

STATE OF TEXAS
COUNTY OF COLLIN

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CONTRACT

BY AND BETWEEN

CITY OF MCKINNEY

AND

THE GOODMAN CORPORATION

THIS CONTRACT (Contract) is hereby entered into by and between **City of McKinney** (Client) and **The Goodman Corporation** (Consultant).

WITNESSETH:

WHEREAS, Client has identified the need to perform a transit service evaluation and delivery options study;

WHEREAS, Client desires to retain Consultant to perform various professional services including direct recipient assistance, temporary service provider procurement, existing conditions analysis, cost benefit analysis, and development of request for information for service delivery and service delivery provider options;

NOW, THEREFORE, IT IS HEREBY AGREED that Client and Consultant should enter into a Contract for performance of professional services pursuant to the following terms and conditions.

ARTICLE I
SCOPE OF SERVICES

Consultant agrees to undertake, perform, and complete in an expedient, satisfactory, and proper manner all of the professional services required by Client as described in the Scope of Services defined in *EXHIBIT A*, attached hereto.

ARTICLE II
CONSULTANT PERSONNEL

Consultant represents that it has secured, or shall secure, and agrees to furnish, personnel with the professional classifications, skills, and expertise required to perform the Scope of Services defined in *EXHIBIT A*. Consultant will be given a Notice to Proceed by Client to commence work on tasks described in *EXHIBIT A*.

Additionally, Consultant shall assume responsibility for the Scope of Services defined in *EXHIBIT A* and shall provide all necessary supervision and coordination of activities to complete its requirements subject to approval and concurrence from Client.

Consultant designates Barry M. Goodman as Principal-in-Charge for this work.

ARTICLE III
TIME OF PERFORMANCE

Consultant agrees to commence work within seven (7) calendar days after receipt of a written Notice to Proceed from Client based on execution of this Contract. The work shall be undertaken and completed in such sequence as to assure its expeditious completion and in accordance with the schedule included in the Scope of Services defined in *EXHIBIT A*.

No extension of this Contract shall be allowed unless prior written consent of Client is first obtained. Reasonable changes of schedule shall be granted, as provided in ARTICLE VIII and ARTICLE IX, with mutual written agreement by Client and Consultant.

**ARTICLE IV
COORDINATION AND REPORTS**

A. COORDINATION. Data, analyses, findings, and recommendations prepared in the performance of this work shall be reviewed and coordinated with Client during performance of the work program by Consultant.

B. INSPECTION OF WORK. Consultant shall permit authorized representatives of the Federal Transit Administration (FTA) and Client to review and inspect the study activities.

C. BRIEF PROGRESS REPORTS. Consultant shall submit monthly progress reports to Client. These reports shall outline work accomplished by task during the previous month or since the last progress report. These reports shall include, but shall not be limited to, the percentage of completion of the overall work product, special problems or delays encountered or anticipated, changes in the estimated cost or the anticipated work activities for the next work period, and a brief description of work accomplished, methodologies used, and conclusions reached, if any. Progress reports shall be prepared according to a format approved by Client.

D. CREDIT, DISCLAIMER, AND ACKNOWLEDGEMENT OF FINANCIAL SUPPORT. Consultant shall acknowledge financial support for work funded, in whole or in part, by this Contract on each drawing, document, publication, report in any news media, technical report, map, or other documents completed as part of this Contract. The following notation shall be used on the front cover, title page, or on the face of maps:

Preparation of this report has been financed in part by a grant from the Federal Transit Administration of the United States Department of Transportation under the Federal Transit Act of 1991, as Amended. The contents do not necessarily reflect the official views or policies of the Federal Transit Administration. The contents of this report reflect the views of The Goodman Corporation, which is responsible for the facts and accuracy of the data presented herein.

**ARTICLE V
COMPENSATION**

Consultant shall be paid on a lump sum, percent of completion fee basis for the performance of the Scope of Services defined in *EXHIBIT A* in an amount set forth therein. Any increase in compensation to Consultant shall be conditioned on amending this Contract.

