Quorum = 8

Agenda

Dallas Area Rapid Transit
COMMITTEE-OF-THE-WHOLE
Tuesday, August 11, 2026, 4:00 P.M. – Board Room
1401 Pacific Ave., Dallas, Texas 75202

General Items:

1. This item will be discussed at the Board of Directors' meeting only.
2. Approval of Minutes: July 14, 2026
3. Items of Interest
4. Public Comments – Agenda Item Specific

Consent Items:

Administration:

5. Approval of Contract for Enterprise Firewall Hardware and Licensing (Presenters: Gary Slagel/Jamie Adelman)
6. Approval to Exercise Options for Bonfire Sourcing Platform (Presenters: Gary Slagel/Jamie Adelman)
7. Approval of Contract for Oracle Database Management System Maintenance (Presenters: Gary Slagel/Jamie Adelman)
8. Approval of DART Board Policy II.04, Investment Policy, and Fiscal Year 2027 Investment Strategy (Presenters: Gary Slagel/Jamie Adelman)

Development & Innovation:

9. Approval of Contract Modification for Uniform Rental Services for DART Maintenance Employees (Presenters: Patrick J. Kennedy/Trenise Winters)
10. Approval of Contract for Light Rail Vehicle Axle Journal Bearing Removal and Installation (Presenters: Patrick J. Kennedy/Trenise Winters)

Individual Items:

Administration:

11. This item will be discussed at the Board of Directors' meeting only.
12. Approval to Distribute Proposed Fiscal Year 2027 Annual Budget and 20-Year Financial Plan to Service Area Cities for Review
    (Presenters: Gary Slagel/Jamie Adelman)
    [5 minutes – presentation; 5 minutes – Q&A]
13. Approval of Fiscal Year 2027 Goals and Performance Measures for Board Administrator (Presenters: Gary Slagel/Jesse Salazar)
    [10 minutes – presentation; 10 minutes – Q&A]
14. Approval of Fiscal Year 2027 Goals and Performance Measures for General Counsel (Presenters: Gary Slagel/Gene Gamez)
    [10 minutes – presentation; 10 minutes – Q&A]

Agenda

Development & Innovation:

15. +Approval of Contract Modification for Armed Security Guard Services
    (Presenters: Patrick J. Kennedy/Charles Cato)
    [10 minutes – presentation; 10 minutes – Q&A]
16. Approval of Contract Modification for Milestone 8 and the Term of Contract for the Design-Build Services for the Silver Line Regional Rail Project
    (Presenters: Patrick J. Kennedy/Trey Walker)
    [5 minutes presentation; 10 minutes – Q&A]
17. *Briefing on Current Transit-Oriented Development Projects and Other Economic Development Matters (Presenters: Patrick J. Kennedy/Trey Walker)
    [20 minutes – presentation; 20 minutes – Q&A]

Other Items:

18. This item will be discussed at the Board of Directors' meeting only.
19. This item will be discussed at the Board of Directors' meeting only.
20. Adjournment

**** indicates a Briefing Item Only***
+ indicates a Same-Date Item that has not previously been presented to the Board.

The Dallas Area Rapid Transit Committee-of-the-Whole may go into Closed Session under the Texas Open Meetings Act, Section 551.071, Consultation with Attorney, for any legal issues, under Section 551.072, Deliberation Regarding Real Property for real estate issues, under Section 551.074 for Personnel matters, or under Section 551.076 or 551.089 for deliberation regarding deployment or implementation of security personnel or devices arising or regarding any item listed on this Agenda. This facility is wheelchair accessible. For accommodations for the hearing impaired, sign interpretation is available. Please contact Community Engagement at 214-749-2721, 48 hours in advance.

MINUTES
DALLAS AREA RAPID TRANSIT
COMMITTEE-OF-THE-WHOLE
Tuesday, July 14, 2026

The Dallas Area Rapid Transit **Committee-of-the-Whole** meeting convened on **Tuesday, July 14, 2026, at 3:38 p.m.,** at DART Headquarters, 1401 Pacific Avenue, Dallas, Texas, with Chair Bryant presiding.

These minutes provide a brief overview and are not a transcript. For complete details, please visit the following link: DART.org/about/public-access-information/board-meetings-information.

City of Dallas

Randall B. Bryant– **Board Chair**

Carmen Garcia – **Secretary**

Patrick J. Kennedy

Roy C. Lopez

Maureen Milligan

Maurice A. West

Michele Wong Krause

City of Garland

Jeff Bass

City of Irving

Rick H. Stopfer

City of Plano

Anthony Ricciardelli

Cities of Carrollton and Irving

Doug S. Hrbacek

Cities of Cockrell Hill and Dallas

Enrique A. MacGregor

Cities of Farmers Branch and Plano

M. Nathan Barbera

Cities of Garland, Rowlett, and Glenn Heights

Mark C. Enoch – **Assistant Secretary**

Cities of Richardson and University Park; Towns of Addison and Highland Park

Gary A. Slagel

Maurice A. West, Anthony Ricciardlli, Patrick J. Kennedy, and Mark C. Enoch were absent.

Michele Wong Krause and Jeff Bass joined virtually via Microsoft Teams.

General Items

1. **This item will be discussed at the Board of Directors' meeting only.**

2. **Approval of Minutes: June 16, 2026, and July 10, 2026**

   Director Slagel made a motion to adopt the June 16, 2026, and July 10, 2026, Committee-of-the-Whole meeting Minutes as written.

   Secretary Garcia seconded, and the Minutes were adopted as written.

3. **Items of Interest**

   Items of Interest were provided.

4. **Public Comments – Agenda Item Specific**

   No public comments.

Consent Item(s): 5-9 & 11

Director Slagel requested item 12, Approval of Contract for Direct Primary Care Services, and Director Milligan requested that item 10, Approval of Contract for Business Intelligence Tool (Tableau) Maintenance be moved to Individual consideration.

Director Slagel made a motion to approve Consent items 5 through 9 and 11.

Development & Innovation:

5. **+Approval of Contract for Installation of Aboveground Gasoline Storage Tank and Fueling System**

   Moved to approve this draft resolution to the Board of Directors, stating that the Interim President & Chief Executive Officer or his designee is authorized to award a one-year contract to Acterra Group, LLC, [Contract No. 2098017] for the purchase, installation, permitting, testing, and commissioning of a 12,000-gallon aboveground gasoline storage tank and fueling system at DART's Senate Street facility in the amount of $251,300, plus a contingency in the amount of $37,695, for a total authorized amount not to exceed $288,995.

6. **+Approval of Contract for Battery Tray Assemblies for DART's Light Rail Vehicle Fleet**

   Moved to approve this draft resolution to the Board of Directors, stating that the Interim President & Chief Executive Officer or his designee is authorized to award a two-year contract to Saft America, Inc. [Contract 2091417-01] for the purchase of battery tray assemblies for DART's Light Rail Vehicle fleet, for a total authorized amount not to exceed $854,129.

7. **+Approval of Contract for Miscellaneous Pantograph Parts for DART's Light Rail Vehicle Fleet**

   Moved to approve this draft resolution to the Board of Directors, stating that the Interim President & Chief Executive Officer or his designee is authorized to award a one-year contract to TransTech of SC Inc. [C-2092447-01] for miscellaneous pantograph parts for DART's Light Rail Vehicle fleet, for a total authorized amount not to exceed $1,567,428.

8. **+Approval of Contract for DART Non-Revenue Vehicle Collision Repair Services**

Moved to approve this draft resolution to the Board of Directors, stating that the Interim President & Chief Executive Officer, or his designee is authorized to award a two-year contract with one one-year option to SheerMetal-2 LLC dba SheerMetal CARSTAR for DART non-revenue vehicle collision repair services [C-2096475-01], in the amount of $395,800, plus a contingency $20,000 for unanticipated costs, for a total authorized amount not to exceed $415,800, including the initial term and execution of options upon determination of satisfactory performance by the vendor and at the discretion of the Interim President & Chief Executive Officer or his designee.

9. **+Approval of Contract Modification for Non-Revenue Vehicle Parts**

Moved to approve this draft resolution to the Board of Directors, stating that the Interim President & Chief Executive Officer or his designee is authorized to execute a contract modification with Ray Huffines Chevrolet [Contract No. C-2093160-01] for the purchase of Non-Revenue Vehicle parts in the amount of $200,000, for a new total authorized amount not to exceed $448,000.

Administration:

11. **+Approval to Exercise Option Years for Health Plan Provider Services**

Moved to approve this draft resolution to the Board of Directors, stating that the Interim President & Chief Executive Officer or his designee is authorized to execute a contract modification for Health Plan Provider Services with Blue Cross and Blue Shield of Texas, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company (BCBSTX) [Contract No. C-2058374-01], to:

Section 1: Exercise the first and second one-year options.

Section 2: Increase the not-to-exceed amount by $4,882,037, for a new total authorized amount not to exceed $16,301,053.

Director Stopfer seconded, and the items were adopted unanimously.

Consent Items moved to Individual Items:

Administration:

10. **Approval of Contract for Business Intelligence Tool (Tableau) Maintenance**

Jamie Adelman, Chief Financial Officer, and Julius Smith, Chief Technology Officer, were called to the podium to answer questions for the board.

Director Milligan moved to approve this draft resolution to the Board of Directors, stating that the Interim President & Chief Executive Officer or his designee is authorized to award a three-year contract for Business Intelligence Tool (Tableau) Maintenance to Carahsoft Technology Corp. [Contract No. C-2098130-01], for a total authorized amount not to exceed $527,622.

Director Stopfer seconded, and the items were adopted unanimously.

12. **+Approval to Exercise Option Years for Health Plan Provider Services**

Gene Gamez, General Counsel, was questioned by

Director Slagel moved to approve this draft resolution to the Board of Directors, stating that the Interim President & Chief Executive Officer or his designee is authorized to award a three-year contract with two one-year options to Frontier Direct, LLC for Direct Primary Care Services [Contract No. C-2094375-01], for a total authorized amount not to exceed $15,258,240, including the initial term and execution of options upon determination of satisfactory performance by Frontier Direct, LLC, and at the discretion of the Interim President & Chief Executive Officer or his designee.

Director Stopfer seconded, and the items were adopted unanimously.

Individual Items:

Development & Innovation:

13. Approval of Contracts for Miscellaneous Spare Parts for DART's Bus Fleet

Jaime Aleman, Vice President Vehicle Maintenance, who briefed the committee. Chief Financial Officer Adelman was called to the podium to answer questions to the board.

Director Slagel moved to approve this draft resolution to the Board of Directors, stating that the Interim President & Chief Executive Officer or his designee is authorized to execute a contract modification with Brandt Industries, USA, to increase the not-to-exceed amount by $380,766 for tariff charges related to the purchase of two emergency response vehicles for the light rail vehicle fleet [Contract No. C-2077555-01], for a new total authorized amount not to exceed $3,780,766.

Director MacGregor seconded, and the item was adopted unanimously.

14. Approval of Contract for Armed Security Guard Services

This item was not discussed.

Audit:

15. Approval of Employment Agreement with Chief Audit Officer

Director Lopez moved to approve this draft resolution to the Board of Directors, stating that the DART Board Chair is authorized to negotiate an employment agreement, including salary, with the selected candidate for the position of President & Chief Executive Officer.

Director Barbera seconded, and the item was adopted unanimously.

Administration:

16. This item will be discussed at the Board of Directors' meeting only.

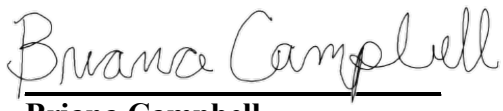
17. This item will be discussed at the Board of Directors' meeting only.

Other Items

18. This item will be discussed at the Board of Directors' meeting only.

19. Adjournment

There being no further business to discuss, the meeting adjourned at 4:51 p.m.



Briana Campbell,
Secretary of the Board

/bc

Agenda Report

Attachments:	Voting Requirements:
1. Contract Award Analysis 2. SBE Considerations	Majority

DATE: August 11, 2026

SUBJECT: Approval of Contract for Enterprise Firewall Hardware and Licensing

RECOMMENDATION

Approval of a resolution authorizing the Interim President & Chief Executive Officer or his designee to award a three-year contract to CDW Government, LLC, for Palo Alto enterprise firewall hardware and licensing, for a total authorized amount not to exceed $4,859,039.

FINANCIAL CONSIDERATIONS

- This contract for Enterprise Firewall Hardware and Licensing is in the Technology Department's proposed FY 2027 operating budget.
- Sufficient funding for this contract in the amount of $4,859,039 is included in both the Technology Department's proposed FY 2027 operating expense budget and the total operating expense line item of the FY 2026 20-Year Financial Plan.

