gordon Robinson commented for the month of July we boarded just over 196K passenger trips, had just over 23K revenue hours, and our operators drove over 36K revenue miles. He said the monthly ridership trends are down and just over 196K miles, below our normal average ridership over the past several years of over 440K. Mr. Robinson reported the monthly ridership mode system-wide, and stated fixed route being 55 percent down, and Vanpool also showing a 50 percent decrease in ridership. For year-to-date, ridership is down by negative 35 percent systemwide as it also factors in January and February months as well. A new slide was displayed showing the Second Quarter Cost per Passenger by Mode and Mr. Robinson commented this is something new we have begun to project to show the costs associated with the CCRTA & MV Fixed Route, Port A Flexi-B, B-Line and Vanpool services along with a year-to-date breakdown from January 2020.

He said our On-Time Performance is just over 94 percent with no issues. Mr. Robinson also mentioned the wheelchair and bicycle boardings are down by almost 40 percent than last year at this time. He presented a slide with a chart of routes currently impacted by the City's Bond Projects and the Harbor Bridge Project detours, and there are 7 detours out of 32 for July. Mr. Robinson commented B-Line is still down due to the pandemic along with Miles Between Road Calls (MBRC) down from issues with heat and age of vehicles. He reported



the MBRC is just over 7,800 which met the industry standard. Mr. Robinson said being in the Summer season, heat does have a factor on our vehicles.

Heard CEO's Report

Mr. Jorge G. Cruz-Aedo commented over the next few months he will be working with the Board Chairman and Board Officers to identify legislative items we would like to address during the 2021 Legislative Session process with the consultants in Austin, TX and in Washington, DC. He also commented that as President of the Texas Transit Association (TTA), the CCRTA nominated Senator Juan 'Chuy' Hinojosa as *Friend of Transit for 2020* and was awarded by TTA over the past few months. Last Friday, Mr. Cruz-Aedo was able to present the award to Senator Hinojosa in McAllen, TX. and noted the Senator was very happy and honored to receive the award. He said the Senator has brought \$1B dollars to the State of Texas in grants, with over \$400M in grants to South Texas, and has been a Champion to the CCRTA and other Texas transit agencies.

Heard Chairman's Report

Mr. Edward Martinez, Board Chairman opened it up for the board members to comment. Several board members commended the CEO for his leadership, and Staff for all their efforts and hard work with everything we are all going and have been through with this pandemic, and how the agency continues to keep the employees and the community to stay safe during this pandemic. Other comments were the great job everyone is doing, great team at the agency, and for the Board members continue to be active and participate remotely to oversee policy at the leadership level we do, and congratulations to Senator Hinojosa for supporting the transit industry here in South Texas.

Adjournment

There being no further review of items, the meeting adjourned at 9:54 a.m.

Submitted by: Dena Linnehan

Dan Leyendecker, Board Secretary



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

October 7, 2020

Subject: Award a contract to Dailey-Wells Communications for a Mobile Radio Feature Upgrade

Background

The CCRTA is part owner of the City of Corpus Christi Radio Communications System that provides public safety communications. This system provides the critical public safety and public service communications for the agencies throughout Nueces County and the surrounding area. RTA currently operates on this system. The current radio system is in the process of being updated to P25 compliance and RTA's mobile radios need to be upgraded to P25. Currently all RTA buses have a mobile radio.

Identified Need

The current radio agreement with the City of Corpus Christi has Dailey-Wells Communications as the primary maintenance firm. Dailey-Wells Communications is the only authorized L3 Harris Corporation Network Solutions Provider to provide system sales and service support to this system and all agencies operating on this communications system.

Financial Impact

Funds for the Mobile Radio Upgrade were identified in the MIS 2020 Capital Budget using local funds. The total cost for the Mobile Radio Upgrade is \$97,495.

Board Priority

The Board Priority is Innovation.

Committee Review

This item was discussed and approved at the Administration & Finance Committee meeting held on September 23, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to award a contract to Dailey-Wells Communications for a Mobile Radio Feature Upgrade.

Respectfully Submitted,

Submitted by: David Chapa
Director of IT

Reviewed by: Robert Saldaña
Managing Director of Administration

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



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

October 7, 2020

Subject: Authorize Staff to release a Bundled Services RFP to solicit proposals for portfolio management services for the CCRTA Defined Benefit Plan and Trust and the 403(b) Defined Contribution Plan and Trust

Background

CCRTA sponsors two retirement plans for its employees both are currently administered by the Principal Financial Group (PFG): The ***RTA Employees Defined Benefit Plan and Trust (DB Plan)*** and the ***RTA Employees Defined Contribution Plan and Trust (DC Plan)***.

The ***DB Plan*** is a benefit pension plan that guarantees a specific monthly benefit upon retirement calculated on a set formula. Because CCRTA and employees do not participate in the Social Security System, the Authority maintains the DB Plan.

Unlike the Social Security System, employees do not contribute to the Plan because it is totally fund by the Authority. The only source of contributions is determined annually based on the actuarial valuations. CCRTA is responsible for making sure that there are sufficient funds in the plan to eventually payout retirement benefits even if plan investments do not perform well. As a result of this fiduciary responsibility, CCRTA has since the creation of the retirement plan outsourced the administration and custodial duties to firms specializing in this field. The DB Plan assets are maintained under a trust agreement with *The Principal Financial Group, formerly Wells Fargo Institutional Retirement & Trust Business*. Trust assets are invested in accordance with the Investment Policy Statement approved by the Board of Directors. Administration costs are paid by the plan for custodial and administrative services.

The ***DC Plan*** is a IRS code section 403(b) defined contribution plan that is a condition of employment. Employees are required to contribute 7.51% of their earnings. The overall objective is to enable eligible employees to save for retirement.

The contributions and distributions of the DC Plan are also administered and paid by the trustee, The Principal Financial Group. CCRTA is responsible for selecting an investment fund lineup in accordance with the Investment Policy Statement while employees are responsible for investing their accounts into the funds offered. Administration costs are paid by the plan for custodial, administrative and recordkeeping services.

The portfolio management services for both CCRTA sponsored retirement plans are currently being provided by *The Principal Financial Group, formerly Wells Fargo Institutional Retirement & Trust Business*. The scope of their services since 2010 have been limited to the recordkeeping, administrative, custodial and other ancillary participant functions of the retirement plans.

Management is in the opinion that the scope of services need to be extended to include Investment Advisory functions. These services would allow recommendations to management and committees on fund selection and on investments that are underperforming against their benchmark. In addition, most investment advisory services include in their core services ancillary functions such as fiduciary support and education at the committee level and participant support and training to assist them in making investment and retirement readiness decisions at no additional cost.

Attachment to this document includes details regarding each Plan

Identified Need

The Employee Retirement Income Security Act (ERISA) requires the prudent selection and monitoring of the plan's provider. While no additional guidance has been given from the DOL, it is industry best-practice to issue an RFP for administrative and advisory services every 3-5 years. During its July 28, 2020 Investment Committee Meeting, the Texas Pension Review Board noted proper operational practice is to issue an RFP every 3-5 years.

Typically, the outcome of an RFP is reduced pricing along with enhanced services. CCRTA may not see total fees reduced, given the scope is to be extended to include Investment Advisory functions, but may see reduced custodial, administrative and recordkeeping fees. However, the Advisory Services will allow the opportunity for considering recommended strategies to address underperforming investments in a responsive timeframe. Moreover, the educational enhancements that are typically available to assist participants in making investment and retirement decisions at no additional cost increase the value of services and adds to the feasibility of bundling services through a single RFP.

Financial Impact

The cost of services will be paid out of the earnings of the retirement plans.

Board Priority

This Board Priority is consistent with Transparency.

Committee Review

This item was discussed and approved at the Administration & Finance Committee meeting held on September 23, 2020.

Recommendation

Staff recommends the Board of Directors to authorize Staff to release a Bundled Services Request for Proposals (RFP) to solicit proposals for portfolio management services for the CCRTA Defined Benefit Plan and Trust and the 403(b) Defined Contribution Plan and Trust.

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert Saldaña
Managing Director of Administration

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

DEFINED BENEFIT PLAN

Objective – To earn a rate of return sufficient to match or exceed the long-term growth of the Plan’s liabilities through a combination of income and capital appreciation in a manner consistent with the fiduciary standards of ERISA and with sound investment practices.

All full-time employees are included in the plan. Vesting begins at three years of service with full vesting at seven years. The current vesting schedule is presented below:

Years of Service	Vested Percentage
Less than 3 years	0%
3 Years	20%
4 Years	40%
5 Years	60%
6 Years	80%
7 or More Years	100%

Normal Retirement Age	62
Early Retirement	55 with 10 years of service at reduced retirement benefits
Retirement Benefit	2% of average compensation for the final 3 consecutive years of employment
Distribution options	Different forms of annuity payment available. Lump sum payments available to those whose lump sum value is less than \$5,000

DEFINED CONTRIBUTION PLAN 403(b)

Objective – The overall objective is to enable eligible employees to save for retirement by providing tax-deferred savings plan and offering enough funds from distinct asset classes to accommodate a broad range of individual investment goals.