**ARTICLE VI
METHOD AND SCHEDULE OF PAYMENT**

A. PAYMENT REQUESTS. Consultant shall submit monthly invoices for services rendered on the basis of a percentage of completion per task. Invoices shall be submitted to Client accompanied by a progress report as described in ARTICLE IV. Client shall pay invoices within 30 days of receipt thereof.

B. ADJUSTMENTS. In the event of a change in scope, complexity, or character of the work to be performed, and with the concurrence of both Client and Consultant, the fees specified in ARTICLE V may be adjusted in accordance with the provision of ARTICLE IX of this Contract by amending this original Contract.

C. FINAL PAYMENT. Consultant shall submit a final invoice, so designated, for the contracted work within thirty (30) days of the close of this Contract.

**ARTICLE VII
TERMINATION AND ASSIGNABILITY OF THE CONTRACT**

A. TERMINATION.

1. PROCEDURE. It is hereby agreed that Client may cancel or terminate this Contract at any time by written notice by certified mail to Consultant, with the understanding that upon receipt of written notice of termination, all work hereunder of Consultant, and Consultant's employees, shall cease. In the event of such termination prior to completion of the Scope of Services provided for in *EXHIBIT A*, Client agrees to pay Consultant for work actually performed. Consultant shall submit a final invoice, so designated, for the contracted work actually completed less payment of any compensation previously paid.

2. DEFAULT. Client may, by written notice of default to Consultant, terminate the whole or any part of this Contract in any one of the following circumstances:

(a) If Consultant fails to perform the work called for by this Contract within the time specified herein or any extension thereof; or

(b) If Consultant fails to perform any of the other provisions of this Contract, or so fails to prosecute the work as to endanger performance of this Contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of ten (10) days (or such extension as authorized by Client in writing) after receiving notice of default.

In such event, Consultant shall be paid for professional services for work actually performed, based upon the judgment of Client to the date of notification of default, less payment of any compensation previously paid.

B. ASSIGNABILITY. Consultant may subcontract a portion of the services to be performed hereunder to firms with complementary disciplines to perform the Scope of Services defined in *EXHIBIT A*. All subcontractors retained by Consultant shall adhere to the terms of this Contract. If any portion of this Contract is assigned, Consultant shall not be relieved from any of the terms of this Contract.

C. VENUE. Venue and jurisdiction of any suit, right, or cause of action arising under or in connection with the Contract shall lie exclusively within Collin County, Texas.

ARTICLE VIII TIME EXTENSIONS

Consultant may request, in writing, an extension of the time of completion beyond the time of performance specified in ARTICLE III, and Client shall promptly place the request on the agenda for the next meeting of City Council and following this meeting, Client will advise Consultant of its decision.

ARTICLE IX CHANGES

Client, from time to time, may require changes in the Scope of Services of Consultant to be performed hereunder, provided Consultant agrees in writing. Changes, including any increase or decrease in the amount of Consultant's compensation, which are mutually agreed upon by and between Client and Consultant, shall be incorporated in written amendment to this Contract.

ARTICLE X AUDIT AND INSPECTION OF RECORDS

Consultant shall permit the authorized representatives of Client, the U.S. Department of Transportation (U.S. DOT), and the Comptroller General of the United States to inspect and audit all data and records of Consultant relating to its performance under this Contract. Consultant shall maintain complete and accurate records with respect to its performance under this Contract. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible at all reasonable times. Consultant further agrees that Client shall have, until the expiration of three (3) years after final payment

of this Contract, access to and right to examine any directly pertinent books, documents, papers, and records concerning this project and the Contract.

**ARTICLE XI
OWNERSHIP OF MATERIALS**

All maps, drawings, documents, data, reports, research, graphic presentation materials, etc., developed by Consultant as a part of its work under this Contract shall become the property of Client upon completion of this Contract, or in the event of termination or cancellation thereof, at the time of payment under ARTICLE V for work performed. All such data and material shall be furnished to Client on request. All documents, including, but not limited to, drawings, specifications, and data or programs stored electronically, prepared by Consultant pursuant to this Contract are related exclusively to the services described herein. Any reuse without written verification of adaptation by Consultant to specific purposes intended will be at Client's sole risk and without liability or legal exposure to Consultant.