BUSINESS PURPOSE

- This contract supports continuous cybersecurity protection of DART's operations, infrastructure, and sensitive information, including customer data, against the growing and persistent threat of cyberattacks.
- Enhanced security functions enable proactive detection and mitigation of both known and emerging threats, improve incident response, and support ongoing vulnerability management across on-premises and cloud environments.
- The contract includes protection for critical operational technology systems, such as vehicle diagnostics, signaling systems, fare collection, and train control center technologies, helping ensure the safe and uninterrupted operation of transit services systemwide.
- The firewall licensing will improve threat detection accuracy, integrate real-time threat intelligence, and streamline security operations.
- Network security services will protect endpoints and infrastructure, including servers, cloud platforms, laptops, onboard devices, and security camera systems throughout the transit environment.
- This investment provides layered protection across all DART networks, enhancing resilience and helping safeguard transit operations.

- Approval of this contract supports Agency Strategic Goal 1: Empowered Agency – Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees; and Strategic Goal 3: Quality Service – Deliver a quality customer experience defined by strong rider advocacy and built on professional pride and continuous improvement.

PROCUREMENT CONSIDERATIONS

- A cooperative procurement was conducted.
- This will be an indefinite delivery/indefinite quantity contract with firm-fixed pricing for a term of three years.
- The contract award analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- The State of Texas contracts will be utilized for this procurement.
- The State's goal for this type of procurement is 26.0%. The responsible State agency is the Texas Department of Information Resources (DIR).
- As this is a State contract, reports of SBE spend dollars will be to and through the State.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

Dallas Area Rapid Transit Authority
CONTRACT AWARD ANALYSIS
Cooperative DIR Contract No. DIR-CPO-5363
DART Contract No. C-2098342-01

Contract Information

A. Description: Enterprise Firewall Hardware and Licenses

B. Contractor: CDW Government, LLC

C. Contract Number: C-2098342-01

D. Contract Amount: Not to exceed $4,859,039

E. Contract Type: Indefinite Delivery/Indefinite Quantity with a firm-fixed price

F. Term of Contract: Three years from the date of the Notice to Proceed

G. Options Available: None

H. Funding Source: Local

I. Price Considerations: The price is fair and reasonable based on historic prices paid by DART for similar services or goods and the Independent Cost Estimate.

J. Determination of Responsibility:
Reference Check: Provided via State of Texas DIR-CPO-5363
Financial Responsibility Survey: Provided via State of Texas DIR-CPO-5363
Arithmetic Check: Yes
Buy America Certification and/or Audit, if applicable: N/A
Debarred/Suspended list: Not on the debarred /suspended list.

K. Determinations Required: Software Deviation

Determination and Recommendation

CDW Government, LLC, is a responsive and responsible contractor through an approved cooperative agreement, has the capacity to perform this contract, and is recommended for award.

Attachment 2

Approval of Contract for Enterprise Firewall Hardware and Licensing

SBE Considerations

The State of Texas contract will be utilized for this procurement. The State's goal for this type of procurement is 26.0%. The responsible State agency is the Texas Department of Information Resources (DIR). As this is a State contract, reports of SBE spend dollars will be to and through the State.

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Contract for Enterprise Firewall Hardware and Licensing

WHEREAS, DART relies heavily on secure technology to provide effective and efficient daily transit services and manage its data processing systems; and

WHEREAS, this contract supports continuous cybersecurity protection of DART's operations, infrastructure, and sensitive information, including customer data against internal and external threats and vulnerabilities; and

WHEREAS, a cooperative procurement for a three-year contract with no options was conducted in accordance with the DART Procurement Regulations; and

WHEREAS, the proposed pricing is fair and reasonable; and

WHEREAS, sufficient funding for this contract is within proposed FY 2027 budget and approved FY 2026 20-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Interim President & Chief Executive Officer or his designee is authorized to award a three-year contract to CDW Government, LLC, for Palo Alto enterprise firewall hardware and licensing, for a total authorized amount not to exceed $4,859,039.

Approval of Contract for Enterprise Firewall Hardware and Licensing

Prepared by: /s/ Trenise Winters
Trenise Winters
Executive Vice President
Chief Operations Officer

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ David Leininger
David Leininger
Interim President &
Chief Executive Officer

Agenda Report

Attachments:	Voting Requirements:
1. Procurement Analysis 2. SBE Considerations	Majority

DATE: August 11, 2026

SUBJECT: Approval to Exercise Options for Bonfire Sourcing Platform

RECOMMENDATION

Approval of a resolution authorizing the Interim President & Chief Executive Officer or his designee to execute a contract modification for the Bonfire Sourcing Platform [Contract No. C-2096347-01] with Euna Solutions, Inc., to: 1) exercise two one-year options; and 2) increase the not-to-exceed amount by $275,000, for a new total authorized amount not to exceed $412,500.

FINANCIAL CONSIDERATIONS

- This contract modification for the Bonfire Sourcing Platform is included in the Technology Department's proposed FY 2027 operating budget.
- Sufficient funding for this contract modification in the amount of $275,000 is included in both the Technology Department's proposed FY 2027 operating budget and the total operating expense line item of the FY 2026 20-Year Financial Plan.

BUSINESS PURPOSE

- This contract modification is to exercise two of the three one-year options for the Bonfire Sourcing Platform, which supports DART's procurement activities through a centralized cloud-based platform.
- DART implemented Bonfire in November 2022. Euna Solutions acquired Bonfire Interactive, Inc., in 2023 and rebranded the product as Euna Supplier Network.
- In December 2025, the original contract was awarded to Euna Solutions, Inc., for $137,500. This contract modification will make the total contract amount exceed the Board approval threshold, thus requiring Board approval.
- This contract covers hosting, maintenance, and product support for the cloud-based platform, including 50 "pro seat" licenses to support vendor management, solicitation management, and a centralized searchable view of all bids, including unlimited projects, evaluators, and vendors.
- This subscription enables the agency to manage procurement processes, vendor submissions, and evaluation workflows in a structured, transparent, and compliant manner. Exercising the contract option allows DART to maintain standardized sourcing practices, efficiency in vendor selection, and continuity of critical procurement operations.

- Approval of this contract modification supports Agency Strategic Goal 1: Empowered Agency - Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees.

PROCUREMENT CONSIDERATIONS

- On December 2025, a fully executed contract was awarded to Euna Solutions, Inc., for the Bonfire Sourcing Platform.
- This is an Indefinite Delivery/Indefinite Quantity contract with a one-year term with three one-year options. This modification will exercise two one-year options.
- The contract award analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- Due to the intellectual rights and proprietary nature of this procurement, it is recognized as non-eligible for goal setting per the deviation to DART's Procurement Regulations regarding Software Licenses and Maintenance Agreements.
- The SBE analysis and Equal Employment Opportunity (EEO-1) information are included in Attachment 2. The prime contractor's actual EEO-1 report is available upon request.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

Dallas Area Rapid Transit Authority
PROCUREMENT ANALYSIS
Exercise Option
Modification No. 1

Contract Information

A. Contract Description: Euna Sourcing Platform

B. Contractor: Euna Solutions, Inc.

C. Contract Number: C-2096347-01

D. Contractual Action: Exercise two, one-year options

E. Current Contract Amount: $137,500

F. Contract Modification Amount: $275,000

G. New Contract Amount: $412,500

H. Contract Type: Indefinite Delivery/Indefinite Quantity

I. Current Term of Contract/Performance Period: 12/01/2025 – 11/30/2026

J. Remaining Options Available: One, one-year option

K. Price Considerations: The pricing is fair and reasonable

L. Negotiation Memorandum: N/A

M. Determinations Required: N/A

N. Funding: Local

O. Determination of Responsibility:
Bond Check: N/A
Reference Check: Satisfactory
Financial Responsibility Survey: Satisfactory
Insurance Check: Yes
On-Site Inspection: N/A
Arithmetic Check: Yes
Verification of Offer: Yes
Buy America Certification and/or Audit, if applicable: N/A
Debarred/Suspended list: Not on the debarred /suspended list.

Determination and Recommendation

Euna Solutions, Inc., is a responsible contractor for the modification described above. Therefore, execution of the contract modification is recommended.

Approval to Exercise Options for Bonfire Sourcing Platform

SBE Considerations

Due to the intellectual rights and proprietary nature of this procurement, it is recognized as non-eligible for goal setting per the deviation to DART's Procurement Regulations regarding Software Licenses and Maintenance Agreements.

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval to Exercise Options for Bonfire Sourcing Platform

WHEREAS, this contract modification is to exercise two one-year options for the Euna Sourcing Platform (Bonfire), which supports DART's procurement activities through a centralized cloud-based platform; and

WHEREAS, in December 2025, the original contract was awarded to Euna Solutions, Inc., in the amount of $137,500. This contract modification will make the total contract amount exceed the Board approval threshold, thus requiring Board approval; and

WHEREAS, this contract modification allows DART to maintain standardized sourcing practices, efficient vendor selection, and continuity of critical procurement operations; and

WHEREAS, the proposed price for this contract modification is fair and reasonable; and

WHEREAS, funding for this contract modification is within proposed FY 2027 budget and approved FY 2026 20-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Interim President & Chief Executive Officer or his designee is authorized to execute a contract modification for the Bonfire Sourcing Platform [Contract No. C-2096347-01] with Euna Solutions, Inc., to:

Section 1: Exercise two one-year options.
Section 2: Increase the not-to-exceed amount by $275,000, for a new total authorized amount not to exceed $412,500.

Approval to Exercise Options for Bonfire Sourcing Platform

Prepared by: /s/ Jamie Adelman
Jamie Adelman
Executive Vice President
Chief Financial Officer

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ David Leininger
David Leininger
Interim President &
Chief Executive Officer

Agenda Report

Attachments:	Voting Requirements:
1. Contract Award Analysis 2. SBE Considerations	Majority

DATE: August 11, 2026

SUBJECT: Approval of Contract for Oracle Database Management System Maintenance

RECOMMENDATION

Approval of a resolution authorizing the Interim President & Chief Executive Officer or his designee to award a two-year contract to Mythics, Inc., for Oracle Database Management System maintenance [Contract No. C-2098129-01], for a total authorized amount not to exceed $1,252,576.

FINANCIAL CONSIDERATIONS

- This contract for Oracle maintenance is included in the Technology Department's proposed FY 2027 operating budget.
- Sufficient funding for this contract in the amount of $1,252,576 is included in both the Technology Department's proposed FY 2027 operating budget and the total operating expense line item of the proposed FY 2027 20-Year Financial Plan.

BUSINESS PURPOSE

- The purpose of this contract is to continue maintenance services and software support for DART's Oracle system. It includes new software releases, upgrade assistance, and 24/7 support via an enterprise license model.
- DART uses Oracle's high-performance database management system for its enterprise data warehouse and to host data from several critical enterprise applications, including Lawson, Enterprise Asset Management, Workday, and Trapeze. Trapeze is DART's primary operational management system, used to plan, schedule, and optimize daily operations across bus, light rail, and on-demand services. Oracle also supports DART's web application environment, including InfoStation and its numerous workflows, the Board Portal, and Police's citation/affidavit creation application.
- Oracle is designed for large-scale enterprise environments like DART and has several capabilities, including scalability and world-class encryption and security tools to ensure only authorized users can see sensitive data.
- This contract supports Agency Strategic Goal 1: Empowered Agency – Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees.

PROCUREMENT CONSIDERATIONS

- DART is using an approved Texas Department of Information Resources (DIR) contract vehicle.
- This will be a definite delivery/definite quantity contract with firm fixed pricing for a two-year term with no options.
- The contract award analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- The State of Texas contracts will be utilized for this procurement.
- The State's goal for this type of procurement is 26.0%. The responsible State agency is the Texas Department of Information Resources (DIR).
- As this is a State contract, reports of SBE spend dollars will be to and through the State.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

Dallas Area Rapid Transit Authority
CONTRACT AWARD ANALYSIS
Cooperative DIR, Contract No. DIR-CPO-5436
DART Contract No. C-2098129-01

Contract Information

A. Description: Oracle Database Management System Maintenance

B. Contractor: Mythics, Inc.

C. Contract Number: C-2098129-01

D. Contract Amount: $1,252,576

E. Contract Type: Definite Quantity/Definite Delivery – Firm Fixed Price

F. Performance Period/Term of Contract: Two years

G. Options Available: N/A

H. Funding Source: Local

I. Price Considerations: The price is fair and reasonable based on full and open competition conducted by the State of Texas and a comparison to DART's internal cost estimate.