Condition of Employment	Contribute 7.51% of earnings – Full and PT employees
Tax Treatment of Contributions	Pre-tax
Distributions Payable	Upon termination, death, disability or normal retirement age of 62
Distribution Options	Account balance as a lump sum distribution or if distribution reason is retirement, death, or disability a monthly installment arrangement is available
Additional Contributions	Allowed up to 10%
Tax Treatment of Contributions	Taxable, not pre-tax



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

October 7, 2020

Subject: Issue a Request for Proposals (RFP) for a Bus and Bench Advertising Contract for three years with one two-year option

Background

The contract is a revenue stream for CCRTA. Currently, CCRTA has a contract with Iconic Sign Group LLC for advertising on:

- Bus benches
- Bus stop shelter ad space
- Inside bus advertising posters
- Outside bus advertising including wraps on both sides of buses and the back where available

The contractor is also responsible for all graffiti removal on the advertisement and general appearance of the advertisement itself.

In 2015, the CCRTA awarded Iconic Sign Group, LLC a 3-year contract with two, one-year options. Note: Due to the impact of COVID-19, CCRTA extended the contract from July 27, 2020 to December 31, 2020.

Financial Impact

2015 Iconic Sign Group Three Year Base Contract with two one-year option (see chart below).

Note: CCRTA shares 1/3 of the revenues with the City of Corpus Christi.

Percentage of Gross	Revenue to CCRTA	Minimum Annual Guarantee to CCRTA
Three Year Base	37% or	\$150,000
First Option Year	37% or	\$175,000
Second Option Year (Original)	37% or	\$200,000

COVID-19 and Street Construction Amended Second Year Option

Current street construction throughout the city and COVID-19's impact on business advertising had adverse results in bus bench advertising.

2019: Reduction in Bus Bench Advertising due to city street construction

2020: Due to COVID-19 impact on advertising revenue the minimum annual guarantee was temporarily lifted with Iconic Signs submitting 37% of revenue collected through bus and bench advertising

Second Option Year (Amended)	37% or	\$180,000
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Board Priority

This item aligns with the Board Priority – Financial Transparency.

RFP Proposed Timeline

RFP Issued	October 7, 2020
Pre-Proposal Conference	October 21, 2020
RFP Submission Deadline	October 28, 2020
RFP Submission Response Deadline	November 4, 2020
Proposal Submission Deadline	November 18, 2020, 3:00 p.m.
Evaluation Team Meeting	November 25, 2020
Action Item - Presented to Board for Approval	December 2, 2020
Contract Effective Date	January 4, 2021

Committee Review

This item was discussed and approved at the Administration & Finance Committee meeting held on September 23, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or his designee to issue a Request for Proposals (RFP) for a Bus and Bench Advertising Contract for three years with one two-year option.

Respectfully Submitted,

Submitted by: Rita Patrick
Director of Marketing

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



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

October 7, 2020

Subject: Authorize Issuing an Invitation for Bids (IFB) for Maintenance Uniform Rental Services

Background

Due to the nature of the work conducted by Facilities and Vehicle Maintenance, CCRTA rents the uniforms for these employees. Each employee is provided eleven (11) sets of shirts and pants. All garments and related items are furnished, laundered, maintained, picked-up, and delivered to the CCRTA facility by the contractor on a weekly basis. The contractor also provides lockers, entrance mats, and shop towels as part of this service. Approximately sixty (60) employees consisting of Facilities Maintenance, Vehicle Maintenance, and Garage Service Technicians along with Janitorial and Materials Management staff are serviced by this contract.

Identified Need

In order to maintain a professional image, the CCRTA follows strict uniform guidelines. Uniform components require maintenance and replacement in order to ensure front line employees represent CCRTA in a professional manner.

On December 07, 2016, the Board of Directors awarded a two (2) year base contract with a two (2) year option to UniFirst. The two (2) year option ends on December 12, 2020.

Disadvantaged Business Enterprise

Staff will review DBE and collaborate with the successful bidder to pursue DBE participation, including subcontracting opportunities.

Financial Impact

The estimated annual amount of the contract is \$60,000 for Maintenance Uniform Rental Services. Total amount of expenditures will be determined on actual usage. Funds are accounted for in the annual operating budgets and the program is locally funded.

The IFB will be structured as a three (3) year base contract with a two (2) year option following Board approval.

Board Priority

This Board Priority aligns with Public Image & Transparency.

Committee Review

This item was discussed and approved at the Operations & Capital Projects Committee meeting held on September 23, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to approve issuing an Invitation for Bids (IFB) for Maintenance Uniform Rental Services.

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



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

October 7, 2020

Subject: Exercise the Last Option Year to Evergreen Lawn and Landscape for Bus Stop Cleaning Services

Background

As part of the capital improvements initiative several years ago, the Board of Directors, asked for a significant increase in the number of trash receptacles located at bus stops. Previously, there had been approximately 150 trash receptacles throughout the area. But, after the Board request and subsequent procurement, the trash receptacle count went from 150 to 860 trash receptacles. Thereby, growing the number of trash receptacles in the service area exponentially and requiring additional support resources.

Identified Need

In addition to the 860 trash receptacles, mentioned above, the RTA services 1,343 bus stops throughout our service area, with approximately 198 shelters. The CCRTA's service area is approximately 838 square miles and includes nine cities. By procuring bus stop cleaning services two goals are accomplished. The cleanliness of the stops enhances the overall public image of the CCRTA and provides a clean waiting area for our riders.

The contracted maintenance program for the bus stops includes landscaping, tree trimming around the bus stops, trash and graffiti removal. The service is provided to all stops on a weekly basis.

Analysis

The Request for Proposals (RFP) was a three-year base contract with two (2) one (1) year options. The RFP was issued on September 27, 2016 and a pre-proposal was held October 11, 2016. Four proposals were received on November 1, 2016. Evergreen had the highest technical and overall score with an 83.56 out of 100.

FIRMS	SUBTOTAL (70 Points Max.)	COST (30 Points Max.)	COST FOR FIRST THREE YEARS	TOTAL (100 Points Max.)
Evergreen Lawn and Landscape	64.50	19	\$1,123,102.51	83.56

All proposers had to meet minimum requirements listed below:

- Have adequate financial resources or the ability to obtain such resources as required during the performance of the Contract;
- Have a satisfactory record of past performance;
- Have necessary management and technical capability to perform,

- Be qualified as an established firm regularly engaged in the type of business to perform the Contract required by this Request for Proposals,
- Be otherwise qualified and eligible to receive an award under applicable federal, state, county, or municipal laws and regulations; and
- Certify that it is not on the U.S. Comptroller General's list of ineligible contractors – signing and submitting the proposal is so certifying. (NOTE: This requirement is only applicable to federally-funded contracts.)
- A proposer may be requested to submit written evidence verifying that it meets the minimum criteria necessary to be determined a responsible proposer. Refusal to provide requested information shall result in the proposer being declared not responsible, and the proposal shall be rejected.

Also, Contractor shall maintain at all times during the term of this Contract at its sole cost and expense each of the following insurance coverages listed below having policy limits not less than the dollar amounts set forth: Commercial general liability insurance with minimum policy limits of \$1,000,000 (In the event motor vehicles will be used by Contractor to perform the services specified). Automobile liability insurance with a combined single limit of \$1,000,000.

Contractor shall maintain at all times during the term of this Contract at its sole cost and expense workers' compensation as required by statute and employer's liability insurance with policy limits of \$300,000 containing a waiver of subrogation endorsement waiving any right of recovery under subrogation or otherwise against the CCRTA

Below please see the list below for the evaluation criteria and associated points:

- | | |
|---------------------------------|--------|
| • Approach and Work Plan | 25 pts |
| • Experience | 25 pts |
| • Qualifications and References | 20 pts |
| • Cost | 30 pts |

Evergreen Lawn and Landscape has over 22 years of experience with a list of clients that include La Palmera Mall, Corpus Christi Housing Authority, First Community Banks, Greenbriar Apartments, and the CCRTA.

The company has performed in a satisfactory manner over the last four years and responds in a timely manner when tasked to address a specific issue. The company interacts with the CCRTA staff in a very professional manner and meets all the requirements of the contract.

Financial Impact

The last option year price is the same as the previous four years annual pricing, at \$374,367.50.

Committee Review

This item was discussed and approved at the Operations & Capital Projects Committee meeting held on September 23, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to exercise the last option year to Evergreen Lawn and Landscape for Bus Stop Cleaning Services in an amount not to exceed \$374,367.50.

Respectfully Submitted,

Submitted by: Sharon Montez
Managing Director of Customer Services and Capital Projects

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



Subject: August 2020 Financial Report

SUMMARY: Results from all Activities Compared to Budget

Operating Revenues totaled **\$3,117,628** in August, or 95.15% of the monthly baseline expectation. **Operating Revenues** include all revenues except the sales tax revenue of \$2,725,551. The baseline expectation provides an even 12-month spread to all revenue and expense categories and helps gauge the reasonableness of financial data. Revenues for August reflect the impact of the Covid-19 pandemic on various aspects of the Authority, as fare revenues reached only 57.62% of the baseline expectation. Meanwhile, bus and bench advertising reached 67.88% of the baseline expectation.

In August, the Authority processed the third drawdown request for eligible operating expenses, in the amount of \$2,709,966 from the CARES Grant bringing the YTD total to \$11,701,900. This leaves a grant balance for operating assistance to \$3,657,462. The total apportionments for the Authority are \$16,359,362, with \$15,359,362 allocated for operating assistance and \$1,000,000 allocated for capital expenditures. No expenses have been incurred for the capital portion of this grant. The CARES funding serves to cover eligible operating expenses incurred on or after January 20, 2020 net of fare revenues and include operating costs necessary to operate, maintain, and manage CCRTA.