**ARTICLE XII
DISADVANTAGED BUSINESS ENTERPRISES**

A. POLICY. It is the policy of the U.S. DOT that disadvantaged business enterprises (DBE), as defined in 49 CFR Part 23, shall have the maximum opportunity to participate in the performance of contracts financed in whole or part with federal funds under this Contract. Consequently, the DBE requirements of 49 CFR Part 23 apply to this Contract.

B. DBE OBLIGATION. Client and Consultant agree to ensure that DBEs, as defined in 49 CFR Part 23, have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds provided under this Contract. In this regard, Client and Consultant shall take all necessary and reasonable steps in accordance with 49 CFR Part 23 to ensure that DBEs have the maximum opportunity to compete for and perform contracts. Consultant shall not discriminate on the basis of race, color, creed, religion, age, sex, marital status, national origin, or disability in the award and performance of U.S. DOT-assisted contracts.

**ARTICLE XIII
EQUAL EMPLOYMENT OPPORTUNITY**

In connection with the execution of this Contract, Consultant shall not discriminate against any employee or applicant for employment because of race, color, creed, age, sex, marital status, national origin, or disability. Consultant shall take

affirmative action to ensure that applicants and employees are treated during application or employment, without regard to their race, color, creed, age, sex, marital status, national origin, or disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeships. Consultant further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

TITLE XIV COMPLIANCE

During the performance of this Contract, Consultant, for itself, its assignees, and successors in interest, agrees as follows:

A. **COMPLIANCE WITH REGULATIONS.** Consultant shall comply with the Regulations relative to nondiscrimination in federally assisted programs of U.S. DOT, Title 49 CFR Part 21, as they may be amended from time to time (hereinafter referred to as "the Regulations"), which are herein incorporated by reference and made a part of this Contract.

B. **NONDISCRIMINATION.** Consultant, with regard to the work performed by it during this Contract, shall not discriminate on the grounds of race, color, creed, age, sex, marital status, national origin, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Consultant shall not participate, either directly or indirectly, in discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when this Contract covers a program set forth in Appendix B of the Regulations.

C. **SOLICITATIONS FOR SUBCONTRACTORS, INCLUDING PROCUREMENTS OF MATERIALS AND EQUIPMENT.** In all solicitations, either by competitive bidding or negotiation made by Consultant for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Consultant of Consultant's obligations under this Contract and the Regulations relative to nondiscrimination on the grounds of race, color, creed, age, sex, marital status, national origin, or disability.

D. **INFORMATION AND REPORTS.** Consultant shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, and other sources of information and its facilities, as may be determined by the Recipient or FTA to be pertinent to ascertain compliance with such regulations, orders, and instructions. Where any information is required or is in the exclusive possession of another who

fails or refuses to furnish this information, Consultant shall so certify to Client or FTA, as appropriate, and shall set forth what efforts it has made to obtain the information.

E. **SANCTIONS FOR NONCOMPLIANCE.** In the event of the Consultant's noncompliance with the nondiscrimination provisions of this Contract, Client shall impose such contract sanctions as it or FTA may determine to be appropriate, including, but not limited to:

1. Withholding of payments to Consultant under this Contract until Consultant complies; and/or

2. Cancellation, termination, or suspension of this Contract, in whole or in part.

F. **INCORPORATION OF PROVISIONS.** Consultant shall include the provisions of Paragraphs A through F of this Article XIV in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. Consultant shall take such action with respect to any subcontract or procurement as Client may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event Consultant becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Consultant may request that Client enter into such litigation to protect the interests of Client and, in addition, Consultant may request the services of the Attorney General in such litigation to protect the interests of the United States.

ARTICLE XV PROHIBITED INTEREST

No employee, officer, or agent of Client shall participate in selection or in the award of administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- the employee, officer, or agent;
- any member of his or her immediate family;
- his or her partner; or
- an organization which employs, or is about to employ, such individuals;

has a financial or other interest in the firm selected for award. Client's officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from Consultant, potential consultants, or parties of subcontracts.

**ARTICLE XVI
INTEREST OF MEMBERS OR DELEGATES TO CONGRESS**

No member of, or delegate to, the Congress of the United States shall be admitted to any share or part of this Contract or to any benefit arising therefrom.