J. Determination of Responsibility:
Reference Check/ Financial Responsibility Survey: Provided via cooperative source.
Arithmetic Check: Yes
Buy America Certification and/or Audit, if applicable: N/A
Debarred/Suspended list: Not on debarred/suspended list.

K. Determinations Required: Software deviation

Determination and Recommendation

Mythics, Inc., is a responsive and responsible contractor through an approved cooperative agreement, has the capacity to perform this contract, and is recommended for award.

Approval of Contract for Oracle Database Management System Maintenance

SBE Considerations

The State of Texas contracts will be utilized for this procurement. The State's goal for this type of procurement is 26.0%. The responsible State agency is the Texas Department of Information Resources (DIR). As this is a State contract, reports of SBE spend dollars will be to and through the State.

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Contract for Oracle Database Management System Maintenance

WHEREAS, the purpose of this contract is to continue maintenance and software support for DART's Oracle database management system; and

WHEREAS, DART uses Oracle to host data from several critical enterprise applications, including Lawson, Enterprise Asset Management, Trapeze, and Workday; and

WHEREAS, Oracle is designed for large-scale enterprise environments like DART and has several capabilities, including scalability and advanced security; and

WHEREAS, the contract was procured through an authorized cooperative purchasing agreement in accordance with DART Procurement Regulations; and

WHEREAS, the proposed price for this contract is fair and reasonable; and

WHEREAS, funding for this contract is within proposed FY 2027 Budget and FY 2027 20-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Interim President & Chief Executive Officer or his designee is authorized to award a two-year contract to Mythics, Inc., for Oracle Database Management System maintenance [Contract No. C-2098129-01], for a total authorized amount not to exceed $1,252,576.

Approval of Contract for Oracle Database Management System Maintenance

Prepared by: /s/ Jamie Adelman
Jamie Adelman
Executive Vice President
Chief Financial Officer

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ David Leininger
David Leininger
Interim President &
Chief Executive Officer

Agenda Report

Attachment:	Voting Requirements:
1. Investment Policy Redline	Majority

DATE: August 11, 2026

SUBJECT: Approval of DART Board Policy II.04, Investment Policy, and Fiscal Year 2027 Investment Strategy

RECOMMENDATION

Approval of a resolution adopting: 1) DART Board Policy II.04, Investment Policy, as shown in Exhibit 1 to the Resolution; and 2) the Fiscal Year (FY) 2027 Investment Strategy as shown in Exhibit 2 to the Resolution, effective upon approval.

BUSINESS PURPOSE AND FINANCIAL CONSIDERATIONS

- The Texas Public Funds Investment Act (PFIA) and DART Board Policy II.04, Investment Policy, require the DART Board to review a written investment policy and a statement of investment strategy for funds under its control annually.
- Board Policy II.04, Investment Policy (Exhibit 1), sets out the types of investments in which funds may be invested.
- The Investment Strategy (Exhibit 2) describes the fund portfolios established by the Board and provides an investment strategy for each portfolio based on the fund objective and its unique cash flow characteristics.
- Staff recommends only non-material corrections to the policy (redlined in Attachment 1) and no changes to the strategy for FY 2027.
- Approval of the Investment Policy and FY 2027 Investment Strategy supports Agency Strategic Goal 1: Empowered Agency – Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees.

LEGAL CONSIDERATIONS

- Section 452.101 of the Texas Transportation Code authorizes the Board to designate authorized representatives to invest DART funds according to terms prescribed by the Board.
- Section 452.102 of the Texas Transportation Code sets out those investment instruments in which the authority's funds may be invested.

- The PFIA, Chapter 2256 of the Texas Government Code, and DART Board Policy II.04 require the Board to review and approve a written investment policy and a separate investment strategy annually. The PFIA and Board Policy II.04 also set out the types of investments in which funds may be invested.
- The Public Funds Collateral Act, Chapter 2257 of the Texas Government Code, requires the Board to adopt a written policy addressing which investment securities are eligible to secure deposits of public funds.

Investment Policy

DATE ISSUED:	**December 10, 1985**
Resolution No.	**850180**
Amended by Resolutions:	**870080, 940008, 940172, 950193, 960015, 970014, 970264, 000220, 010197, 090132, 120111, 130096, 140102, 170078, 190128, 200106, 210160**
Affirmed by Resolution:	**980268, 990224, 020187, 030132, 040149, 050114, 060135, 070134 080152, 100131, 110088, 150095, 160087, 180088, 220152, 230134, 240088, 250090**
Policy No.	**II.04 (Finance)**

Section 1: **SCOPE**

Dallas Area Rapid Transit (DART) shall utilize those investment strategies and procedures that most effectively accomplish the following goals in order of priority: (1) preservation of capital; (2) liquidity to meet all obligations in a timely manner; and (3) maximization of earnings from the full investment of all available funds. DART funds will be invested and managed in compliance with Section 452.102 of the Texas Transportation Code, the Public Funds Investment Act (Chapter 2256, Government Code), DART's Investment Policy, and internal procedures as documented in DART's Funds Administration Procedures Manual. The funds as listed in Exhibit 2 - Dallas Area Rapid Transit Statement of Investment Strategy shall be subject to these requirements.

Section 2: **DEFINITIONS**

Defined terms shall, for all purposes of this Investment Policy, have the meanings set out below unless otherwise expressly provided or unless the context clearly requires otherwise.

2.1 **Aggregate Portfolio** combined assets held in all investment portfolios managed by DART, including, but not limited to, General Operating Fund, Project Fund, Insurance Reserve Fund, Mobility Assistance Fund, Emergency Reserve Fund, Debt Service Funds (Senior Lien and Senior Subordinate Lien), DART Commercial Paper and Bond System Expansion & Acquisition Funds and State or Local Government-Provided Funds.

2.2 **Approved Security** are obligations which fall within the definitions of investment securities legal for DART under the Public Funds Investment Act (PFIA) or Section 452.102 of the Texas Transportation Code and which are specifically included in the Investment Policy as approved by the Board of Directors. DART is not required to liquidate investments that were authorized investments at the time of purchase, but may no longer be authorized due to regulatory changes.

2.3 **Arbitrage Regulations** are regulations issued by the IRS limiting ability of municipalities to take advantage of, arbitrage, the rate differential between their own tax-exempt securities and taxable securities such as U.S. Treasury Notes. One method of yield restriction to comply with regulations is investing proceeds in other municipal securities.

2.4 **Banker's Acceptance** negotiable time draft, typically arising from letters of credit issued in a foreign trade transaction, drawn on and accepted by a bank which adds its credit to that of an importer of the merchandise. Prime Banker's Acceptances are those, which are liquidated at maturity from proceeds of the sale of goods, distinguishing these self-liquidating instruments from those used only to finance inventory.

2.5 **Certificate of Deposit** interest bearing negotiable time deposit of fixed

maturity at a bank or trust company organized under the laws of Texas or national banking associations.

2.6 **Commercial Paper** the promissory note or draft of a corporation, government agency, or bank holding company, usually unsecured but backed by unused bank credit lines and issued for short-term credit needs with a maturity of up to 365 days.

2.7 **Corporate Securities** corporation-issued debt instruments as opposed to securities issued by a government agency or a municipality.

2.8 **Federal Agency Securities** debt instruments issued by federal agencies that are presumed to be unconditionally guaranteed, or backed by the full faith and credit of, the United States of America. These agencies include, but are not limited to: Federal Agricultural Mortgage Corporation, Federal Home Loan Banks, Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Government National Mortgage Association, and the Tennessee Valley Authority.

2.9 **Federal Deposit Insurance Corporation (FDIC)** established in the U.S. in 1933 to insure accounts at commercial and mutual saving banks and thus protect depositors.

2.10 **Financial Institutions and Authorized Broker/Dealers** means qualified financial institutions and broker/dealers authorized to engage in the purchase and sale of obligations of the U.S. Government, its agencies or other approved investments to DART. The Investment Committee will review, revise and adopt the list on an annual basis. Such selection shall include but not be limited to the following criteria:

1. Certification with the Financial Industry Regulatory Authority or be subject to regulation by the U.S. Comptroller of the Currency.
2. Acknowledge to DART that the latest investment policy was received, and reasonable controls are in place to abide by the terms of the Policy, and as required under Section 2256.005(k) of the Public Funds Investment Act, as amended.
3. Proven access to new issue market for government securities, suitable for DART's approved strategies.

2.11 **Floating Rate Securities** are securities which change coupon rate periodically based on changes in specified benchmarks. Unless there is a cap on the amount of change allowed at each reset, these securities will move with the current market and maintain a price close to par. Although these securities have a final stated maturity, the maturity date for purposes of liquidity analysis is the next reset date.

2.12 **Funds Administration Procedures Manual** the manual maintained by DART's Treasury Division which provides detailed procedures and guidelines for investing and controlling DART funds and which is subject to review and approval by the Investment Committee.

2.13 **Futures Contracts/Options Contracts** agreements executed on the floor of a commodity exchange, to sell or buy a specific amount of a commodity or security at a specific price and time, and options on futures contracts which provide the buyer the right, but not the obligation, to exercise the option by the exercise date.

2.14 **Hedge** establishment of a position on a commodity or financial futures or options market, which is equal and opposite to a transaction made on an actual or physical market.

2.15 **Interest-Bearing Bank Deposit Account** bank deposit accounts that bear interest and are collateralized, or guaranteed, or insured by FDIC, or the National Credit Union Share Insurance Fund or its successor.

2.16 **Investment Committee** ~~u~~Up to a nine-member committee consisting of the four Board-approved Investment Officers and ~~four~~ five additional employees as designated by the President & Chief Executive Officer.

2.17 **Investment Officers** Staff to be authorized by Board Resolution to invest and manage DART funds. The Board of Directors may authorize persons in the following positions as Investment Officers: Chief Financial Officer, Treasurer, Assistant Treasurer, and Treasury Operations Senior Manager. In order to assure quality and capability of investment management, the Investment Officers shall possess sufficient working knowledge of economics and securities markets, as well as the supervisory experience and judgment necessary to carry out the responsibilities outlined in this Policy.

2.18 **Municipal Securities** debt instruments issued by a city, state, or other governmental entity with interest paid to holders being exempt from federal income tax.

2.19 **Mutual Funds** means mutual funds of money market instruments, which are no-load and comply with the Securities and Exchange Commission Rule 2a-7. Ultra-short bond funds that have a duration of less than one year and whose investments are limited to investment grade securities, excluding asset backed securities, are eligible investments.

2.20 **Prudent Person Rule** the standard to be applied to Investment Officers stated as follows: Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

2.21 **Rating (of Securities)** the determination of an issuing company's financial strength and stability, based on the company's management ability, debts, and payment history. The highest rating for notes/bonds is AAA; for commercial paper A-1+ or P-1; and for variable rate notes MIG-1.

2.22 **Repurchase Agreement** an agreement that is fully secured by a combination of cash and obligations including commercial paper in which an investor sells an investment to another investor with the provision that the first investor will buy it back for a specific price by a specific date, with the difference between the amount received and the final amount paid representing the interest.

a. Direct Repurchase Agreement: An agreement for sale of securities by a broker/dealer under the provision that the buyer will sell them back at a predetermined date for a specific price.

b. Master Repurchase Agreement: An agreement between the customer and the financial institution setting out the conditions under which repurchase or reverse repurchase transactions may be negotiated and executed, including requirements for delivery, default provisions, and collateral value of underlying securities.

c. Reverse Repurchase Agreement: An agreement for sale of securities to a broker-dealer under the provision that the seller will buy them back by a predetermined date for a specific price.

2.23 **Security Agreement** an agreement between DART and a Depository Bank governing the pledging of collateral against deposits held by the bank.

2.24 **Swap Agreement** an agreement to exchange one stream of payments for another, such as floating interest rate payments for fixed rate payments or payments in one currency for payments in another.

2.25 **U.S. Government Securities** U.S. government debt instruments, such as Treasury bills, notes, and bonds, payable by the U.S. government and which carry the full faith and credit of the U.S. government.

Section 3: **DELEGATION OF AUTHORITY**

The Investment Officers shall have the authority without further Board review to purchase or sell any Approved Security, without limitation as to dollar amount, through Financial Institutions and Authorized Broker/Dealers and subject to DART's Investment Policy. All securities, other than money market mutual funds and investment pools, must be purchased or sold on a delivery versus payment basis.

Section 4: **STANDARD OF CARE**

4.1 **Prudent Person Rule** the standard of care to be applied to the Investment Officers shall be the Prudent Person Rule as defined herein and stated in Government Code, Section 2256.006, taking into consideration the investment of all funds over which the Officer has responsibility rather than consideration as to the prudence of a single investment.