The **Investment Portfolio** closed the month of August with a Market Value of **\$42,641,777**, an increase of **\$15,266,328** from the end of 2019 which closed at **\$27,375,449**. In comparison to the Market Value ending in July, the Market Value for August increased by **\$4,761,347**, primarily due to the receipt of CARES Grant funds. The majority of the Authority's holdings are in TexPool Prime which includes Commercial Paper Investments. The

Other Revenues which is a component of Operating Revenues, totaled \$174 in August. These revenues are typically sporadic and will not usually align with the baseline expectation. The revenue category includes federal and state fuel credits, income from facility rentals, proceeds from insurance claims, and other income. Staff is working with Financial Advisor to align portfolio allocation and risk allocation amidst the remaining economic uncertainty and based on the results of the cash flow analysis for 2020 and 2021.

Sales tax revenue is the largest source of income from **Operating Revenues**. The actual allocation payment for August 2020 will be received October 9, 2020. Because the allocations lag two months behind the sales tax for August is estimated for budget and reporting purposes.

The August allocation is estimated at **\$2,970,409** and represents the amount equal to the same period in 2019. This amount was utilized in order to maintain a conservative forecast for what might emerge in the aftermath of Covid-19 **since adjustments to sales tax payments by the Comptroller are unpredictable**. The most common adjustments come from **Audits** that can lead to sizeable adjustments that may either decrease or increase the sales tax payment. This strategy will assist in responding to revenue shortfalls by allowing ample time to adjust spending and/or evaluate changes in spending patterns. And in the opinion of the most recent S&P report "the Authority maintains exceptional financial metrics" compared with peers.

Month Revenue was Recognized	2020 Actual	2019 Actual	\$ Growth	% Growth
January (actual)	\$ 2,532,147	\$ 2,567,060	\$ (34,913)	-1.36%
February (actual)	2,593,497	2,533,698	59,799	2.36%
March (actual)	2,856,393	2,969,520	(113,127)	-3.81%
April (actual)	2,463,919	2,776,441	(312,522)	-11.26%
May (actual)	2,791,009	2,862,654	(71,645)	-2.50%
June (actual)	3,348,797	3,371,490	(22,693)	-0.67%
July (actual)	2,744,819	3,169,718	(424,899)	-13.40%
August (estimate)	2,970,409	2,970,409	-	0.00%
September				0.00%
October				0.00%
November				0.00%
December				0.00%
	\$ 22,300,990	\$ 23,220,990	\$ (920,000)	-3.96%

The **\$2,744,819** sales tax payment received September 11, 2020 included the allocation from internet sales of \$20,267. RTA started receiving internet sales tax revenue in December 2019, and to date have received **\$149,487**. Retailers started collecting sales tax on internet sales October 1, 2019. Revenue from internet sales from the July 2020 allocation payment showed a **23.63%** decrease from the prior month.

October 2019	\$10,059		
November 2019	12,664	25.89%	increase from prior month
December 2019	14,454	14.13%	increase from prior month
January 2020	17,773	22.96%	increase from prior month
February 2020	13,611	23.41%	decrease from prior month
March 2020	18,756	37.80%	increase from prior month
April 2020	16,441	12.34%	decrease from prior month
May 2020	19,191	16.73%	increase from prior month
June 2020	26,538	38.28%	increase from prior month
July 2020	20,267	23.63%	decrease from prior month

Sales tax typically represents the largest component of CCRTA's total income however there are several factors that can cause fluctuations from year to year. Although sales tax revenue is related to economic conditions, other factors such as the amount of revenues from other sources and capital improvement plans do come into play.

The sales tax revenue over the last five years' averages to **76.80%** of total income. In 2019 Sales Tax Revenue represented 88% of total revenues. For the last few months, sales tax revenue collected in comparison to other revenue has been significantly lower than normal due to the CARES funding.

To stabilize the fluctuations of sales tax revenue, CCRTA has established several reserve accounts that serve as a liquidity cushion. As you can see from the fund balance breakdown below, over 50% of the unrestricted portion is assigned by the Board to fund reserves that are earmarked to meet certain unexpected demands.

The detail of all revenue and expense categories are presented in the following tables, along with the fare recovery ratio for July 2020:

Operating Revenue – July 2020 and Year-To-Date – Revenue Composition

Revenue Source	August 2020	%	YTD	%
Passenger Service	\$ 88,386	1.51%	\$ 796,030	2.22%
Bus Advertising	8,979	0.15%	81,320	0.23%
Other Revenue	174	0.00%	41,388	0.12%
Sales Tax Revenue	2,970,409	50.77%	22,300,990	62.09%
Grants - Operating	2,725,551	46.59%	12,027,922	33.49%
Grants - Capital	7,493	0.13%	189,577	0.53%
Investment Income	8,927	0.15%	154,533	0.43%
SSC Lease Income	40,753	0.70%	323,476	0.90%
Total Revenue	\$ 5,850,672	100.00%	\$ 35,915,235	100.00%

July 2020 Revenue – Operating and Capital Funding and Transfer-In

	08/2020				
	2020 Adopted Budget	August 2020 Actual	August Baseline into Budget	% Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,840,710	\$ 88,386	\$ 153,393	4.80%	57.62%
Bus advertising	158,731	8,979	13,228	5.66%	67.88%
Other operating revenues	622,779	174	51,898	0.03%	0.34%
Sales Tax Revenue	37,762,468	2,970,409	2,970,409	7.87%	100.00%
Federal, state and local grant assistance	874,476	2,725,551	72,873	311.68%	3740.14%
Investment Income	565,803	8,927	47,150	1.58%	18.93%
Staples Street Center leases	486,015	40,753	40,501	8.39%	100.62%
Total Operating Revenues	42,310,982	5,843,179	3,349,452	13.81%	174.45%
Capital Grants & Donations	12,631,327	7,493	7,493	0.06%	100.00%
Transfers-In	1,763,046	146,921	146,921	8.33%	100.00%
Total Revenues & Capital Funding	\$ 56,705,355	\$ 5,997,593	\$ 3,503,865	10.58%	171.17%

Year-to-Date 2020 Revenue – Operating and Capital Funding and Transfer-In

	08/2020				
	2020 Adopted Budget	YTD 2020 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,840,710	\$ 796,030	\$ 1,227,140	43.25%	64.87%
Bus advertising	158,731	81,320	105,821	51.23%	76.85%
Other operating revenues	622,779	41,388	415,186	6.65%	9.97%
Sales Tax Revenue	37,762,468	22,300,990	20,250,581	59.06%	110.13%
Federal, state and local grant assistance	874,476	12,027,922	582,984	1375.44%	2063.17%
Investment Income	565,803	154,533	377,202	27.31%	40.97%
Staples Street Center leases	486,015	323,476	324,010	66.56%	99.84%
Total Operating Revenues	42,310,982	35,725,658	23,282,924	84.44%	153.44%
Capital Grants & Donations	12,631,327	189,577	189,577	1.50%	100.00%
Transfers-In	1,763,046	1,028,444	1,028,444	58.33%	100.00%
Total Revenues & Capital Funding	\$ 56,705,355	\$ 36,943,679	\$ 24,500,944	65.15%	150.78%

AUGUST 2020 EXPENSES

The results of all expenditure activities, including capital are presented below. The total activities compared well against the baseline. Timing of expenditures such as Debt Service (paid in May and November), and purchases of capital contribute to the anticipated variance between the outcome of operations and the baseline.

August 2020 Total Expenses & Capital Expenditures

	08/2020				
	2020 Adopted Budget	August 2020 Actual	August Baseline into Budget	% Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 35,606,645	\$ 2,795,941	\$ 2,967,220	7.85%	94.23%
Debt Service	1,423,053	-	118,588	0.00%	0.00%
Street Improvements	3,021,641	251,803	251,803	8.33%	100.00%
Subrecipient Grant Agreements	49,694	15,585	4,141	31.36%	376.34%
Total Operating Expenses	40,101,033	3,063,330	3,341,753	7.64%	91.67%
Grant Eligible Costs	12,631,327	7,493	7,493	0.06%	100.00%
Depreciation Expenses	3,972,995	331,083	331,083	8.33%	100.00%
Total Expenses & Capital Expenditures	\$ 56,705,355	\$ 3,401,906	\$ 3,680,329	6.00%	92.43%

Year-to-Date 2020 Total Expenses & Capital Expenditures

	08/2020				
	2020 Adopted Budget	YTD 2020 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 35,606,645	\$ 21,885,636	\$ 20,770,543	61.47%	105.37%
Debt Service	1,423,053	317,415	830,114	22.31%	38.24%
Street Improvements	3,021,641	2,014,427	1,762,624	66.67%	114.29%
Subrecipient Grant Agreements	49,694	326,022	28,988	656.06%	1124.67%
Total Operating Expenses	40,101,033	24,543,500	23,392,269	61.20%	104.92%
Grant Eligible Costs	12,631,327	189,577	189,577	1.50%	100.00%
Depreciation Expenses	3,972,995	2,648,662	2,317,580	66.67%	114.29%
Total Expenses & Capital Expenditures	\$ 56,705,355	\$ 27,381,739	\$ 25,899,427	48.29%	105.72%

EXPENSES – REPORTED BY EXPENSE OBJECT CATEGORY

The **Financial Accounting Standards Board (FASB)** requires expenses to be reported by object category which include expenses that can be traced back to a specific department and or activity. It excludes depreciation expenses, expenses associated with the Street Improvement Program, debt service expenses, and pass through activities (Sub-recipients).