**ARTICLE XVII
COVENANT AGAINST CONTINGENT FEES**

Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Contract and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, Client shall have the right to annul this Contract without liability, or at its discretion to deduct from this Contract, the price of consideration or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

**ARTICLE XVIII
INDEMNIFICATION**

CONSULTANT SHALL INDEMNIFY AND HOLD HARMLESS CLIENT AGAINST ANY AND ALL CLAIMS, DEMANDS, SUITS, AND JUDGMENTS OF SUMS OF MONEY TO ANY PARTY FOR LOSS OF LIFE OR INJURY OR DAMAGE TO PERSON OR PROPERTY GROWING OUT OF, RESULTING FROM, OR BY REASON OF ANY NEGLIGENT ACT OF OMISSION, OPERATION, OR WORK OF CONSULTANT, ITS AGENTS, SERVANTS, OR EMPLOYEES WHILE ENGAGED UPON OR IN CONNECTION WITH THE SERVICES REQUIRED OR PERFORMED BY CONSULTANT HEREUNDER. CONSULTANT SHALL INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES FROM ANY LOSS, DAMAGE, LIABILITY, SUITS, JUDGMENTS, OR EXPENSE BECAUSE OF DAMAGE TO PROPERTY OR INJURIES TO PERSONS (INCLUDING DEATH) AND INCLUDING COSTS OF DEFENSE (INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES) TO THE EXTENT ARISING FROM ANY NEGLIGENT ACT, OMISSION, OR BREACH ON THE PART OF CONSULTANT, ITS AGENTS, EMPLOYEES, AND SUBCONSULTANTS, IN CONNECTION WITH THIS CONTRACT, OR FROM ANY BREACH OF ANY OBLIGATIONS UNDER THIS CONTRACT.

**ARTICLE XIX
ENTIRE AGREEMENT; SEVERABILITY**

This Contract supersedes any and all prior oral or written agreements, arrangements or understandings between the parties that relate to any of the subject

matter of this Contract, and no verbal or written commitments shall have any force or effect if not contained herein. If any provision of this Contract is determined by a court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from this Contract; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the parties; and (c) the remainder of this Contract shall remain in full force and effect and shall be interpreted to give effect to the intent of the parties.

**ARTICLE XX
JURISDICTION; VENUE**

The parties acknowledge that this Contract is performable entirely in Collin County, Texas, and shall be governed, construed and enforced in accordance with and subject to the laws of the State of Texas. Mandatory and exclusive venue for any lawsuit or adjudicative proceeding brought by either party to this Contract shall be in Collin County, Texas.

**ARTICLE XXI
COUNTERPART ORIGINALS**

This Contract may be executed in multiple counterparts, each of which shall be deemed an original for all purposes. All the parties hereto further agree that they shall execute any and all documents necessary to give effect to the intent and purposes of this Contract.

**ARTICLE XXII
AUTHORITY TO EXECUTE**

The individuals whose signatures appear below have, and represent that they have, the authority to execute this Contract.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties hereto have executed this Contract in duplicate originals and it shall be effective the ____ day of October, 2015.

CITY OF MCKINNEY

BY: _____
Name _____
Title _____

ATTEST: _____
Name _____
Title _____

APPROVED AS TO FORM:

BY: _____
Name _____
Title _____

THE GOODMAN CORPORATION

BY: _____
Barry M. Goodman
President

ATTEST: _____
Susan Maclay
Senior Associate

EXHIBIT A

Scope of Services City of McKinney Transit Service Evaluation and Delivery Options

Background

The United States Congress, through the Federal Transit Administration (FTA), apportions federal transit funding to rural and urbanized areas throughout the nation. As a small urban area within Texas, the McKinney Urbanized Area (UZA) is allocated approximately \$2.8 million in FTA funding to support the federal share of expenses for transit-related capital, planning, and operating activities which occur within the UZA. This allocation is determined by formula based on the urbanized area's population, population density and bus revenue miles.