4.2 **Personal Responsibility** the Investment Officers, acting in accordance with DART's Investment Policy and exercising due diligence, shall not be held personally responsible for changes to a specific security's credit risk or market price, provided that appropriate actions are taken to report and control adverse developments as provided in DART's Funds Administration Procedures Manual.

4.3 **Ethics Disclosure and Conflicts of Interest** an Investment Officer must file a disclosure statement with the Texas Ethics Commission, the Board of Directors, and with the General Counsel of DART if:

1. The Investment Officer has a personal business relationship, as defined under Section 2256.005(i) of the Public Funds Investment Act, with businesses offering to engage in investment transactions with DART;

   a. Owning ten (10) percent or more of the voting stock or shares or owns $5,000 or more of the fair market value of the business organization; or

   b. Funds received exceeding ten (10) percent of the investment officer's gross income for the previous year; or

   c. The investment officer has acquired from the business organization during the previous year investments with a book value of $2,500 or more for the personal account of the investment officer.

2. The Investment Officer is related within the second degree of affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with DART.

Section 5: **INVESTMENT GUIDELINES**

Investment decisions of the Investment Officers shall be made within the following guidelines:

5.1 **U.S. Government Securities** are not restricted to any minimum or maximum limitation.

5.2 **Federal Agency Securities** issued by any single issuer shall not exceed 25% of the Aggregate Portfolio at the time any part of the holding was purchased. Agency securities, which meet the criteria set out in Section 6, Prohibited Investments, shall not be purchased for any portfolio and shall not be accepted as collateral for repurchase agreements or certificates of deposit.

5.3 **Municipal Securities** with a Rating of A or better from a nationally recognized rating agency may be purchased. Total securities of a single Municipal Issuer shall not exceed 25% of the Aggregate Portfolio at the time any part of the holding was purchased.

5.4 **Repurchase Agreements and Reverse Repurchase Agreements** covering U.S. Government Securities or Federal Agency Securities, may be executed with a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas which has entered into a written Master Repurchase Agreement with DART. All Repurchase Agreements will require that securities purchased be pledged to DART, held in DART's name, and deposited at the time the investment is made with DART or with a third party selected and approved by DART's Executive Vice President/Chief Financial Officer. All repurchase agreements must be collateralized by U.S. Government Securities at a level of at least 101% initially and monitored on a daily basis for potential collateral adjustments. The term of any reverse repurchase agreement may not exceed 90 days, and proceeds may not be used to acquire investments maturing beyond the expiration date of the reverse repurchase agreement. No more than 5% of the Aggregate Portfolio should be loaned to any one dealer in a reverse repurchase situation at the time the holding was loaned. Total Repurchase Agreement transactions shall not exceed 50% of the Aggregate Portfolio at the time the holding was loaned.

5.5 **Money Market Mutual Funds** may be purchased primarily for purposes of liquidity or timing of investments.

5.6 **Commercial Paper** may be used for matching cash flow of expenditures, but must be rated either A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies and have a maturity of 365 days or less. Total commercial paper from a single issuer shall not exceed 10% of the Aggregate Portfolio at the time any part of the holding was purchased.

5.7 **Banker's Acceptances** may be used for matching cash flow of expenditures, but must have a stated maturity of 270 days or less, be deemed as eligible collateral for borrowings from the Federal Reserve Bank, be designated as "prime" or self-liquidating at maturity, and be accepted by a bank organized under the laws of the United States or any state. The short-term obligations of the accepting bank (or of the bank holding company of which the bank is the largest subsidiary) must be rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit agency. Total Banker's Acceptances from a single bank shall not exceed 5% of the Aggregate Portfolio at the time any part of the holding was purchased.

5.8 **Certificates of Deposit** may be purchased through a Financial Institution or Authorized Broker/Dealer approved by DART's Investment Committee that has its main office or branch office within the DART Service Area and that contractually agrees to place the funds in federally-insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Act. Good-faith efforts will be made to encourage the participation of minority and women-owned financial institutions in the placement of Certificates of Deposit.

5.9 **Futures Contracts, Options Contracts, and Swap Agreements** will require prior Board approval before being implemented to Hedge against security market losses or unfavorable movements in interest rates, currency exchange rates, fuel prices, and other areas of identified risk, where prudent.

5.10 **Local Government Investment Pools (LGIPs)** may be purchased, primarily for the purposes of liquidity or timing of investments. LGIPs must comply with the Public Funds Investment Act, must be individually approved by the Board of Directors, must make available an offering circular or similar disclosure instrument, and must maintain a AAA-m or equivalent rating by a nationally recognized rating agency.

Section 6: PROHIBITED INVESTMENTS

The following government securities are not allowable investments: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage backed security collateral and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Section 7: **INVESTMENT STRATEGY**

A brief investment strategy statement shall be developed for each fund established by the Board of Directors to ensure investment holdings have the required credit quality, diversification, volatility characteristics, yield, and maturity structure to satisfy the stated objectives and cash flow of each fund. Notwithstanding any specific strategic criteria, no security may be purchased in any fund with a maturity in excess of ten years from the settlement date of its purchase. The use of any structured product, not prohibited above, must add value to the total portfolio on a risk-adjusted basis while keeping the total portfolio in compliance with the guidelines.

Section 8: **COMPETITIVE BIDDING**

Security transactions will be executed on the basis of a competitive bid or offer from three Authorized Broker/Dealers. Exceptions are:

1. Transactions with money market mutual funds and local government investment pools;

2. Treasury and Agency Securities purchased at issue through an Authorized Broker/Dealer; or

3. Fully insured Certificates of Deposit placed in accordance with the conditions prescribed in Section 2256.010(b) of the Act.

Section 9: **SALE OF SECURITIES**

DART's policy is to hold securities to maturity. However, securities may be sold:

1. in order to minimize the potential loss of principal on a security whose credit quality has declined;

2. in order to reposition the portfolio for the purpose of improving the quality, yield, or target duration of the portfolio; or

3. in order to meet unanticipated liquidity needs of ~~the portfolio~~DART.

Section 10: **REPORTING REQUIREMENTS**

The Board of Directors will be provided detailed information at least quarterly on DART's Aggregate Portfolio and by Fund, covering maturity structure, average yield, diversity, market value, portfolio changes from the prior period, and demonstrating compliance with each fund's objectives and investment strategy. Market prices of securities for recording and reporting purposes must be verified from independent sources, such as The Wall Street Journal, Bloomberg, or written bids from Eligible Financial Institutions. The portfolio's performance measure shall be the weighted average yield to stated final maturity date. The Report must meet all requirements of the Act.

Section 11: **POLICY REVIEW**

The Board of Directors will review and adopt DART's Investment Policy and the Statement of Investment Strategy for each fund not less than annually.

Section 12: **ANNUAL POLICY COMPLIANCE AND CONTROL REVIEW**

The external auditors, in conjunction with the annual audit, shall review management's controls, the quarterly investment reports prepared to comply with PFIA, and adherence to the investment policy. The results of the review will be reported to the Board of

Directors as part of their regular audit report.

Section 13: **INVESTMENT TRAINING**

All Investment Officers must attend a minimum of ten hours of investment training during a two-year period that begins on the first day of DART's fiscal year and consists of the two consecutive fiscal years after that date. Newly appointed Investment Officers must, within twelve months after taking office, attend at least one training session specifically relating to responsibilities under the Public Funds Investment Act. Such training must be from an independent source and be approved by DART's Investment Committee and include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act.

Section 14: **SAFEKEEPING AND CUSTODY**

Safekeeping and custody of investment securities shall be in accordance with applicable law and accounting standards. Investment securities will be held by a third-party custodian designated by DART and will be required to issue safekeeping receipts clearly detailing that the securities are owned by DART. Pledged securities serving as collateral will be held by a third-party custodian designated by DART and pledged to DART as evidenced by safekeeping receipts of the institution with which the securities are deposited.

Section 15: **SECURITIES ACCEPTED AS COLLATERAL**

Securities pledged in accordance with Chapter 2257 of the Government Code, Collateral for Public Funds to secure DART's various deposits to the extent not protected by F.D.I.C. insurance shall be limited to: (1) U.S. Government Securities; (2) Federal Agency Securities; (3) Municipal Securities as defined in Section 2 of this Investment Policy; and (4) Federal Home Loan Bank Letters of Credit. A third-party custodian shall hold securities, and the market value of such securities shall be monitored using an independent pricing source. Acceptance, substitution, valuation, and release of securities shall be controlled by the terms of a pledge agreement to be executed between DART and the depository institution(s). DART requires that all uninsured collected balances plus accrued interest, if any, in depository accounts must also be collateralized.

Section 16: **MONITORING OF RATING CHANGES**

DART will periodically monitor investment ratings of all investments in its portfolio. DART will take all prudent measures to liquidate an investment when its current rating falls below the minimum required rating.

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of DART Board Policy II.04, Investment Policy, and Fiscal Year 2027 Investment Strategy

WHEREAS, the Texas Public Funds Investment Act and DART Board Policy II.04, Investment Policy, require the DART Board to review, approve, and adopt a written investment policy and a statement of investment strategy for funds under its control annually; and

WHEREAS, the Board has reviewed DART Board Policy II.04, Investment Policy, as shown in Exhibit 1 to the Resolution, which sets out the types of investments in which funds may be invested; and

WHEREAS, the Board has reviewed the Fiscal Year (FY) 2027 Investment Strategy, as shown in Exhibit 2 to the Resolution, which describes the fund portfolios established by the Board and provides an investment strategy for each portfolio based on the fund's objective and its unique cashflow characteristics; and

WHEREAS, staff recommends only non-material corrections to the policy and no changes to the strategy for FY 2027.

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

Section 1: DART Board Policy II.04, Investment Policy, has been reviewed and is approved as shown in Exhibit 1 to this Resolution.

Section 2: The Fiscal Year 2027 Investment Strategy, as shown in Exhibit 2 to this Resolution, is approved and shall become effective as of the date of this Resolution.

Approval of DART Board Policy II.04, Investment Policy, and Fiscal Year 2027 Investment Strategy

Prepared by: /s/ Jamie Adelman
Jamie Adelman
Executive Vice President
Chief Financial Officer

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ David Leininger
David Leininger
Interim President &
Chief Executive Officer

Investment Policy

DATE ISSUED:	**December 10, 1985**
Resolution No.	**850180**
Amended by Resolutions:	**870080, 940008, 940172, 950193, 960015, 970014, 970264, 000220, 010197, 090132, 120111, 130096, 140102, 170078, 190128, 200106, 210160**
Affirmed by Resolution:	**980268, 990224, 020187, 030132, 040149, 050114, 060135, 070134 080152, 100131, 110088, 150095, 160087, 180088, 220152, 230134, 240088, 250090**
Policy No.	**II.04 (Finance)**

Section 1: **SCOPE**

Dallas Area Rapid Transit (DART) shall utilize those investment strategies and procedures that most effectively accomplish the following goals in order of priority: (1) preservation of capital; (2) liquidity to meet all obligations in a timely manner; and (3) maximization of earnings from the full investment of all available funds. DART funds will be invested and managed in compliance with Section 452.102 of the Texas Transportation Code, the Public Funds Investment Act (Chapter 2256, Government Code), DART's Investment Policy, and internal procedures as documented in DART's Funds Administration Procedures Manual. The funds as listed in Exhibit 2 - Dallas Area Rapid Transit Statement of Investment Strategy shall be subject to these requirements.

Section 2: **DEFINITIONS**

Defined terms shall, for all purposes of this Investment Policy, have the meanings set out below unless otherwise expressly provided or unless the context clearly requires otherwise.

2.1 **Aggregate Portfolio** combined assets held in all investment portfolios managed by DART, including, but not limited to, General Operating Fund, Project Fund, Insurance Reserve Fund, Mobility Assistance Fund, Emergency Reserve Fund, Debt Service Funds (Senior Lien and Senior Subordinate Lien), DART Commercial Paper and Bond System Expansion & Acquisition Funds and State or Local Government-Provided Funds.

2.2 **Approved Security** are obligations which fall within the definitions of investment securities legal for DART under the Public Funds Investment Act (PFIA) or Section 452.102 of the Texas Transportation Code and which are specifically included in the Investment Policy as approved by the Board of Directors. DART is not required to liquidate investments that were authorized investments at the time of purchase, but may no longer be authorized due to regulatory changes.