Accordingly, for the month of August 2020, total departmental operating expenses realized a favorable variance against the monthly budget as well as the baseline expectation. **We are 8 months into the budget or 66.67% and the majority of the departmental expenses closed the month at or below this benchmark. Only the Materials & Supplies categories exceeded the benchmark, due to the costs of personal protective equipment and cleaning supplies associated with Covid-19, which are costs reimbursed by CARES Act funding.**

August 2020 Departmental Expenses

Departmental Operating Expense Object Category	08/2020				
	2020 Adopted Budget	August 2020 Actual	August Baseline into Budget	% Actual to Budget	% Actual to Baseline
Salaries	\$ 13,257,370	\$ 998,221	\$ 1,104,781	7.53%	90.35%
Benefits	5,512,012	508,905	459,334	9.23%	110.79%
Services	4,801,717	296,409	400,143	6.17%	74.08%
Materials & Supplies	3,047,162	364,708	253,930	11.97%	143.63%
Utilities	707,280	47,595	58,940	6.73%	80.75%
Insurance	454,522	32,331	37,877	7.11%	85.36%
Purchased Transportation	7,105,315	528,360	592,110	7.44%	89.23%
Miscellaneous	721,266	19,412	60,106	2.69%	32.30%
Total Departmental Operating Expenses	\$ 35,606,645	\$ 2,795,941	\$ 2,967,220	7.85%	94.23%

2020 Year-to-Date Departmental Expenses

Departmental Operating Expense Object Category	08/2020				
	2020 Adopted Budget	YTD 2020 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Salaries	\$ 13,257,370	\$ 8,348,743	\$ 7,733,466	62.97%	107.96%
Benefits	5,512,012	3,649,217	3,215,340	66.20%	113.49%
Services	4,801,717	2,236,407	2,801,002	46.58%	79.84%
Materials & Supplies	3,047,162	2,242,621	1,777,511	73.60%	126.17%
Utilities	707,280	422,563	412,580	59.74%	102.42%
Insurance	454,522	248,898	265,138	54.76%	93.87%
Purchased Transportation	7,105,315	4,465,195	4,144,767	62.84%	107.73%
Miscellaneous	721,266	271,992	420,739	37.71%	64.65%
Total Departmental Operating Expenses	\$ 35,606,645	\$ 21,885,636	\$ 20,770,543	61.47%	105.37%

New for 2020 is the allocation of the full labor burden to each respective department. In the past, line items such as **Health Insurance, Workers Compensation, and Unemployment Insurance** were all charged to the **Human Resources** department. Now, the benefit line is allocated proportionately to its respective department. As such, there is a significantly lower budget amount for the expense function of **Insurance**. The reduction in Insurance has been added to **Benefits** as part of the allocation process.

For July 2020, most expense categories were within a reasonable degree of distance from the baseline expectation. The largest expense category, **Salaries**, was within 5% of the baseline expectation.

Meanwhile, the **Benefits** category was within the baseline by 2.33%. The **Materials & Supplies** category appears further from the baseline expectation; however, this category includes much of the costs incurred in response to **Covid-19**.

The cost of fuel used in fleet vehicles falls under the Materials & Supplies category. The average price per gallon in **August, for compressed natural gas (CNG), diesel, and unleaded was \$0.74, \$1.44, and \$1.87**, respectively, while the average cost for 2020 for the year-to-date was \$0.67, \$1.61, and \$1.87, respectively.

Total operating expenses are within six percentage points of the baseline expectation for year-to-date budget 2020, with monthly expenses to-date representing only 61.47% of the budget, compared to the baseline expectation of 66.67%.

Covid-19 Expenses

Because of the accounting treatment associated with the various types of **Covid-19** purchase it is necessary to provide clarification to explain the variances between the financials and any other internal reporting sources.

The financials only report expenditures that have completed the transaction cycle. **Covid-19** expenses in the financials are either a specialized direct expenditure resulting from the pandemic or **normal operating expenses** from specific departments that have been identified by the CARES Act as reimbursable eligible expenses (this includes wages and benefits of certain departments). These expenses when submitted for reimbursement have to be reduced by the amount of fare revenue received as of the reporting period. The specialized direct expenditures flow through a special inventory account for tracking and expensed to the department budgets when the items are taken out of inventory for use. The cost of the items still in inventory are reported in the Statement of Net Position (Balance Sheet) and the items used and taken out of inventory are reported in the Operating and Capital Budget Report.

As of the August financial statements the YTD total of **\$11,701,900** has been recognized as grant revenues from the CARES Act. This represents all eligible costs less the amount of fare revenue received as of this reporting date totaling **\$606,709**.

Eligible Reimbursable Expense	Amount
Salaries	\$ 4,334,086
Benefits	\$ 2,532,361
Services	\$ 302,158
Materials & Supplies	\$ 929,530
Utilities	\$ 69,092
Insurance	\$ 30,942
Purchased Transportation	\$ 3,741,912
Inventory	\$ 368,529
Total	\$ 12,308,609
Less Fare Revenue Received	\$ (606,709)
Total Grant Reimbursement	\$ 11,701,900

Fare Recovery Ratio

Description	8/31/2020	Year to Date
Fare Revenue	\$ 88,386	\$ 796,030
Operating Expenses*	2,795,941	21,250,880
Fare Recovery Ratio	3.16%	3.75%
*Excluding Depreciation		

Note: Same period last year (August) the FRR was 5.44%

NET POSITION

The Total Net Position at the end of the month was **\$90,422,961**, an increase of \$9,102,665 from December 2019, which is due to the combined effect of the CARES Grant funding offset by accruals for depreciation and street improvements. The Total Net Position is made up of three (3) components: Net Investment in Capital Assets, restricted for Debt Service (Bond Contract), and Unrestricted which represents the residual amount of the net position that is available for spending.

The Debt Service restriction of \$1.6 Million was removed as a result of the November 2019 bond refunding due. The purchase of an insurance policy allowed the Authority to release the existing cash reserve of \$1.6 Million which had been restricted for debt service in 2019. Of the unrestricted portion, 42% has been designated by the Board.

Of the Total Net Position of **\$90,422,961**, the portion of the fund balance that is not restricted in accordance to GASB Concepts Statement No 4 is **\$40,978,553**, but only **\$23,825,048** is available for spending as a result of the internal restrictions placed by the Board for specific reserves which total **\$17,153,505**.

FUND BALANCE AS OF AUGUST 31, 2020:

<u>FUND BALANCE</u>	
Net Invested in Capital Assets	\$ 49,444,408
Restricted for Debt Service	-
Unrestricted	40,978,553
TOTAL FUND BALANCE	<u>90,422,961</u>
<u>RESERVES</u>	
Net Invested in Capital Assets	49,444,408
Restricted for Debt Service	-
Restricted for Operating Reserve	9,310,463
Restricted for Capital Reserve	3,157,831
Restricted for Local Share of CIP	3,972,993
Restricted for Employee Benefits Reserve	712,218
Unrestricted	23,825,048
TOTAL INVESTED IN CAPITAL & RESERVES	<u>\$ 90,422,961</u>

Please refer to the following pages for the detailed financial statements.

Respectfully Submitted,

Submitted by: Marie Sandra 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
 Operating and Capital Budget Report
 For the month ended August 2020

OPERATING BUDGET	08/2020				
	2020 Adopted Budget	August 2020 Actual	August Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	C vs B
Revenues					
Passenger service	\$ 1,840,710	\$ 88,386	\$ 153,393	4.80%	57.62%
Bus advertising	158,731	8,979	13,228	5.66%	67.88%
Other operating revenues	622,779	174	51,898	0.03%	0.34%
Sales Tax Revenue	37,762,468	2,970,409	2,970,409	7.87%	100.00%
Federal, state and local grant assistance	874,476	2,725,551	72,873	311.68%	3740.14%
Investment Income	565,803	8,927	47,150	1.58%	18.93%
Staples Street Center leases	486,015	40,753	40,501	8.39%	100.62%
Total Revenues	42,310,982	5,843,179	3,349,452	13.81%	174.45%
Expenses					
Transportation	10,158,674	866,231	846,556	8.53%	102.32%
Customer Programs	564,293	38,667	47,024	6.85%	82.23%
Purchased Transportation	7,105,315	575,150	592,110	8.09%	97.14%
Service Development	608,237	42,480	50,686	6.98%	83.81%
MIS	1,349,557	90,295	112,463	6.69%	80.29%
Vehicle Maintenance	5,738,762	438,961	478,230	7.65%	91.79%
Facilities Maintenance	2,834,107	232,142	236,176	8.19%	98.29%
Contracts and Procurements	323,102	27,612	26,925	8.55%	102.55%
CEO's Office	1,006,761	56,866	83,897	5.65%	67.78%
Finance and Accounting	771,199	74,312	64,267	9.64%	115.63%
Materials Management	188,618	16,385	15,718	8.69%	104.25%
Human Resources	701,471	62,688	58,456	8.94%	107.24%
General Administration	595,856	33,458	49,655	5.62%	67.38%
Capital Project Management	329,103	17,985	27,425	5.46%	65.58%
Marketing & Communications	685,721	60,056	57,143	8.76%	105.10%
Safety & Security	1,449,103	88,458	120,759	6.10%	73.25%
Staples Street Center	996,766	73,188	83,064	7.34%	88.11%
Port Ayers Cost Center	-	1,005	-	0.00%	0.00%
Debt Service	1,423,053	-	118,588	0.00%	0.00%
Special Projects	200,000	-	16,667	0.00%	0.00%
Subrecipient Grant Agreements	49,694	15,585	4,141	31.36%	376.34%
Street Improvements Program for CCRTA Region Entities	3,021,641	251,803	251,803	8.33%	100.00%
Total Expenses	40,101,033	3,063,330	3,341,753	7.64%	91.67%
Revenues Over Expenses - Operating Budget	2,209,949	2,779,850	7,699		
CIP BUDGET					
	2020 Adopted Budget	August 2020 Actual	August Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	
Funding Sources					
Transfer In	\$ 1,763,046	146,921	146,921	8.33%	100.00%
Grant Revenue	12,631,327	7,493	7,493	0.06%	0.00%
Total Funding Sources	14,394,373	154,414	154,414	1.07%	100.00%
Capital Expenditures					
Grant Eligible Costs	\$ 12,631,327	7,493	7,493	0.06%	0.00%
Depreciation Expenses	3,972,995	331,083	331,083	8.33%	100.00%
Total Expenditures	16,604,322	338,576	338,576	2.04%	100.00%
Funding Sources Over Expenditures	(2,209,949)	(184,162)	(184,162)	8.33%	100.00%
Revenues Over Expenses - Operating Budget	2,209,949	2,779,850	7,699		
Revenues Over Expenses - CIP Budget	(2,209,949)	(184,162)	(184,162)		
Revenues Over Expenses (including rounding)	(0)	2,595,687	(176,463)		