The recipient of FTA formula transit funding is typically determined by a collaborative process with the FTA, Texas Department of Transportation (TxDOT), and the local Metropolitan Planning Organization, which is the North Central Texas Council of Governments (NCTCOG). Prior to July 2013, the Collin County Area Regional Transit (C-CARTS) was recipient of federal funds apportioned to the McKinney UZA.¹ In July 2013, TxDOT recognized the Texoma Area Paratransit System, or TAPS, as the Direct Recipient of federal funds, after C-CARTS became financially unviable.² As the Direct Recipient, TAPS receives federal funding directly from FTA. Because TAPS is a Direct Recipient, the City is relieved of any responsibility to ensure federal compliance, but it also loses its ability to control the expenditure of federal transit funding. TAPS also formed an Urban Transit District under Chapter 458 of the Texas Transportation Code. Its creation allowed TAPS to receive state funds from TxDOT.

TAPS directly operates fixed route, ADA para-transit, and demand response service in the McKinney UZA. In addition, TAPS is the transit provider for the City of Sherman, the rural public transportation provider for seven counties, and a medical transportation organization (MTO) within the 17-county Region 4 for the Texas Health and Human Services non-emergency medical transportation (Medicaid) program.³

The City receives fixed route, ADA complementary para-transit, and demand response services from TAPS based on an Interlocal Agreement (ILA) for \$100,000 annually. This ILA is month-to-month and can be terminated in 60 days upon notification by either party. The City entered into an ILA for commuter bus services under a three year/\$500,000 agreement with the MPO in which half the cost is covered by a Job Access Reverse Commute or JARC grant; this contract expires in June 2016.

It is important to note that the City's \$100,000 local contribution for the receipt of TAPS transit services is artificially low and may be unsustainable in the long term. For fixed route and ADA complementary para-transit services, local financial participation is typically a minimum of 20% of the cost with federal,

¹ Per Janay Tieken, C-CART was never the direct recipient. The city "pinned over" each of their draw-downs.

² TxDOT is the Designated Recipient for all small urbans in the state. As the Designated Recipient, TxDOT recognizes a Direct Recipient for each UZA which is responsible for executing the project with the FTA.

³ September 2014 is implementation date.

state, and fare box revenues making up the difference. Demand response services, which operate similar to ADA para-transit service but are not required by law, are costly on a per-trip basis and, therefore, should be carefully considered. Well planned commuter services should derive far more revenue from the fare box and consequently require a smaller local subsidy on a percentage basis after federal support. At this time, the City does not have complete information on the amount and true cost of all transit services that are being provided within the City.

As the Region 4 MTO for the Health and Human Service Department, TAPS may apply earned revenues toward the local share of public transit service expenses. This ability to leverage Medicaid revenues against federal funds may have been one of the financial strategies employed by TAPS to lower local financial participation. However, continuation of this strategy in the long term is questionable and other local financial resources may be required. The City should be mindful that it may be required to increase the amount of local financial support necessary for a sustainable transit program should TAPS no longer be a viable entity or be required to substantially reorganize.

During the last several months, there has been growing concern by City officials regarding TAPS services, and its future viability as a transit provider. The Goodman Corporation (TGC) has spoken with representatives from the FTA Region 6 office, the TxDOT Public Transit division, and the Community Transit Association of America, among others, regarding the TAPS program. TGC has learned numerous questions have been raised regarding TAPS' utilization of federal and state transit resources and its ability to comply with federal financial management and reporting requirements. TGC has learned that TxDOT is reviewing the TAPS program as well. While TGC has no "first hand" knowledge of these reviews, it is clear that the organization is facing increasing challenges which might erode its ability to effectively continue transit services for the City.

The near-term expiration of the City's transit-related agreements with TAPS, coupled with the recent reviews of TAPS by various funding agencies, has raised a level of awareness within the City regarding the need to explore options for the provision of transit services for its citizens. In particular the City has expressed a need to develop a thorough understanding of the transit services and associated costs and funding sources associated therewith; and an interest in assuming Direct Recipient status for the McKinney UZA.