2.3 **Arbitrage Regulations** are regulations issued by the IRS limiting ability of municipalities to take advantage of, arbitrage, the rate differential between their own tax-exempt securities and taxable securities such as U.S. Treasury Notes. One method of yield restriction to comply with regulations is investing proceeds in other municipal securities.

2.4 **Banker's Acceptance** negotiable time draft, typically arising from letters of credit issued in a foreign trade transaction, drawn on and accepted by a bank which adds its credit to that of an importer of the merchandise. Prime Banker's Acceptances are those, which are liquidated at maturity from proceeds of the sale of goods, distinguishing these self-liquidating instruments from those used only to finance inventory.

2.5 **Certificate of Deposit** interest bearing negotiable time deposit of fixed

maturity at a bank or trust company organized under the laws of Texas or national banking associations.

2.6 **Commercial Paper** the promissory note or draft of a corporation, government agency, or bank holding company, usually unsecured but backed by unused bank credit lines and issued for short-term credit needs with a maturity of up to 365 days.

2.7 **Corporate Securities** corporation-issued debt instruments as opposed to securities issued by a government agency or a municipality.

2.8 **Federal Agency Securities** debt instruments issued by federal agencies that are presumed to be unconditionally guaranteed, or backed by the full faith and credit of, the United States of America. These agencies include, but are not limited to: Federal Agricultural Mortgage Corporation, Federal Home Loan Banks, Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Government National Mortgage Association, and the Tennessee Valley Authority.

2.9 **Federal Deposit Insurance Corporation (FDIC)** established in the U.S. in 1933 to insure accounts at commercial and mutual saving banks and thus protect depositors.

2.10 **Financial Institutions and Authorized Broker/Dealers** means qualified financial institutions and broker/dealers authorized to engage in the purchase and sale of obligations of the U.S. Government, its agencies or other approved investments to DART. The Investment Committee will review, revise and adopt the list on an annual basis. Such selection shall include but not be limited to the following criteria:

1. Certification with the Financial Industry Regulatory Authority or be subject to regulation by the U.S. Comptroller of the Currency.
2. Acknowledge to DART that the latest investment policy was received, and reasonable controls are in place to abide by the terms of the Policy, and as required under Section 2256.005(k) of the Public Funds Investment Act, as amended.
3. Proven access to new issue market for government securities, suitable for DART's approved strategies.

2.11 **Floating Rate Securities** are securities which change coupon rate periodically based on changes in specified benchmarks. Unless there is a cap on the amount of change allowed at each reset, these securities will move with the current market and maintain a price close to par. Although these securities have a final stated maturity, the maturity date for purposes of liquidity analysis is the next reset date.

2.12 **Funds Administration Procedures Manual** the manual maintained by DART's Treasury Division which provides detailed procedures and guidelines for investing and controlling DART funds and which is subject to review and approval by the Investment Committee.

2.13 **Futures Contracts/Options Contracts** agreements executed on the floor of a commodity exchange, to sell or buy a specific amount of a commodity or security at a specific price and time, and options on futures contracts which provide the buyer the right, but not the obligation, to exercise the option by the exercise date.

2.14 **Hedge** establishment of a position on a commodity or financial futures or options market, which is equal and opposite to a transaction made on an actual or physical market.

2.15 **Interest-Bearing Bank Deposit Account** bank deposit accounts that bear interest and are collateralized, or guaranteed, or insured by FDIC, or the National Credit Union Share Insurance Fund or its successor.

2.16 **Investment Committee** Up to a nine-member committee consisting of the four Board-approved Investment Officers and five additional employees as designated by the President & Chief Executive Officer.

2.17 **Investment Officers** Staff to be authorized by Board Resolution to invest and manage DART funds. The Board of Directors may authorize persons in the following positions as Investment Officers: Chief Financial Officer, Treasurer, Assistant Treasurer, and Treasury Operations Senior Manager. In order to assure quality and capability of investment management, the Investment Officers shall possess sufficient working knowledge of economics and securities markets, as well as the supervisory experience and judgment necessary to carry out the responsibilities outlined in this Policy.

2.18 **Municipal Securities** debt instruments issued by a city, state, or other governmental entity with interest paid to holders being exempt from federal income tax.

2.19 **Mutual Funds** means mutual funds of money market instruments, which are no-load and comply with the Securities and Exchange Commission Rule 2a-7. Ultra-short bond funds that have a duration of less than one year and whose investments are limited to investment grade securities, excluding asset backed securities, are eligible investments.

2.20 **Prudent Person Rule** the standard to be applied to Investment Officers stated as follows: Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

2.21 **Rating (of Securities)** the determination of an issuing company's financial strength and stability, based on the company's management ability, debts, and payment history. The highest rating for notes/bonds is AAA; for commercial paper A-1+ or P-1; and for variable rate notes MIG-1.

2.22 **Repurchase Agreement** an agreement that is fully secured by a combination of cash and obligations including commercial paper in which an investor sells an investment to another investor with the provision that the first investor will buy it back for a specific price by a specific date, with the difference between the amount received and the final amount paid representing the interest.

a. Direct Repurchase Agreement: An agreement for sale of securities by a broker/dealer under the provision that the buyer will sell them back at a predetermined date for a specific price.

b. Master Repurchase Agreement: An agreement between the customer and the financial institution setting out the conditions under which repurchase or reverse repurchase transactions may be negotiated and executed, including requirements for delivery, default provisions, and collateral value of underlying securities.

c. Reverse Repurchase Agreement: An agreement for sale of securities to a broker-dealer under the provision that the seller will buy them back by a predetermined date for a specific price.

2.23 **Security Agreement** an agreement between DART and a Depository Bank governing the pledging of collateral against deposits held by the bank.

2.24 **Swap Agreement** an agreement to exchange one stream of payments for another, such as floating interest rate payments for fixed rate payments or payments in one currency for payments in another.

2.25 **U.S. Government Securities** U.S. government debt instruments, such as Treasury bills, notes, and bonds, payable by the U.S. government and which carry the full faith and credit of the U.S. government.

Section 3: **DELEGATION OF AUTHORITY**
The Investment Officers shall have the authority without further Board review to purchase or sell any Approved Security, without limitation as to dollar amount, through Financial Institutions and Authorized Broker/Dealers and subject to DART's Investment Policy. All securities, other than money market mutual funds and investment pools, must be purchased or sold on a delivery versus payment basis.

Section 4: **STANDARD OF CARE**
4.1 **Prudent Person Rule** the standard of care to be applied to the Investment Officers shall be the Prudent Person Rule as defined herein and stated in Government Code, Section 2256.006, taking into consideration the investment of all funds over which the Officer has responsibility rather than consideration as to the prudence of a single investment.

4.2 **Personal Responsibility** the Investment Officers, acting in accordance with DART's Investment Policy and exercising due diligence, shall not be held personally responsible for changes to a specific security's credit risk or market price, provided that appropriate actions are taken to report and control adverse developments as provided in DART's Funds Administration Procedures Manual.

4.3 **Ethics Disclosure and Conflicts of Interest** an Investment Officer must file a disclosure statement with the Texas Ethics Commission, the Board of Directors, and with the General Counsel of DART if:

1. The Investment Officer has a personal business relationship, as defined under Section 2256.005(i) of the Public Funds Investment Act, with businesses offering to engage in investment transactions with DART;

   a. Owning ten (10) percent or more of the voting stock or shares or owns $5,000 or more of the fair market value of the business organization; or

   b. Funds received exceeding ten (10) percent of the investment officer's gross income for the previous year; or

   c. The investment officer has acquired from the business organization during the previous year investments with a book value of $2,500 or more for the personal account of the investment officer.

2. The Investment Officer is related within the second degree of affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with DART.

Section 5: **INVESTMENT GUIDELINES**
Investment decisions of the Investment Officers shall be made within the following guidelines:

5.1 **U.S. Government Securities** are not restricted to any minimum or maximum limitation.

5.2 **Federal Agency Securities** issued by any single issuer shall not exceed 25% of the Aggregate Portfolio at the time any part of the holding was purchased. Agency securities, which meet the criteria set out in Section 6, Prohibited Investments, shall not be purchased for any portfolio and shall not be accepted as collateral for repurchase agreements or certificates of deposit.

5.3 **Municipal Securities** with a Rating of A or better from a nationally recognized rating agency may be purchased. Total securities of a single Municipal Issuer shall not exceed 25% of the Aggregate Portfolio at the time any part of the holding was purchased.

5.4 **Repurchase Agreements and Reverse Repurchase Agreements** covering U.S. Government Securities or Federal Agency Securities, may be executed with a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas which has entered into a written Master Repurchase Agreement with DART. All Repurchase Agreements will require that securities purchased be pledged to DART, held in DART's name, and deposited at the time the investment is made with DART or with a third party selected and approved by DART's Executive Vice President/Chief Financial Officer. All repurchase agreements must be collateralized by U.S. Government Securities at a level of at least 101% initially and monitored on a daily basis for potential collateral adjustments. The term of any reverse repurchase agreement may not exceed 90 days, and proceeds may not be used to acquire investments maturing beyond the expiration date of the reverse repurchase agreement. No more than 5% of the Aggregate Portfolio should be loaned to any one dealer in a reverse repurchase situation at the time the holding was loaned. Total Repurchase Agreement transactions shall not exceed 50% of the Aggregate Portfolio at the time the holding was loaned.

5.5 **Money Market Mutual Funds** may be purchased primarily for purposes of liquidity or timing of investments.

5.6 **Commercial Paper** may be used for matching cash flow of expenditures, but must be rated either A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies and have a maturity of 365 days or less. Total commercial paper from a single issuer shall not exceed 10% of the Aggregate Portfolio at the time any part of the holding was purchased.

5.7 **Banker's Acceptances** may be used for matching cash flow of expenditures, but must have a stated maturity of 270 days or less, be deemed as eligible collateral for borrowings from the Federal Reserve Bank, be designated as "prime" or self-liquidating at maturity, and be accepted by a bank organized under the laws of the United States or any state. The short-term obligations of the accepting bank (or of the bank holding company of which the bank is the largest subsidiary) must be rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit agency. Total Banker's Acceptances from a single bank shall not exceed 5% of the Aggregate Portfolio at the time any part of the holding was purchased.

5.8 **Certificates of Deposit** may be purchased through a Financial Institution or Authorized Broker/Dealer approved by DART's Investment Committee that has its main office or branch office within the DART Service Area and that contractually agrees to place the funds in federally-insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Act. Good-faith efforts will be made to encourage the participation of minority and women-owned financial institutions in the placement of Certificates of Deposit.

5.9 **Futures Contracts, Options Contracts, and Swap Agreements** will require prior Board approval before being implemented to Hedge against security market losses or unfavorable movements in interest rates, currency exchange rates, fuel prices, and other areas of identified risk, where prudent.

5.10 **Local Government Investment Pools (LGIPs)** may be purchased, primarily for the purposes of liquidity or timing of investments. LGIPs must comply with the Public Funds Investment Act, must be individually approved by the Board of Directors, must make available an offering circular or similar disclosure instrument, and must maintain a AAA-m or equivalent rating by a nationally recognized rating agency.

Section 6: **PROHIBITED INVESTMENTS**

The following government securities are not allowable investments: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage backed security collateral and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Section 7: **INVESTMENT STRATEGY**

A brief investment strategy statement shall be developed for each fund established by the Board of Directors to ensure investment holdings have the required credit quality, diversification, volatility characteristics, yield, and maturity structure to satisfy the stated objectives and cash flow of each fund. Notwithstanding any specific strategic criteria, no security may be purchased in any fund with a maturity in excess of ten years from the settlement date of its purchase. The use of any structured product, not prohibited above, must add value to the total portfolio on a risk-adjusted basis while keeping the total portfolio in compliance with the guidelines.

Section 8: **COMPETITIVE BIDDING**

Security transactions will be executed on the basis of a competitive bid or offer from three Authorized Broker/Dealers. Exceptions are:

1. Transactions with money market mutual funds and local government investment pools;

2. Treasury and Agency Securities purchased at issue through an Authorized Broker/Dealer; or

3. Fully insured Certificates of Deposit placed in accordance with the conditions prescribed in Section 2256.010(b) of the Act.

Section 9: **SALE OF SECURITIES**

DART's policy is to hold securities to maturity. However, securities may be sold:

1. in order to minimize the potential loss of principal on a security whose credit quality has declined;

2. in order to reposition the portfolio for the purpose of improving the quality, yield, or target duration of the portfolio; or

3. in order to meet unanticipated liquidity needs of DART.