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended August 2020

OPERATING BUDGET	08/2020				
	2020 Adopted Budget	YTD 2020 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
	A	B	C = A / 12 * 8	B / A	C vs B
Revenues					
Passenger service	\$ 1,840,710	\$ 796,030	\$ 1,227,140	43.25%	64.87%
Bus advertising	158,731	81,320	105,821	51.23%	76.85%
Other operating revenues	622,779	41,388	415,186	6.65%	9.97%
Sales Tax Revenue	37,762,468	22,300,990	20,250,581	59.06%	110.13%
Federal, state and local grant assistance	874,476	12,027,922	582,984	1375.44%	2063.17%
Investment Income	565,803	154,533	377,202	27.31%	40.97%
Staples Street Center leases	486,015	323,476	324,010	66.56%	99.84%
Total Revenues	42,310,982	35,725,658	23,282,924	84.44%	153.44%
Expenses					
Transportation	10,158,674	6,576,667	6,772,449	64.74%	97.11%
Customer Programs	564,293	348,045	376,195	61.68%	92.52%
Purchased Transportation	7,105,315	4,684,453	4,736,877	65.93%	98.89%
Service Development	608,237	333,702	405,491	54.86%	82.30%
MIS	1,349,557	794,729	899,705	58.89%	88.33%
Vehicle Maintenance	5,738,762	3,263,462	3,825,841	56.87%	85.30%
Facilities Maintenance	2,834,107	1,738,469	1,889,405	61.34%	92.01%
Contracts and Procurements	323,102	213,618	215,401	66.11%	99.17%
CEO's Office	1,006,761	647,944	671,174	64.36%	96.54%
Finance and Accounting	771,199	497,110	514,133	64.46%	96.69%
Materials Management	188,618	133,223	125,745	70.63%	105.95%
Human Resources	701,471	501,245	467,648	71.46%	107.18%
General Administration	595,856	264,663	397,238	44.42%	66.63%
Capital Project Management	329,103	142,252	219,402	43.22%	64.84%
Marketing & Communications	685,721	377,386	457,148	55.03%	82.55%
Safety & Security	1,449,103	733,912	966,069	50.85%	75.97%
Staples Street Center	996,766	622,444	664,511	62.45%	93.67%
Port Ayers Cost Center	-	12,312	-	0.00%	0.00%
Debt Service	1,423,053	317,415	948,702	22.31%	33.46%
Special Projects	200,000	-	133,333	0.00%	0.00%
Subrecipient Grant Agreements	49,694	326,022	33,129	656.06%	984.09%
Street Improvements Program for CCRTA Region Entities	3,021,641	2,014,427	2,014,427	66.67%	100.00%
Total Expenses	40,101,033	24,543,500	26,734,022	61.20%	91.81%
Revenues Over Expenses - Operating Budget	2,209,949	11,182,159	(3,451,098)		
CIP BUDGET					
	2020 Adopted Budget	YTD 2020 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
	A	B	C = A / 12 * 8	B / A	
Funding Sources					
Transfer In	\$ 1,763,046	1,028,444	1,028,444	58.33%	100.00%
Grant Revenue	12,631,327	189,577	189,577	1.50%	0.00%
Total Funding Sources	14,394,373	1,218,021	1,218,021	8.46%	100.00%
Capital Expenditures					
Grant Eligible Costs	\$ 12,631,327	189,577	189,577	1.50%	0.00%
Depreciation Expenses	3,972,995	2,648,662	2,648,662	66.67%	100.00%
Total Expenditures	16,604,322	2,838,239	2,838,239	17.09%	100.00%
Funding Sources Over Expenditures	(2,209,949)	(1,620,219)	(1,620,219)	73.31%	100.00%
Revenues Over Expenses - Operating Budget	2,209,949	11,182,159	(3,451,098)		
Revenues Over Expenses - CIP Budget	(2,209,949)	(1,620,219)	(1,620,219)		
Revenues Over Expenses (including rounding)	(0)	9,561,940	(5,071,317)		

CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
Statement of Net Position
Month ended August 31, 2020, and year ended December 31, 2019

	Unaudited August 31 2020	Unaudited December 31 2019
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 38,420,822	\$ 27,157,466
Receivables:		
Sales and Use Taxes	6,094,819	6,183,019
Accrued Interest	-	-
Federal Government	5,034,631	410,980
Other	163,158	1,263,308
Inventories	941,776	675,774
Prepaid Expenses	1,258,183	509,201
Total Current Assets	51,913,390	36,199,748
Non-Current Assets:		
Capital Assets:		
Land	5,381,969	5,381,969
Buildings	53,734,210	53,734,210
Transit Stations, Stops and Pads	24,409,826	24,409,826
Other Improvements	5,525,123	5,525,123
Vehicles and Equipment	61,516,982	61,516,982
Construction in Progress	234,089	167,718
Current Year Additions	442,592	-
Total Capital Assets	151,244,791	150,735,827
Less: Accumulated Depreciation	(81,535,383)	(78,886,721)
Net Capital Assets	69,709,408	71,849,106
Total Non-Current Assets	69,709,408	71,849,106
TOTAL ASSETS	121,622,798	108,048,854
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow related to pensions	4,131,381	4,131,381
Deferred outflow on extinguishment of debt	3,487,864	3,487,864
Total Deferred Outflows	7,619,245	7,619,245
TOTAL ASSETS AND DEFERRED OUTFLOWS	129,242,043	115,668,099
LIABILITIES AND NET POSITION		
Current Liabilities:		
Accounts Payable	726,479	736,501
Current Portion of Long-Term Liabilities:		
Long-Term Debt	815,000	815,000
Compensated Absences	273,355	273,355
Sales Tax Audit Funds Due	-	246,366
Distributions to Regional Entities Payable	5,539,749	3,525,322
Other Accrued Liabilities	3,185,170	718,297
Total Current Liabilities	10,539,754	6,314,841
Non-Current Liabilities:		
Long-Term Liabilities, Net of Current Portion:		
Long-Term Debt	19,450,000	19,450,000
Compensated Absences	269,885	269,885
Sales Tax Audit Funds Due	1,177,096	930,730
Net Pension Liability	2,455,449	2,455,449
Net OPEB Obligation	970,134	970,134
Total Non-Current Liabilities	24,322,564	24,076,198
TOTAL LIABILITIES	34,862,318	30,391,039
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow related to pensions	3,956,764	3,956,764
TOTAL LIABILITIES AND DEFERRED INFLOWS	38,819,082	34,347,803
Net Position:		
Net Invested in Capital Assets	49,444,408	51,584,106
Unrestricted	40,978,553	29,736,190
TOTAL NET POSITION	\$ 90,422,961	\$ 81,320,296

Corpus Christi Regional Transportation Authority
Statement of Cash Flows (Unaudited)
For the month ended August 31, 2020

	<u>8/31/2020</u>
Cash Flows From Operating Activities:	
Cash Received from Customers	\$ 69,011
Cash Received from Bus Advertising and Other Ancillary	40,160
Cash Payments to Suppliers for Goods and Services	(1,749,368)
Cash Payments to Employees for Services	(696,089)
Cash Payments for Employee Benefits	(289,034)
Net Cash Used for Operating Activities	<u>(2,625,321)</u>
Cash Flows from Non-Capital Financing Activities:	
Sales and Use Taxes Received	3,348,797
Grants and Other Reimbursements	-
Distributions to Subrecipient Programs	-
Distributions to Region Entities	-
Net Cash Provided by Non-Capital Financing Activities	<u>3,348,797</u>
Cash Flows from Capital and Related Financing Activities:	
Federal and Other Grant Assistance	42,384
Proceeds/Loss from Sale of Capital Assets	-
Proceeds from Bonds	-
Repayment of Long-Term Debt	-
Interest and Fiscal Charges	-
Purchase and Construction of Capital Assets	(67,785)
Net Cash Used by Capital and Related Financing Activities	<u>(25,401)</u>
Cash Flows from Investing Activities:	
Investment Income	8,927
Purchases of Investments	-
Maturities and Redemptions of Investments	-
Premiums/Discounts on Investments	-
Net Cash Provided by Investing Activities	<u>8,927</u>
Net Increase in Cash and Cash Equivalents	707,002
Cash and Cash Equivalents (Including Restricted Accounts), August 1, 2020	37,713,820
Cash and Cash Equivalents (Including Restricted Accounts), August 31, 2020	<u><u>\$ 38,420,822</u></u>