It is important to note that the effort to re-gain Direct Recipient status by the City should not be perceived as a source of disruption to the current efforts being undertaken by TxDOT, NCTCOG, and others to achieve a suitable framework for TAPS to continue as a viable transit service provider. Therefore, it is TGC's recommendation that the City target September 1, 2016, as the date to assume Direct Recipient status. That date coincides with the start of the state's fiscal year and it gives breathing room to those agencies trying to resolve TAPS issues. However, TGC recognizes that in the event of an immediate cessation of services, the City has an interest in accelerating the process to achieve approval to become a Direct Recipient with TxDOT, in concert with the Federal Transit Administration, and NCTCOG. To prepare for this possibility, TGC will work with affected agencies to reach a consensus to confer Direct Recipient status or other "pre-award" authority immediately, should the City deem it

necessary to advance local funding to help insure continuation of McKinney-related transit services. The City would then seek future reimbursement from federal and state transit funding.

Proposal: TGC proposes to provide professional transit planning services to help guide decision-makers evaluate the City's options for future transit services. We propose to describe the current legal, financial, governance, and technical structure under which TAPS operates to the extent it receives and expends federal and state funds apportioned to the City. The purpose of task study will be to provide a complete and accurate description of prior transit service activities and assets, and the expense associated therewith. We will conduct survey of all fixed routes and provide recommendations for service improvements upon which a Request for Proposal can be based. We will coordinate among the region's stakeholders, including NCTCOG, TxDOT, and FTA to achieve Direct Recipient status for the City.

Task 1: Existing Conditions

The purpose of this task is to understand the context in which the City receives transit services.

- Document Review: Review agency and organization reports and agreements which are pertinent to the study. This may include TAPS Board of Director reports, the NCTCOG FY2012 Needs Assessment, and the contract between TAPS and First Transit.
- Physical: Map and describe the boundaries of TAPS service area, McKinney UZA, City of McKinney city limits, other incorporated areas, TAPS urban and rural transit districts, NCTCOG, and other pertinent divisions.
- Legal and Governance: Identify current recipients of federal and state formula funding and describe existing urban and rural transit districts and the challenges and opportunities that may be afforded to the City should it form a new urban district;
 - Identify roles and functions of political subdivisions, agencies, and organizations such as TAPS, County, NCTCOG, TxDOT, and FTA in the receipt, management, or programming of federal and state transit funds.
 - Describe process for formation of a new urban transit district and how it may benefit the City in future delivery of service.
- Financial:
 - Estimate expenditure of funds for operating, planning, and capital goods and services provided to the McKinney UZA for FY2014 and estimated FY2015.
 - Record or estimate direct expense for operating and preventive maintenance activities for each service mode;
 - Allocate general overhead expenses;
 - Record capital and planning expenditures;
 - Inventory capital assets attributable to McKinney UZA ; and
 - Identify contracts held by TAPS which may impact the City's service should it choose an alternate provider, e.g. TAPS contract with First Transit.
 - Allocate federal or state formula funds, discretionary funds, contract revenue, local contribution, and other funds to expenses.

- Determine status of most recent federal and state formula funding apportioned to the City to see if funds have been obligated in a grant.
 - List federal and state formula funding by fiscal year for five-year period. Determine which communities within the McKinney UZA are contributing to the City's formula funding but not receiving service. Outline the data and factors which drive the City's formula funds.
 - Analyze use of TAPS MTO (Medicaid broker) funding as local match for City services
 - Allocate funding to fixed route, ADA para-transit and demand response estimated cost of service.
- Service:
 - Describe types and locations of services. Map services against McKinney UZA Transit Needs Index, which is a composite of demographic data that describes transit demand due to a relatively higher concentration of senior, individuals with disabilities, or low-income households. Describe Level-of-Service or LOS (frequency, coverage, comfort and convenience, etc.) of existing services and recent changes to service.
 - Describe service by funding type: Section 5307 trips originate within the UZA and Section 5311 trips originate within the rural areas. Section 5310 services target seniors and individuals with disabilities.
 - Describe service and cost efficiencies that may currently be realized through the coordinated delivery of urban, rural, and Medicaid service by TAPS.

Deliverable: Existing Conditions Report

Cost: \$12,000

Task 2: Cost Benefit Analysis of Existing Transit Services Provided by TAPS

The purpose of this task will be to establish the cost effectiveness and efficiency of TAPS service. This evaluation assists in identifying potential changes to services that would be reflected in the RFI. We note that there is concern about the integrity and availability of the financial and service data which may limit the implementation of this task. However, this data is utilized by federal and state agencies to calculate the amount of formula transit funding received for the McKinney Urbanized Area.