Section 10: **REPORTING REQUIREMENTS**

The Board of Directors will be provided detailed information at least quarterly on DART's Aggregate Portfolio and by Fund, covering maturity structure, average yield, diversity, market value, portfolio changes from the prior period, and demonstrating compliance with each fund's objectives and investment strategy. Market prices of securities for recording and reporting purposes must be verified from independent sources, such as The Wall Street Journal, Bloomberg, or written bids from Eligible Financial Institutions. The portfolio's performance measure shall be the weighted average yield to stated final maturity date. The Report must meet all requirements of the Act.

Section 11: **POLICY REVIEW**

The Board of Directors will review and adopt DART's Investment Policy and the Statement of Investment Strategy for each fund not less than annually.

Section 12: **ANNUAL POLICY COMPLIANCE AND CONTROL REVIEW**

The external auditors, in conjunction with the annual audit, shall review management's controls, the quarterly investment reports prepared to comply with PFIA, and adherence to the investment policy. The results of the review will be reported to the Board of

Directors as part of their regular audit report.

Section 13: **INVESTMENT TRAINING**

All Investment Officers must attend a minimum of ten hours of investment training during a two-year period that begins on the first day of DART's fiscal year and consists of the two consecutive fiscal years after that date. Newly appointed Investment Officers must, within twelve months after taking office, attend at least one training session specifically relating to responsibilities under the Public Funds Investment Act. Such training must be from an independent source and be approved by DART's Investment Committee and include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act.

Section 14: **SAFEKEEPING AND CUSTODY**

Safekeeping and custody of investment securities shall be in accordance with applicable law and accounting standards. Investment securities will be held by a third-party custodian designated by DART and will be required to issue safekeeping receipts clearly detailing that the securities are owned by DART. Pledged securities serving as collateral will be held by a third-party custodian designated by DART and pledged to DART as evidenced by safekeeping receipts of the institution with which the securities are deposited.

Section 15: **SECURITIES ACCEPTED AS COLLATERAL**

Securities pledged in accordance with Chapter 2257 of the Government Code, Collateral for Public Funds to secure DART's various deposits to the extent not protected by F.D.I.C. insurance shall be limited to: (1) U.S. Government Securities; (2) Federal Agency Securities; (3) Municipal Securities as defined in Section 2 of this Investment Policy; and (4) Federal Home Loan Bank Letters of Credit. A third-party custodian shall hold securities, and the market value of such securities shall be monitored using an independent pricing source. Acceptance, substitution, valuation, and release of securities shall be controlled by the terms of a pledge agreement to be executed between DART and the depository institution(s). DART requires that all uninsured collected balances plus accrued interest, if any, in depository accounts must also be collateralized.

Section 16: **MONITORING OF RATING CHANGES**

DART will periodically monitor investment ratings of all investments in its portfolio. DART will take all prudent measures to liquidate an investment when its current rating falls below the minimum required rating.

DALLAS AREA RAPID TRANSIT
STATEMENT OF INVESTMENT STRATEGY

Dallas Area Rapid Transit manages separate portfolios for funds established by the Board of Directors. The investment strategy for each portfolio is based on the fund objective and its unique cash flow characteristics.

GENERAL OPERATING FUND

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

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

PROJECT FUNDS

Include monies designated for project financing greater than 90 days. The investment goals in this fund will be to provide capital preservation, liquidity needs, and investment return. The average dollar-weighted maturity of these portfolios is in the two-to-three-year area with a maximum maturity for any single security of four years.

DART COMMERCIAL PAPER SYSTEM EXPANSION & ACQUISITION FUND

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

EMERGENCY RESERVE FUND

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

INSURANCE RESERVE FUND

DART's self-insurance program for liability and workers' compensation claims requires the preservation of assets to ensure funding capability. The reserve amount required will vary on a yearly basis as new claims offset claims payments. The fund will be adjusted no

less frequently than yearly to reflect the appropriate level, upon approval of the Investment Officers, and after consultation with Risk Management. The lack of liquidity requirements in this fund allows for the average dollar-weighted maturity of four years or less, with a maximum maturity for any single holding of ten years. Capital preservation is valued above yield, but the stable balance and minimal cash outflow permits a higher level of interim market price volatility than in other DART portfolios.

SENIOR LIEN DEBT SERVICE FUNDS

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

SENIOR SUBORDINATE LIEN DEBT SERVICE FUNDS

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

MOBILITY ASSISTANCE FUND

In order to provide funding for initiatives that enhance the quality and affordability of public transportation, DART will maintain a Mobility Assistance Fund. The investment goal of the capital preservation and liquidity is primary for this fund. The liquidity need of this fund is 20%. To maximize yield while maintaining a relatively stable market value and the desired liquidity component, this portfolio will use a two-tiered investment strategy. The liquidity needs will be invested evenly, 50% in the 1 to 6 month and 50% in the 6 to 12-month maturity range. The remainder of the portfolio will be invested by placing securities evenly spaced over a two to five-year maturity range, commonly referred to as a ladder maturity structure, to ensure consistent availability of current funds for reinvestment or cash flow requirements. Securities will be evaluated on a risk-return basis, with bond swaps used to take advantage of market anomalies while maintaining market quality and structure. The average dollar-weighted maturity of this portfolio is four years or less with ten years as the maximum maturity for any single holding.

DART COMMERCIAL PAPER AND BOND SYSTEM EXPANSION & ACQUISITION FUNDS

The Bond or Commercial Paper proceeds in these funds are held up to 36 months between the sale of DART's long-term bonds or short-term commercial paper and contract payments to finance capital projects.

The investment goals in this fund will be to provide capital preservation, liquidity needs, and investment return. To meet the investment goals, investments will be in high grade corporate and government/agency instruments and local government investment pools. The investments purchased will have maturities that match forecasted payments. The average dollar-weighted maturity for this fund is up to 30 months, with a maximum maturity of 36 months.

STATE OR LOCAL GOVERNMENT-PROVIDED FUNDS

The deposits in these funds are provided by State or Local Governments for specific projects. Preservation of capital and liquidity are the paramount investment objectives of these funds. Therefore, the deposits in these funds will be invested in AAA or United States Treasury money market funds. The average dollar-weighted maturity will be one day, with a maximum maturity of one day.

Agenda Report

Attachments:	Voting Requirements:
1. Procurement Analysis 2. M/WBE Details	Majority

DATE: August 11, 2026

SUBJECT: Approval of Contract Modification for Uniform Rental Services for DART Maintenance Employees

RECOMMENDATION

Approval of a resolution authorizing the Interim President & Chief Executive Officer or his designee to execute a contract modification for uniform rental services for DART maintenance employees with Cintas Corporation [Contract No. 2077900-01], to: 1) add flame-resistant (FR) rated personal protective uniforms and equipment; and 2) increase the not-to-exceed amount by $630,000, for a new total authorized amount not to exceed $2,421,140.

FINANCIAL CONSIDERATIONS

- This contract modification for Uniform Rental Services for DART Maintenance Employees is included in the Maintenance of Way Department's proposed FY 2027 operating budget.
- Sufficient funding for this contract modification in the amount of $630,000 is included in both the Maintenance of Way Department's proposed FY 2027 Operating budget and the Total Operating Expense line item of the approved FY 2026 20-Year Financial Plan.

BUSINESS PURPOSE

- The discussion will support Agency Strategic Goal 3: Quality Service - Deliver a quality customer experience defined by strong rider advocacy and built on professional pride and continuous improvement.
- On November 14, 2023 (Resolution No. 230153), the Board authorized to award a five-year contract to Cintas Corporation [Contract No. C-2077900-01] for uniform rental services for DART maintenance employees, for a total authorized amount not to exceed $1,791,140.
- The Occupational Safety and Health Administration (OSHA) and the National Fire Protection Association (NFPA) require personnel who could be exposed to arc flash hazards within the course of their job duties to wear protective, FR-rated clothing. For DART, the employees who meet this criterion are the Traction Electrification System (TES) team.
- FR-rated clothing is necessary for DART to protect employees who could be exposed to arc flashing and electrical hazards associated with traction power system work.
- This contract modification will incorporate FR-rated uniform items for all TES employees, including shirts, gloves, glove bags, protective sleeves, overall bibs, coats, hoods, and pants. As

with other maintenance uniform items, weekly laundry services are included, with pickup and drop-off at the operations divisions.

- This contract modification ensures that DART is aligned with regulatory expectations and recognized industry standards and best practices.

PROCUREMENT CONSIDERATIONS

- The term of the contract is five years from the award date of February 18, 2024.
- The pricing for this contract modification is fair and reasonable.
- Contractor performance is satisfactory.
- The procurement analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- The goal for this contract was established in June 2023 at 20% M/WBE participation.
- Cintas Corporation, the prime contractor, has committed to meet the goal.
- The M/WBE analysis and Equal Employment Opportunity (EEO-1) information are included in Attachment 2. The prime contractor's actual EEO-1 report is available upon request.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

Dallas Area Rapid Transit Authority
PROCUREMENT ANALYSIS
Increase Funding
Modification No. 01

Contract Information

A. Contract Description: Uniform Rental Services for DART Maintenance Employees

B. Contractor: Cintas Corporation

C. Contract Number: C-2077900-01

D. Contractual Action: Increase Funding

E. Current Contract Amount: Not to exceed $1,791,140

F. Contract Modification Amount: Not to exceed $630,000

G. New Contract Amount: Not to exceed $2,421,140

H. Contract Type: Indefinite Delivery/Indefinite Quantity (ID/IQ)

I. Current Term of Contract/Performance Period: Five years

J. Remaining Options Available: N/A

K. Price Considerations: Pricing is determined to be fair and reasonable for this modification and based on historical pricing.

L. Negotiation Memorandum: Available for review in the contract file.

M. Determinations Required: N/A

N. Funding: Local

O. Determination of Responsibility:
Bond Check: N/A
Reference Check: Satisfactory
Financial Responsibility Survey: Satisfactory
Insurance Check: Yes
On-Site Inspection: N/A
Arithmetic Check: Yes
Verification of Offer: Yes
Buy America Certification and/or Audit, if applicable: N/A
Debarred/Suspended list: Not on the debarred /suspended list.

Determination and Recommendation

Cintas Corporation is a responsible contractor for the modification described above. Therefore, execution of the contract modification is recommended.

Approval of Contract Modification for Uniform Rental Services for DART Maintenance Employees

M/WBE Considerations

The goal for this contract was established in June 2023 at 20% M/WBE participation. Cintas Corporation, the prime contractor, has committed to meet the goal through utilization of the following certified firm:

MBE PARTICIPATION

VENDOR	LOCATION	SERVICE	AMOUNT	PERCENTAGE
Penn Emblem	Trevose, PA	Uniform & Facilities Service	$484,228	20.00%
		TOTAL MBE PARTICIPATION:	**$484,228**	**20.00%***

NOTE: The goal is based on the not to exceed amount of $2,421,140. If there are any changes to this amount, the original goal shall still apply.

*The percentage and dollar amounts may remain level, increase or decrease depending on the circumstances.

Summary of EEO-1 Report

Cintas Corporation is located in Dallas, TX and employs 193 individuals. The following is an analysis of their EEO-1 report:

	ASIAN	BLACK	HISPANIC	NATIVE AM.	WHITE	TOTAL	PERCENTAGE
MALES	0	5	23	0	109	137	**70.98%**
FEMALES	0	2	50	0	4	56	**29.02%**
TOTAL	0	7	73	0	113	193	**100%**
PERCENTAGE	**0.00%**	**3.63%**	**37.82%**	**0.00%**	**58.55%**	**100%**	

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Contract Modification for Uniform Rental Services for DART Maintenance Employees

WHEREAS, on November 14, 2023 (Resolution No. 230153), the Board approved a five-year contract [Contract No. C-2077900-01] with Cintas Corporation for uniform rental services for DART maintenance employees, for a total authorized amount not to exceed $1,791,140; and

WHEREAS, DART employs personnel who could be exposed to arc flashing and electrical hazards within the course of their job duties maintaining DART's light rail system; and

WHEREAS, this contract modification enhances employee safety by providing appropriate protective clothing for those employees performing traction power system work; and

WHEREAS, the proposed price for this contract modification is fair and reasonable; and

WHEREAS, funding for this contract modification is within proposed FY 2027 operating budget and approved FY 2026 20-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Interim President & Chief Executive Officer or his designee is authorized to execute a contract modification for uniform rental services for DART maintenance employees with Cintas Corporation [Contract No. 2077900-01], to:

Section 1: Add flame-resistant (FR) rated personal protective uniforms and equipment.
Section 2: Increase the not-to-exceed amount by $630,000, for a new total authorized amount not to exceed $2,421,140.