Subject: August 2020 Operations Report

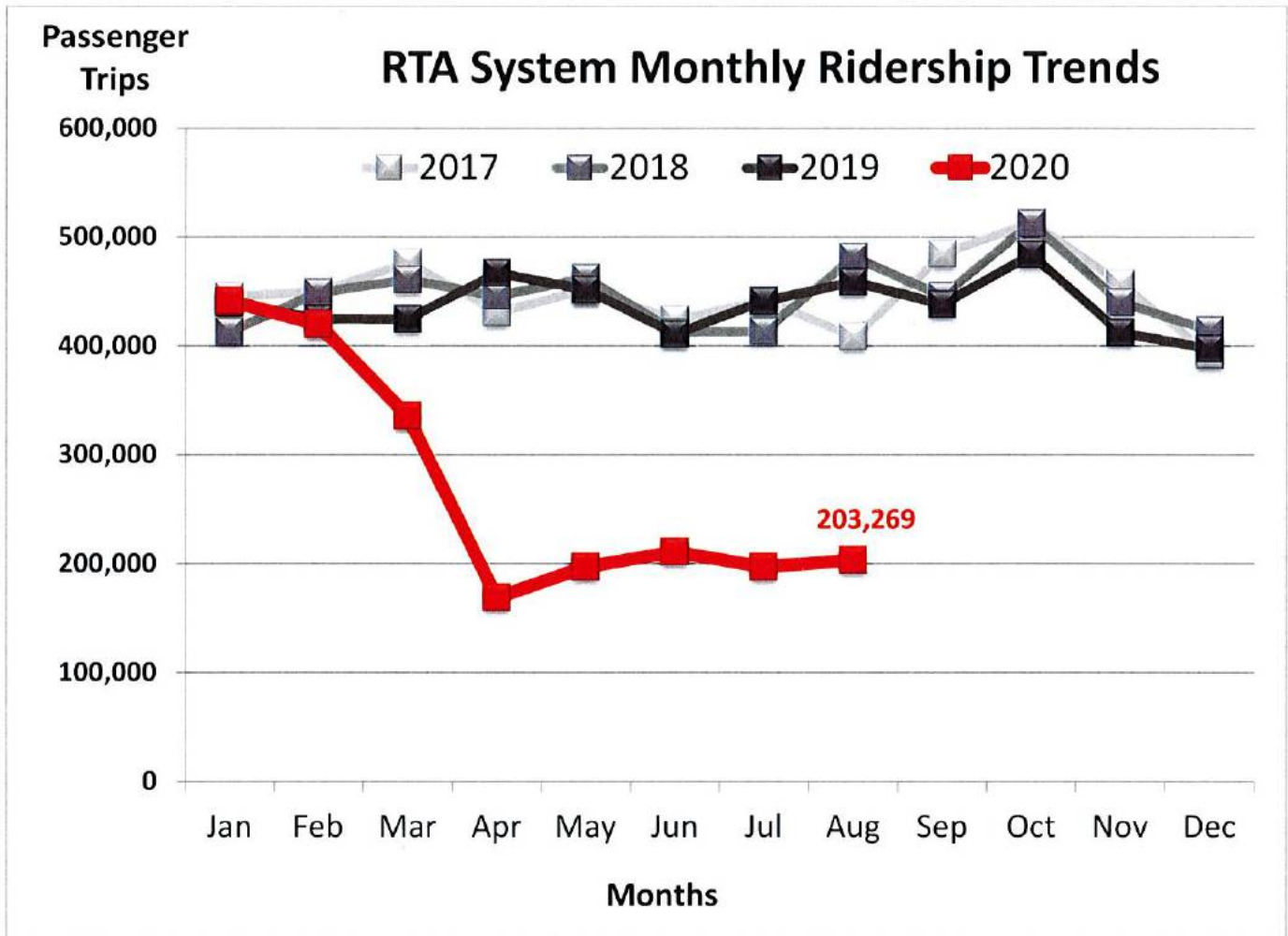
The system-wide monthly operations performance report is included below for your information and review. This report contains monthly and Year-to-Date (YTD) operating statistics and performance measurement summaries containing ridership, performance metrics by service type, miles between road calls and customer service feedback.

Due to the COVID-19 pandemic, customer comments continued to be collected by the Marketing Department through social media outlets and the web site.



1. System-wide Ridership and Service Performance Results

In August 2020, system-wide ridership levels continued to be adversely impacted by the COVID-19 pandemic. Boardings totaled 203,269 which represents a decrease of -55.7% as compared to 458,708 boardings in August 2019 or 255,439 fewer boardings this month.

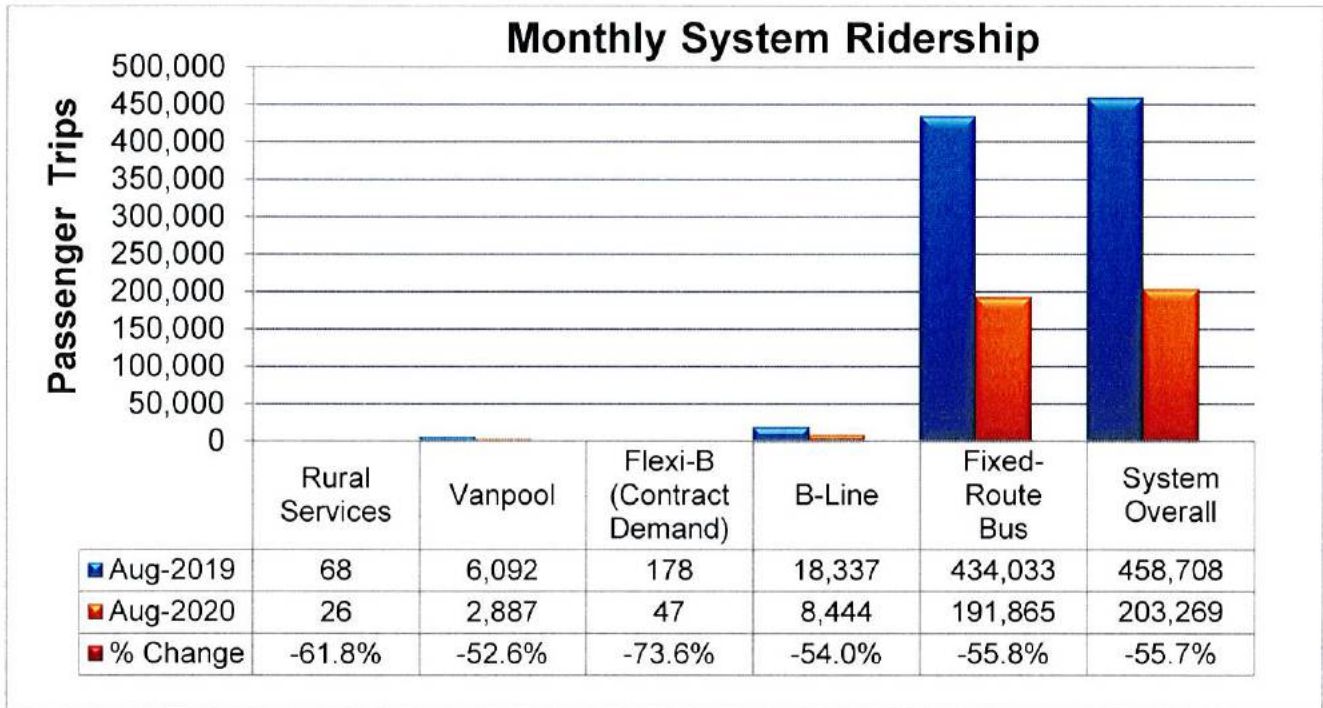


August 2019	August 2020	Variance
22 Weekdays	21 Weekdays	-1
5 Saturdays	5 Saturdays	-
4 Sundays	5 Sundays	+1
No Holidays	No Holidays	-
31 Days	31 Days	-