- Describe services: fixed route, ADA para-transit and demand response
 - Vehicle and Revenue Hours and Miles of Service
 - Passenger Trips
- Evaluate Cost and Service Effectiveness and Efficiency by service mode
 - Cost per Passenger Trip
 - Cost per Vehicle and Revenue Hour and Mile
 - Local Contribution per vehicle and revenue hour and mile
 - Compare cost and service performance against similar Texas small urban peers to identify areas where the McKinney service is over- or under-performing

Deliverable: Cost Benefit Analysis of TAPS services

Cost: \$10,000

Task 3: Boarding and Alighting Survey & Service Recommendations

The purpose of this task is to collect and evaluate ridership data for five fixed routes. This data and information developed in Task 1 will be used to evaluate the existing fixed route system and recommend potential improvements to that system.

- Conduct a boarding and alighting survey to sample 100% of five McKinney fixed routes. TAPS currently operates Monday through Friday from 5:00 AM to 10:00 PM. The routes operate with one-hour headways. Since each route runs on the hour, each route is completed 17 times per day. Based on this objective, the sampling plan would consist of 425 samples taken over a period of 4 weeks.
- In parallel with the boarding and alighting survey, conduct an on-board ridership survey to gather additional qualitative and quantitative data such as trip purpose, nearest major intersection of residence, satisfaction with service, etc.
- Activities include:
 - Develop survey materials and have them approved by the City
 - Coordinate with TAPS to gain permission to survey
 - Hire, train, and oversee temporary employees throughout the 4-week period
 - Review, validate, and enter the survey data
 - Analyze survey data and write-up results

The survey will take a minimum of 8 weeks to complete. Two weeks to create survey materials, hire and train temporary workers, and coordinate with TAPS; four weeks to gather data; and two weeks to analyze and write up results.

Based on the results of this data and information in Task 1, TGC will recommend changes to the existing fixed route services.

Deliverable: Boarding and alighting report and recommendations

Cost: \$28,000

Task 4: Establish City as Direct Recipient

In order to protect the City's ability to reimburse itself with federal funds should the City find it necessary to expend local funds to provide transit service, it is critical that the City establish or re-establish itself as an FTA Direct Recipient.⁴ The McKinney UZA was apportioned \$2.8 million in FY2015 federal formula funds. The City's ability to tap into these funds is contingent upon its Direct Recipient status, which then confers upon the City pre-award authority.⁵

- Describe responsibilities of Direct Recipient to meet legal, technical, and financial requirements.

⁴ TGC will research to determine if City had previously been named a Designated or Direct Recipient by FTA.

- Provide administrative support to accomplish recognition of Direct Recipient status by FTA. This may include the drafting of legal agreements, opinions of counsel, resolutions and completing certifications and assurances, and other such documentation as may be required by the FTA, TxDOT, and/or the MPO to achieve Direct Recipient status.
- Manage inter-agency communications as necessary.
 - Note: The City is within a non-attainment area. Currently the NCTCOG receives Congestion Mitigation Air Quality (CMAQ) funding on behalf of the planning area. The City’s ability to pursue and secure CMAQ funding to accomplish transit-related projects within its boundaries which generate air quality benefits is an important benefit of the City achieving Direct Recipient status.

Deliverable: Establishment of City as an FTA Direct Recipient

Cost: \$15,000

BUDGET

Budget	Cost
Task 1 – Existing Conditions	\$12,000
Task 2 – Cost Benefit Analysis	\$10,000
Task 3 – Survey & Service Recommendations	\$28,000
Task 4 – Establish City as Direct Recipient	\$15,000
Total	\$65,000

SCHEDULE

	1	2	3	4
Task 1 – Existing Conditions				
Task 2 – Cost Benefit Analysis				
Task 3 – Survey & Service Recommendations				
Task 4 – Establish City as Direct Recipient				

⁵ Under pre-award authority, FTA allows grantees to incur costs prior to grant approval. In order to reimburse federally eligible costs from a future grant, the grantee must comply with all FTA and federal requirements when undertaking the project.