Approval of Contract Modification for Uniform Rental Services for DART Maintenance Employees

Prepared by: /s/ Trenise Winters
Trenise Winters
Executive Vice President
Chief Operations Officer

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ David Leininger
David Leininger
Interim President &
Chief Executive Officer

Agenda Report

Attachments:	Voting Requirements:
1. Contract Award Analysis 2. SBE Considerations	Majority

DATE: August 11, 2026

SUBJECT: Approval of Contract for Light Rail Vehicle Axle Journal Bearing Removal and Installation

RECOMMENDATION

Approval of a resolution authorizing the Interim President & Chief Executive Officer or his designee to award a two-year contract to Penn Machine Company, LLC, [C-2096569-01] for Light Rail Vehicle (LRV) Axle Journal Bearing Removal and Installation, for a total authorized amount not to exceed $2,230,152.

FINANCIAL CONSIDERATIONS

- This contract for Light Rail Vehicle Journal Bearing Removal and Installation is included in the LRV Capital Programs project budget of the approved FY 2026 capital budget.
- Sufficient funding for this contract in the amount of $2,230,152 is included in both the LRV Capital Programs project budget and the Light Rail capital line item of the approved FY 2026 20-Year Financial Plan.

BUSINESS PURPOSE

- Approval of this contract will help achieve Agency Strategic Goal 3: Quality Service - Deliver a quality customer experience defined by strong rider advocacy and built on professional pride and continuous improvement.
- Axle journal bearings are critical components of the LRV truck assemblies, directly affecting vehicle performance, service reliability, and safety. These journal bearings support the axle of loads while allowing the wheelsets to rotate smoothly and efficiently under normal operating conditions.
- Due to continuous service, axle journal bearings are subject to normal wear over time. In accordance with the manufacturer’s maintenance recommendations, the bearings have a service life of 400,000 miles, at which point they must be inspected and, if necessary, replaced to ensure the continued safe and reliable operation of the vehicle.
- DART’s LRV axle journal bearings have surpassed one million miles and are scheduled for a capital overhaul program, which applies to all 163 LRVs.

- Each LRV is equipped with 4 trucks, 8 axles, and 16 journal bearings (2 journal bearings per axle) that need to be inspected and maintained as prescribed in DART's approved Capital Overhaul Work Programs and consistent with the manufacturer's recommendations.
- The Capital Overhaul Work Program is a structured overhaul program for essential LRV sub-systems and applies to all 163 LRVs.

PROCUREMENT CONSIDERATIONS

- On July 16, 2026, an Invitation for Bid (IFB) was issued.
- This will be a Requirements type contract with a two-year base term with no options.
- By the closing date of July 30, 2026, three bids were received.
- Penn Machine Company, LLC, submitted the responsive and responsible bid. They possess the financial capability to perform this contract.
- The contract award analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- The goal for this contract was established in December 2025 at 5% SBE participation.
- Penn Machine Company, LLC, the prime contractor, has no direct SBE participation for this project.
- The SBE analysis and Equal Employment Opportunity (EEO-1) information are included in Attachment 2. The prime contractor's actual EEO-1 report is available upon request.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

Dallas Area Rapid Transit Authority
CONTRACT AWARD ANALYSIS
(Invitation for Bids)
IFB NO. B-2096569

Contract Information

A. Description: LRV Axle Journal Bearings Removal & Installation Services

B. Contractor: Penn Machine Company, LLC

C. Contract Number: C-2096569-01

D. Contract Amount: Not to exceed $2,230,152

E. Contract Type: Requirements

F. Term of Contract: Two years

G. Options Available: None

H. Bond Requirement: N/A

I. Liquidated Damages: N/A

J. Funding Source: Local

Solicitation Information

A. Issue Date: 07/16/2026

B. Notifications Sent to Registered Suppliers: Yes

C. Date and Time for Bid Receipt: July 30, 2026 @ 2:00 PM

D. Bids Received: Three

Firm Name	Base Price
1. Penn Machine Company, LLC	$2,230,152
2. UTCRAS	$2,578,968
3. Messiah Locomotive Service LLC	$2,855,194

E. Discussion of Nonresponsive Bids: None

F. Bid Evaluation: Based on three bids received, Penn Machine Company, LLC, submitted the lowest price.

G. Price Considerations: Penn Machine Company, LLC, pricing is competitive based on historical data and bids received.

H. Determination of Responsibility:
Bond Check: N/A
Reference Check: Satisfactory
Financial Responsibility Survey: Satisfactory
Insurance Check: Yes
On-Site Inspection: N/A
Arithmetic Check: Yes
Verification of Bid: Yes
Buy America Certification and/or Audit, if applicable: N/A
Debarred/Suspended list: Not on the debarred /suspended list.

I. Protests received: None

J. Determinations Required: None

Determination and Recommendation

Penn Machine Company, LLC, is the lowest responsive and responsible bid for the LRV Axle Journal Bearings Removal and Installation. They have the capacity to perform this contract and are recommended for award.

Approval of Contract for Light Rail Vehicle Axle Journal Bearing Removal and Installation

SBE Considerations

The goal for this contract was established in December 2025 at 5% SBE participation. Penn Machine Company, LLC, the prime contractor, has no direct SBE participation for this project.

Summary of EEO-1 Report

Penn Machine Company, LLC is located in Johnstown, PA and employs 116 individuals. The following is an analysis of their EEO-1 report:

	ASIAN	BLACK	HISPANIC	NATIVE AM	WHITE	TOTAL	PERCENT
MALES	2	2	0	7	105	116	100.00%
FEMALES	0	0	0	0	0	0	0.00%
TOTAL	2	2	0	7	105	116	**100%**
PERCENTAGE	**1.72%**	**1.72%**	**0.00%**	**6.03%**	**90.53%**	**100%**	

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Contract for Light Rail Vehicle Axle Journal Bearing Removal and Installation

WHEREAS, DART maintains 163 Light Rail Vehicles (LRV) that must be kept in a state of good repair to ensure adequate vehicle performance, service reliability, and passenger safety; and

WHEREAS, journal bearings provide the circular motion of the axle allowing the wheels to rotate and need to be kept in a service-ready condition to maintain the integrity of the axle system; and

WHEREAS, DART maintains a structured overhaul program for essential LRV sub-systems, which includes journal bearings, as outlined in DART's approved Capital Overhaul Work Programs, and is consistent with the manufacturer's recommendations; and

WHEREAS, a competitive sealed bid procurement for a two-year contract with no options was conducted in accordance with the DART Procurement Regulations; and

WHEREAS, the proposed price for this contract is fair and reasonable; and

WHEREAS, funding for this contract is within current budget and FY 2026 20-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Interim President & Chief Executive Officer or his designee is authorized to award a two-year contract to Penn Machine Company, LLC [C-2096569-01], for Light Rail Vehicle Axle Journal Bearing Removal and Installation, for a total authorized amount not to exceed $2,230,152.

Approval of Contract for Light Rail Vehicle Axle Journal Bearing Removal and Installation

Prepared by: /s/ Trenise Winters
Trenise Winters
Executive Vice President
Chief Operations Officer

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ David Leininger
David Leininger
Interim President &
Chief Executive Officer

Agenda Report

Voting Requirements:
Majority

DATE: **August 11, 2026**

SUBJECT: **Approval to Distribute Proposed Fiscal Year 2027 Annual Budget and 20-Year Financial Plan to Service Area Cities for Review**

RECOMMENDATION

Approval of a resolution authorizing the Interim President & Chief Executive Officer or his designee to distribute the proposed Fiscal Year (FY) 2027 Annual Budget and 20-Year Financial Plan to the governing bodies of the municipalities within the DART Service Area for their review.

BUSINESS PURPOSE AND FINANCIAL CONSIDERATIONS

- On April 28, 2026 (Resolution No. 260053), the Board approved the Financial Standards for the FY 2027 financial planning process.
- On July 14, 2026, staff provided the Board with the proposed FY 2027 Annual Budget and 20-Year Financial Plan. Staff then briefed the Board on the proposal at a Board Workshop on July 31, 2026.
- Staff will brief interested city managers and finance staff on the major elements of the proposed budget and financial plan on August 27, 2026.
- The Board will be asked to approve a final budget and 20-year financial plan on September 22, 2026.
- Approval of this item supports Agency Strategic Goal 6: Strategic Relationships – Position DART as a collaborative leader and recognized regional economic and mobility asset.

LEGAL CONSIDERATIONS

- Section 452.113(3) of the Texas Transportation Code and Article VI, Section 3, of the Board Bylaws require DART to make the proposed annual budget available to the governing bodies of each municipality in the authority at least 30 days before the Board adopts the final annual budget.
- Section 452.545 of the Texas Transportation Code requires the Board to develop, recommend, and approve the annual budget.
- Article VI, Section 1 of the Board Bylaws provides that the fiscal year of DART shall end on September 30 of each year.

- Article VI, Section 3 of the Board Bylaws requires the Board to adopt an annual budget and a financial plan before the beginning of each fiscal year.

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval to Distribute Proposed Fiscal Year 2027 Annual Budget and 20-Year Financial Plan to Service Area Cities for Review

WHEREAS, DART's enabling statute requires that DART make its proposed budget available to the governing bodies of each municipality within its service area at least 30 days before final adoption by the DART Board; and

WHEREAS, staff will brief interested city managers and finance staff on the major elements of the proposed budget and financial plan on August 27, 2026; and

WHEREAS, the Board will be asked to approve a final budget and 20-year financial plan on September 22, 2026.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Interim President & Chief Executive Officer or his designee is authorized to distribute the proposed Fiscal Year 2027 Annual Budget and 20-Year Financial Plan to the governing bodies of the municipalities within the DART Service Area for their review.

Approval to Distribute Proposed Fiscal Year 2027 Annual Budget and 20-Year Financial Plan to Service Area Cities for Review

Prepared by: /s/ Jamie Adelman
Jamie Adelman
Executive Vice President
Chief Financial Officer

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ David Leininger
David Leininger
Interim President &
Chief Executive Officer

Agenda Report

Voting Requirements:
Majority

DATE: **August 11, 2026**

SUBJECT: **Approval of Fiscal Year 2027 Goals and Performance Measures for Board Administrator**

BOARD ACTION

Approval of a resolution adopting the FY 2027 goals and performance measures for Jesse Salazar, Board Administrator, as shown in Exhibit 1 to the Resolution.

PURPOSE

- DART has consistently used a system of establishing goals and tracking performance measures to provide a focus for strategic and operational improvement, create an analytical basis for decision-making, and provide focus on the priorities set by the Board.
- On June 11, 2024 (Resolution No. 240063), the Board established the following Strategic Goals:
  - 1. Empowered Agency – Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees.
  - 2. Culture of Contribution – Create a culture that aligns roles and responsibilities with the DART vision, deepens organizational trust, and encourages growth.
  - 3. Quality Service – Deliver a quality customer experience defined by strong rider advocacy and built on professional pride and continuous improvement.
  - 4. Seamless Mobility – Integrate mobility options to create a seamless travel experience defined by frequency and reliability that positions DART as first in mind.
  - 5. Fantastic Spaces – Create fantastic spaces that add value to our communities, enhance the rider experience, and foster a sustainable and thriving region.
  - 6. Strategic Relationships – Position DART as a collaborative leader and recognized regional economic and mobility asset.
- In order to move the agency in the direction described in the Strategic Goals, the Board establishes annual goals and performance measures for the Board Administrator.

- The purpose of this item is to review and approve the FY 2027 goals and performance measures for Jesse Salazar, Board Administrator.

LEGAL CONSIDERATIONS

- Section 452.504 of the Texas Transportation Code authorizes the Board to appoint, as necessary, members or non-members as assistant secretaries.

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Fiscal Year 2027 Goals and Performance Measures for Board Administrator

WHEREAS, DART has consistently used a system of establishing goals and tracking performance measures to provide a focus for strategic and operational improvement, create an analytical basis for decision making, and provide focus on the priorities set by the Board; and

WHEREAS, in order to move the agency in the direction described in the Board-approved Strategic Goals, the Board establishes annual goals and performance measures for the Board Administrator; and

WHEREAS, the FY 2027 goals and performance measures for Jesse Salazar, Board Administrator, have been reviewed and approved by the Administration Committee; and

WHEREAS, Mr. Salazar is familiar with and has received the goals and performance measures.

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

Section 1: The FY 2027 goals and performance measures for Jesse Salazar, Board Administrator, included as Exhibit 1 to this Resolution, are hereby adopted and are to be used in evaluating Mr. Salazar's performance for FY 2027.