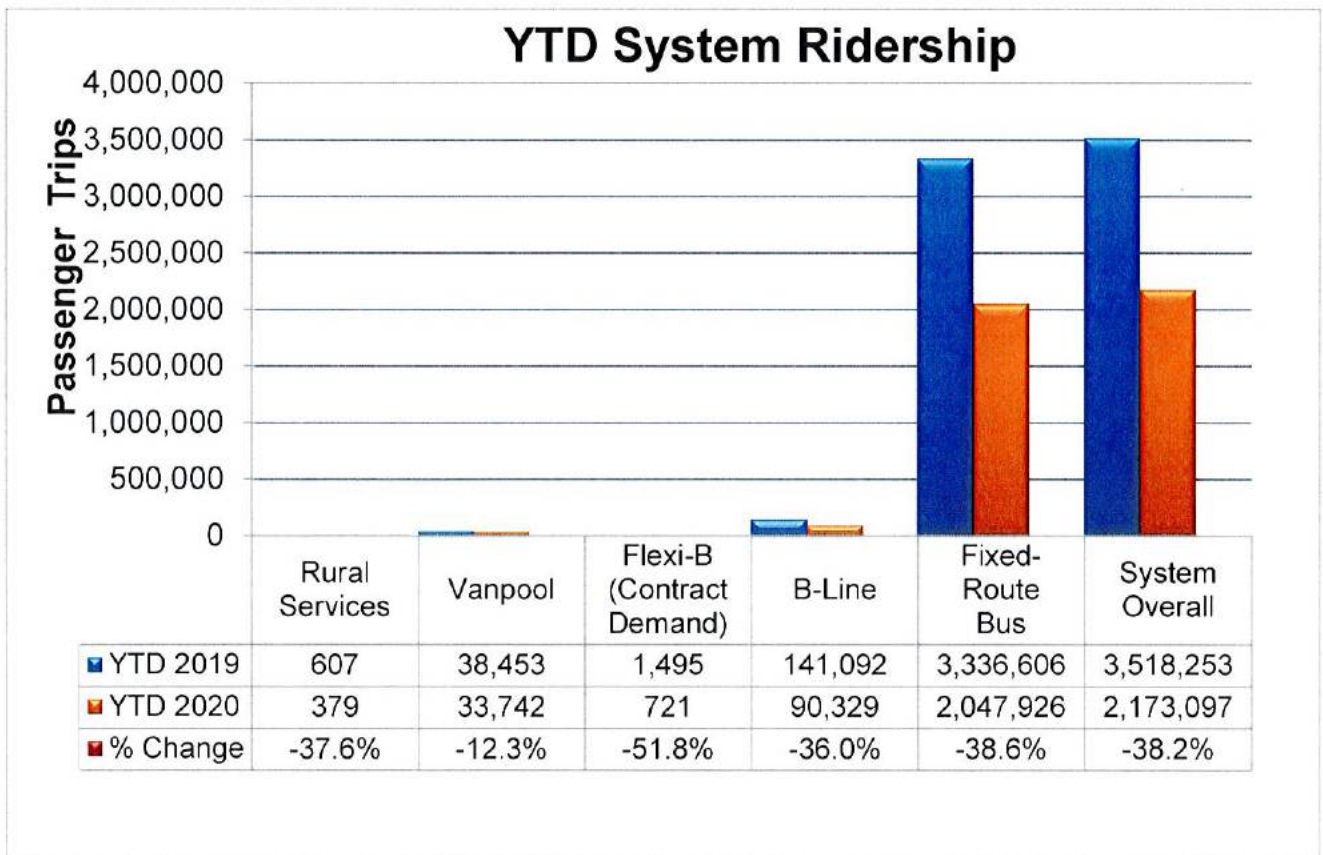
In August 2020, the average retail price for unleaded gas in Corpus Christi was approximately \$1.88 per gallon compared to approximately \$2.33 per gallon in August 2019¹. August rainfall was below normal at 0.61 inches as compared to August 2019 at 0.85 inches. Historically, the average rainfall in August is 2.92 inches.² The average high temperature was normal at 94.5 degrees.

1. GasBuddy.com historical data at <http://www.gasbuddy.com>.
 2. <https://www.usclimatedata.com/climate/corpus-christi/texas/united-states>

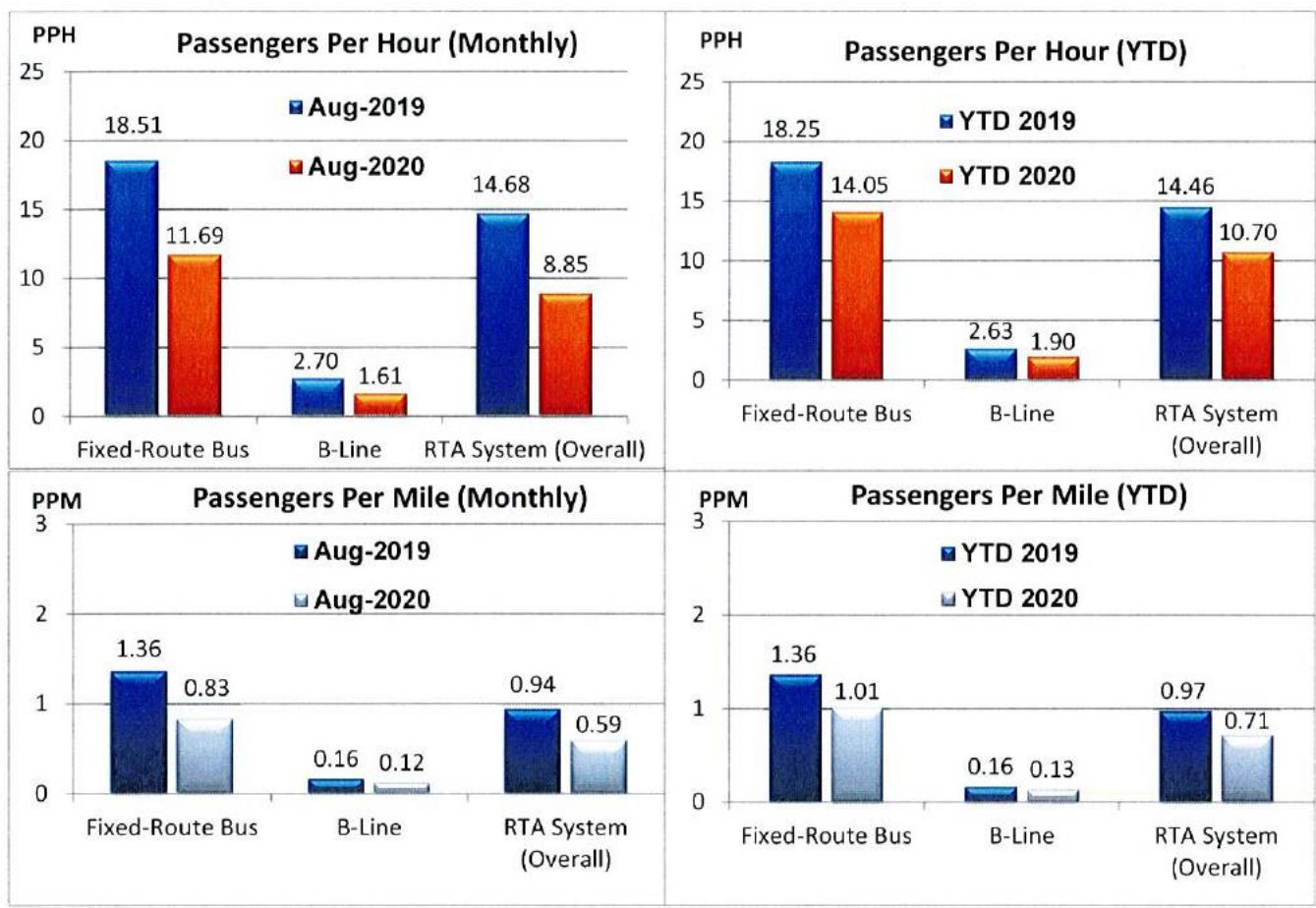
The chart below shows monthly ridership results for all services. CCRTA recorded 255,439 fewer boardings for a decrease of -55.7% as compared to August 2019.



The chart below shows YTD ridership results for all services. CCRTA has recorded 1,345,156 fewer boardings for a YTD decrease of -38.2% in 2020 as compared to the same period in 2019.



The following charts report system-wide productivity for the month of August 2020 vs. August 2019 and YTD figures.



The following table shows on-time performance of fixed route services.

Schedule Adherence	Standard	May-20	Jun-20	Jul-20	Aug-20	4-Month Average
Early Departure	<1%	0.5%	0.0%	0.0%	0.7%	0.3%
Departures within 0-5 minutes	>85%	93.1%	97.3%	94.1%	96.1%	95.2%
Monthly Wheelchair Boardings	No standard	2,451	2,551	2,954	3,213	2,792
Monthly Bicycle Boardings	No standard	4,623	4,641	4,636	4,608	4,627

The following construction projects potentially impact current or future on-time performance:

On Detour	<ul style="list-style-type: none"> • Carroll Ln. (Houston-Gollihar) (30) month project: Completed late August 2020 <ul style="list-style-type: none"> ➤ Route 17 returned to regular routing along Carroll Ln. September 14, 2020
On Detour	<ul style="list-style-type: none"> • North Beach-U.S. 181 realignment (Harbor Bridge reconstruction) <ul style="list-style-type: none"> ➤ Routes 76 & 78
On Detour	<ul style="list-style-type: none"> • Winnebago & Lake St.-(Harbor Bridge reconstruction): To begin in Aug-2020 <ul style="list-style-type: none"> ➤ Route 12
On Detour	<ul style="list-style-type: none"> • Morgan Ave. (Crosstown-Ocean) 15-month project: To be complete July 2021 <ul style="list-style-type: none"> ➤ Route 23
On Detour	<ul style="list-style-type: none"> • Leopard Street TxDOT Project (Mexico to Doss St.) (24) month project: To be complete late 2021 <ul style="list-style-type: none"> ➤ Routes 27
On Detour	<ul style="list-style-type: none"> • Everhart Rd. (Holly Rd-SPID) (22) month project: Began Sept. 2019 <ul style="list-style-type: none"> ➤ Routes 17 & 32
On Detour	<ul style="list-style-type: none"> • Everhart Rd. (SPID-McArdle): Project to begin mid-June 2021. <ul style="list-style-type: none"> ➤ Route 32
On Detour	<ul style="list-style-type: none"> • Ayers St. (SPID-Gollihar) (28) month project: Began Jan. 2020 <ul style="list-style-type: none"> ➤ Route 19
No Detour	<ul style="list-style-type: none"> • Sea Town Improvements (5) month project: Began Jan. 2020 <ul style="list-style-type: none"> ➤ Routes 76 & 78
No Detour	<ul style="list-style-type: none"> • S. Staples St. (Kostoryz- Baldwin) (29) month project: To begin Dec. 2020 <ul style="list-style-type: none"> ➤ Route 29
Future Detour	<ul style="list-style-type: none"> • Leopard St. (Nueces Bay to Palm) (14) month project: To begin October 2020 with anticipated completion in late 2021 <ul style="list-style-type: none"> ➤ Routes 27
Future Detour	<ul style="list-style-type: none"> • Leopard St. (Crosstown to Palm) (14) month project: To begin January 2021 with anticipated completion in mid-2022 <ul style="list-style-type: none"> ➤ Routes 27
Future Detour	<ul style="list-style-type: none"> • Airline Rd. (SPID-McArdle) (7) month project: To begin January 2021 <ul style="list-style-type: none"> ➤ Routes 26 & 65
Future Detour	<ul style="list-style-type: none"> • Laguna Shores Rd. (SPID-Wyndale) (14) month, (3) Phase project: To begin late August 2020 with anticipated completion in October 2022 <ul style="list-style-type: none"> ➤ Routes 3 & 4
No Detour	<ul style="list-style-type: none"> • McArdle Rd. (Carroll-Kostoryz) (6) month project: To begin early-2021 <ul style="list-style-type: none"> ➤ Route 19
No Detour	<ul style="list-style-type: none"> • Gollihar Rd. (Greenwood-Crosstown) In design. To begin mid-2021 <ul style="list-style-type: none"> ➤ Routes 23 & 25
No Detour	<ul style="list-style-type: none"> • S. Alameda St. (Louisiana-Chamberlain) (12) month project: To begin late 2021 <ul style="list-style-type: none"> ➤ Routes 5 & 17

In August 2020, there were eight detoured routes or 25% out of 32 fixed route services travelling on the local street network. Detoured services include Routes 12, 17, 19, 23, 27, 32, 76 & 78.

In the future, four additional routes will be detoured for construction projects: 3, 4, 26, & 65.

2. Purchased Transportation Department Report: B-Line Service Contract Standards & Ridership Statistics

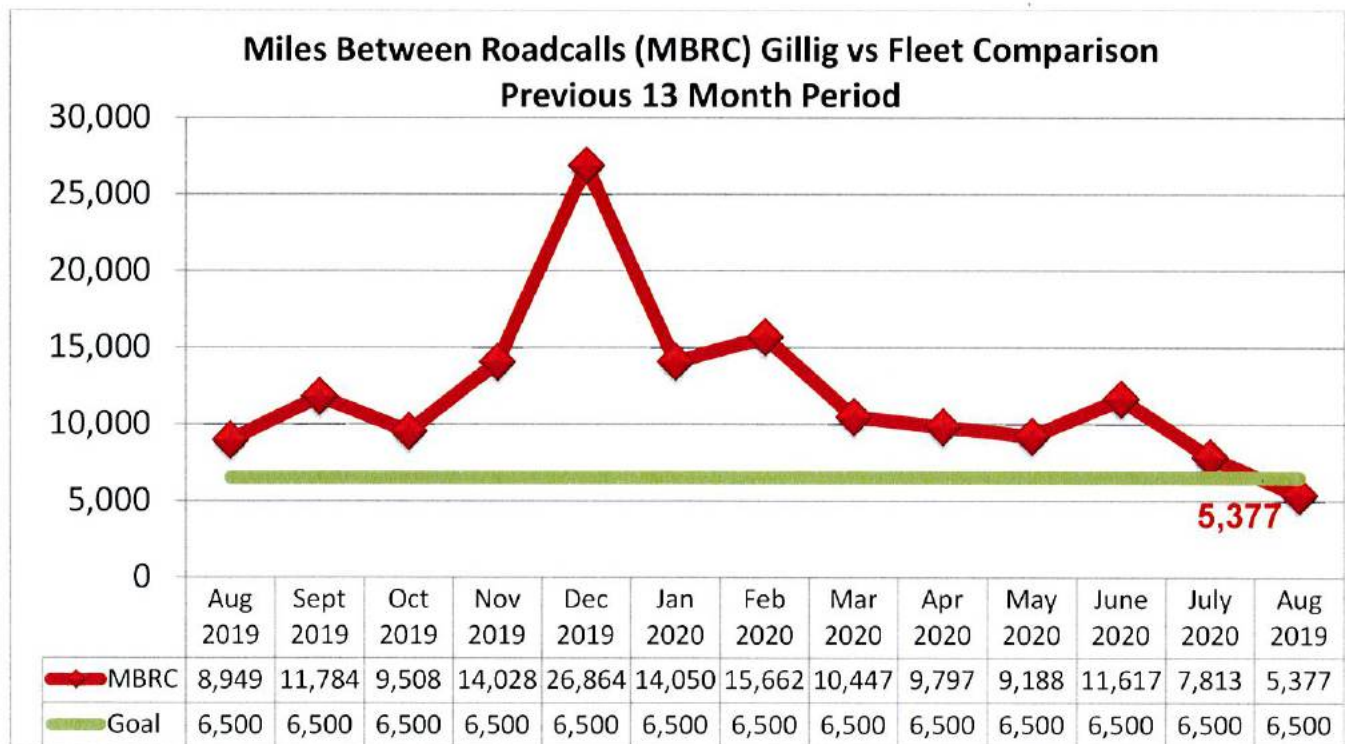
In August 2020, B-Line service metrics were impacted by the COVID-19 pandemic.

- Productivity: **1.61** PPH did not meet the contract standard of 2.50 PPH.
- Denials: 0 denials or **0.0%** did meet contract standard of 0.0%.
- Miles between Road Calls (MBRC): **5,740** did not meet the contract standard of 12,250 miles.
- Ridership Statistics: **5,775** ambulatory boardings; **2,127** wheelchair boardings

Metric	Standard	May-20	Jun-20	Jul-20	Aug-20	(4) Month-Ave.
Passengers per Hour	2.50	1.41	1.67	1.60	1.61	1.57
Denials	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%
Miles Between Road calls	12,250	6,522	6,195	6,877	5,740	6,334
Monthly Wheelchair Boardings	No standard	1,953	2,551	2,203	2,127	2,209

Vehicle Maintenance Department Monthly Miles Between Road Calls Report

For August 2020, there were 5,377 miles between road calls (MBRC) recorded as compared to 8,949 MBRC in August 2019. A standard of 6,500 miles between road calls is used based on the fleet size, age and condition of CCRTA vehicles. In addition, seasonal high weather temperatures impact the number of road calls.



Board Priority

The Board Priority is Public Image and Transparency.

Respectfully Submitted,

Submitted by: Gordon Robinson
Director of Planning

Reviewed by: Derrick Majchszak
Managing Director of Operations

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

Administration Finance Committee Member Inquiry

Meeting Date	Agenda Item #	Member Name	Inquiry	Response	Response Date
8/26/2020	6.	E. Salazar	In reference 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 Mr. Salazar asked, you're comfortable with going forward and not possibly considering this other option?	Mr. Saldana answered, I'm very comfortable right now because we're in a five-year contract.	8/26/2020
8/26/2020	6.	E. Salazar	In reference 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 Mr. Salazar asked, we have a contract to 2022, but if it was somebody else, you'd be willing to consider that closer to 2022, is that correct?	Mr. Saldana answered in the affirmative.	8/26/2020
8/26/2020	6.	L. Allison	In reference 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 Ms. Allison asked, we've been at this 3.6 cents a kilowatt since 2018 and we're locked in through 2022, correct?	Mr. Saldana answered in the affirmative.	8/26/2020

Operations Capital Projects Committee Member Inquiry

Meeting Date	Agenda Item #	Member Name	Inquiry	Response	Response Date
8/26/2020	6.	L. Allison	In reference 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 Ms. Allison asked, how do you phase out the vehicles, are those under lease agreements as well?	Mr. Majchszak answered, after they expire, and the FTA sets useful life thresholds on vehicles, and because we have a good maintenance department we are usually able to get a longer lifespan out of them that the FTA requires. At that point, we go through a disposition process that procurement, finance, and everybody is a part of, we remove some of the equipment and basically option it off.	8/26/2020

Board Member Inquiry

Meeting Date	Agenda Item #	Member Name	Inquiry	Response	Response Date
9/2/2020	6.	L. Allison	In reference to the CCRTA's Responses to COVID-19 Ms. Allison asked, are any other transit agencies mimicking your course of action and are you in communication with the city regarding ridership and comparing the numbers they are seeing on people impacted by the pandemic?	Mr. Cruz-Aedo answered we meet with other transit agencies every Friday and share our initiatives regarding what we are doing during the pandemic. As an industry we are working together to make sure we are providing all of the avenues we can. We do coordinate with the city and the counties EOC office to share what we are doing.	9/2/2020
9/2/2020	6.	E. Martinez	In reference to the CCRTA's Responses to COVID-19 Mr. Martinez asked, is MV Transportation receiving some of these awards as well?	Mr. Cruz-Aedo responded that they are receiving the extra two dollars an hour during this time.	9/2/2020
9/2/2020	8a.	E. Salazar	In reference Authorize Adopting a Resolution for Electrical Services with the Texas Coalition for Affordable Power Mr. Salazar mentioned, that he wanted to make sure that we give the opportunity to other providers to provide pricing when the time comes?	Mr. Martinez acknowledged that it would be stated for the record.	9/2/2020
9/2/2020	9.	D. Leyendecker	In reference to CCRTA Defined Benefit Plan & Trust for Period Ending June 30, 2020 Mr. Leyendecker asked, can you tell me what the net return of the portfolio as a whole is and what is the expenses?	Mr. Koeller responded, that this is driven by participants, each fund has various expense. We will go back and pull that slide and try to calculate an average for you.	9/2/2020