Section 2: Mr. Salazar has acknowledged receiving and has stated his agreement with the FY 2027 goals and performance measures, as shown as Exhibit 1 to this Resolution.

Approval of Fiscal Year 2027 Goals and Performance Measures for Board Administrator

Carmen Garcia Secretary	Randall B. Bryant Chair
APPROVED AS TO FORM:	ATTEST:
Gene Gamez General Counsel	David Leininger Interim President & Chief Executive Officer
	Date

Approval of FY 2027 Goals and Performance Measures for Board Administrator

This information will be provided separately.

Agenda Report

Voting Requirements:
Majority

DATE: **August 11, 2026**

SUBJECT: **Approval of Fiscal Year 2027 Goals and Performance Measures for General Counsel**

BOARD ACTION

Approval of a resolution adopting the Fiscal Year (FY) 2027 goals and performance measures for Gene Gamez, General Counsel, as shown in Exhibit 1 to the Resolution.

PURPOSE

- DART has consistently used a system of establishing goals and tracking performance measures to provide a focus for strategic and operational improvement, create an analytical basis for decision making, and provide focus on the priorities set by the Board.

- On June 11, 2024 (Resolution No. 240063), the Board established the following Strategic Goals:
  - 1: Empowered Agency – Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees.
  - 2: Culture of Contribution – Create a culture that aligns roles and responsibilities with the DART vision, deepens organizational trust, and encourages growth.
  - 3: Quality Service – Deliver a quality customer experience defined by strong rider advocacy and built on professional pride and continuous improvement.
  - 4: Seamless Mobility – Integrate mobility options to create a seamless travel experience defined by frequency and reliability that positions DART as first in mind.
  - 5: Fantastic Spaces – Create fantastic spaces that add value to our communities, enhance the rider experience, and foster a sustainable and thriving region.
  - 6: Strategic Relationships – Position DART as a collaborative leader and recognized regional economic and mobility asset.

- In furtherance of theAgency Strategic Goals, the Board establishes annual goals and performance metrics for the General Counsel.
- The purpose of this item is to review and approve the FY 2027 goals and performance measures for Gene Gamez, General Counsel.

LEGAL CONSIDERATIONS

- Section 452.101(2) of the Texas Transportation Code authorizes the Board to appoint attorneys and prescribe their duties, compensation, and tenure.

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Fiscal Year 2027 Goals and Performance Measures for General Counsel

WHEREAS, DART has consistently used a system of establishing goals and tracking performance measures to provide a focus for strategic and operational improvement, create an analytical basis for decision making, and provide focus on the priorities set by the Board; and

WHEREAS, in furtherance of the Board-approved Strategic Goals and to guide the Agency's continued progress toward those objectives, the Board establishes annual goals and performance metrics for the General Counsel; and

WHEREAS, the Fiscal Year 2027 goals and performance measures for Gene Gamez, General Counsel, have been reviewed and approved by the Administration Committee; and

WHEREAS, Mr. Gamez is familiar with and has received the goals and performance measures.

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

Section 1: The Fiscal Year (FY) 2027 goals and performance metrics for Gene Gamez, General Counsel, included as Exhibit 1 to this Resolution, are hereby adopted and approved for the use in evaluating Mr. Gamez's performance for FY 2027.

Section 2: Mr. Gamez has acknowledged receiving and has stated his agreement with the FY 2027 goals and performance measures, as shown as Exhibit 1 to this Resolution.

Approval of Fiscal Year 2027 Goals and Performance Measures for General Counsel

Carmen Garcia Secretary	Randall B. Bryant Chair
APPROVED AS TO FORM:	ATTEST:
Gene Gamez General Counsel	David Leininger Interim President & Chief Executive Officer
	Date

Approval of Fiscal Year 2027 Goals and Performance Measures for General Counsel

This information will be provided separately.

Agenda Report

Attachments:	Voting Requirements:
1. Procurement Analysis 2. M/WBE Details	Majority

DATE: August 11, 2026

SUBJECT: Approval of a Contract Modification for Armed Security Guard Services

RECOMMENDATION

Approval of a resolution authorizing the Interim President & Chief Executive Officer or his designee to execute a contract modification with Metropolitan Security Services, Inc., dba Walden Security, for armed security guard services for DART administrative and operating facilities, passenger stations, and revenue agents and cleaners [Contract No. C-2063659-01] to: 1) extend the performance period by one year to August 31, 2027; and 2) increase the not-to-exceed amount by $8,500,000, for a new total authorized amount not to exceed $40,562,884.

FINANCIAL CONSIDERATIONS

- This contract modification for Armed Security Guard Services for DART facilities, passenger locations, and revenue agents is included in the Police Department's proposed FY 2027 operating budget.
- Sufficient funding for this contract modification in the amount of $8,500,000 is included in both the Police Department's proposed FY 2027 operating expense budget and the total operating expense line item of the FY 2026 20-Year Financial Plan.

BUSINESS PURPOSE

- On February 22, 2022 (Resolution No. 220029), the Board authorized a two-year contract for armed security guard services for DART facilities, passenger locations, and revenue agents [Contract No. C-2063659-01] in the amount of $8,011,710.
- On July 11, 2023 (Resolution No. 230081), the Board authorized: 1) exercising the first option early; and 2) additional funding in an amount not to exceed $7,300,000 to allow for enhanced security at operations facilities, for a new total authorized amount not to exceed $15,311,710.
- On January 28, 2025 (Resolution No. 250002), the Board authorized: 1) exercising the second option, extending the performance period for one year; and 2) increasing the not-to-exceed amount by $10,926,174, for a new total authorized amount not to exceed $26,237,884.
- On January 27, 2026 (Resolution No. 260016), the Board authorized: 1) extending the current contract by six months to allow for continued enhanced security through the FIFA World Cup activities during Summer 2026; and 2) increasing the not-to-exceed amount by $5,825,000, for a new total authorized amount not to exceed $32,062,884.

- Extending the current contract by one year allows for continued reprocessing of the current solicitation.
- Metropolitan Security Services, Inc., dba Walden Security, provides armed security guards for the benefit of patrons, stakeholders, and employees. At passenger facilities, security guards greet and direct visitors, and patrol rail stations and transit centers on foot or by vehicle. They also monitor DART operational divisions, maintain a presence at the entrance/exit gates, and remain alert for suspicious persons, criminal acts, or disruptive activities.
- At DART administrative headquarters at 1401 Pacific Avenue, the security guards greet and direct visitors, provide parking garage attendants, and provide additional personnel for screening on Board meeting days. Security guards monitor fire control and surveillance camera systems. Security guards are also assigned to protect revenue agents and cleaners.
- This contract provides hours of security services instead of a specific number of guards. This allows DART Police flexibility in the deployment of security guards.
- Approval of this contract modification will help achieve Agency Strategic Goal 3: Quality Service - Deliver a quality customer experience defined by strong rider advocacy and built on professional pride and continuous improvement.

PROCUREMENT CONSIDERATIONS

- The base term of the contract is two years from the award date of February 24, 2022, and the contract provides for two one-year options.
- The pricing for the one-year extension is fair and reasonable.
- The Contractor's performance is satisfactory.
- The procurement analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- The goal for this contract was established in July 2021 at 30% M/WBE participation.
- Metropolitan Security Services, Inc., dba Walden Security, the prime contractor, is a certified WBE firm; therefore, the goal has been met. Furthermore, Metropolitan Security Services, Inc., dba Walden Security has committed to additional WBE participation.
- The M/WBE analysis and Equal Employment Opportunity (EEO-1) information are included in Attachment 2. The prime contractor’s actual EEO-1 report is available upon request.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

Dallas Area Rapid Transit Authority
PROCUREMENT ANALYSIS
Exercise Option to Extend Services
Modification No. 6

Contract Information

A. Contract Description: Armed Security Guard Services

B. Contractor: Metropolitan Security Services, Inc. dba Walden Security

C. Contract Number: C-2063659-01

D. Contractual Action: Increase Funding and Exercise Option to Extend Services to 08/31/2027

E. Current Contract Amount: $32,062,884

F. Contract Modification Amount: $8,500,000

G. New Contract Amount: $40,562,884

H. Contract Type: Indefinite Quantity/Indefinite Delivery

I. Current Term of Contract/Performance Period: 02/24/2022 – 08/31/2026

J. Remaining Options Available: None

K. Price Considerations: Pricing was determined to be fair and reasonable at the time of the contract award, the rates for the one-year extension will remain the same as the current year.

L. Negotiation Memorandum: Available for review in the contract file.

M. Determinations Required: N/A

N. Funding: Local

O. Determination of Responsibility:
Bond Check: N/A
Reference Check: Satisfactory
Financial Responsibility Survey: Satisfactory
Insurance Check: Yes
On-Site Inspection: Yes
Arithmetic Check: Yes
Verification of Offer: Yes
Buy America Certification and/or Audit, if applicable:
Debarred/Suspended list: Not on the debarred /suspended list.

Determination and Recommendation

Metropolitan Security Services, Inc. dba Walden Security is a responsible contractor for the modification described above. Therefore, execution of the contract modification is recommended.

Approval of Contract Modification for Armed Security Guard Services

M/WBE Considerations

The goal for this contract was established in July 2021 at 30% M/WBE participation. Metropolitan Security Services, Inc. dba Walden Security, the prime contractor, is a certified WBE firm; therefore, the goal has been met. Furthermore, Metropolitan Security Services, Inc., dba Walden Security has committed to additional WBE participation through the utilization of the following certified firm:

VENDOR	LOCATION	SERVICE	AMOUNT	PERCENT
USAPD, LLC dba USA Patrol Division	Houston, TX	Security Services	$10,140,721	25.00%

TOTAL ADDITIONAL PARTICIPATION: $10,140,721 25.00%*

NOTE: The goal is based on the not to exceed amount of $40,562,884. If there are any changes to this amount, the original goal will apply.

*The percentage and dollar amounts may remain level, increase or decrease depending on the circumstances.

Summary of EEO-1 Report

Metropolitan Security Services, Inc. dba Walden Security is located in Chattanooga, TN and employs 86 individuals. The following is an analysis of their EEO-1 report:

	ASIAN	BLACK	HISPANIC	NATIVE AM.	WHITE	TOTAL	PERCENTAGE
MALES	1	43	5	1	9	59	**68.60%**
FEMALES	0	24	1	0	2	27	**31.40%**
TOTAL	1	67	6	1	11	86	**100%**
PERCENTAGE	**1.16%**	**77.91%**	**6.98%**	**1.16%**	**12.79%**	**100%**	

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Contract Modification for Armed Security Guard Services

WHEREAS, on February 22, 2022 (Resolution No. 220029), a contract for armed security guard services was awarded to Metropolitan Security Services, Inc., dba Walden Security (Contract No. C-2063659-01) in the amount of $8,011,710; and

WHEREAS, on July 11, 2023 (Resolution No. 230081), the Board authorized a modification to the contract to exercise the first contract option and increase the not-to-exceed amount by $7,300,000, for a new total authorized amount not to exceed $15,311,710; and

WHEREAS, on January 28, 2025 (Resolution No. 250002), the Board authorized exercising the second option, extending the performance period for one year and increasing the not-to-exceed amount by $10,926,174, for a new total authorized amount not to exceed $26,237,884; and

WHEREAS, On January 27, 2026 (Resolution No. 260016), the Board authorized: 1) extending the current contract by six months to allow for continued enhanced security through the FIFA World Cup activities during Summer 2026; and 2) increase the not-to-exceed amount by $5,825,000, for a new total authorized amount not to exceed $32,062,884; and

WHEREAS, DART recognizes the need for security for its customers, employees, and DART property; and

WHEREAS, DART desires to continue uninterrupted security services and to maintain increased security at operations divisions; and

WHEREAS, the proposed pricing for this contract modification is fair and reasonable; and

WHEREAS, funding for this contract modification is within proposed FY 2027 budget and approved FY 2026 20-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Interim President & Chief Executive Officer or his designee is authorized to execute a contract modification with Metropolitan Security Services, Inc., dba Walden Security, for armed security guard services for DART administrative and operating facilities, passenger stations, and revenue agents and cleaners [Contract No. C-2063659-01] to:

Section 1: Extend the performance period by one year to August 31, 2027.
Section 2: Increase the not-to-exceed amount by $8,500,000, for a new total authorized amount not to exceed $ 40,562,884.

Approval of Contract Modification for Armed Security Guard Services

Prepared by: /s/ Charles Cato
Charles Cato
Chief, DART Police and Emergency Management

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ David Leininger
David Leininger
Interim President &
Chief Executive Officer

Agenda Report

Attachments:	Voting Requirements:
1. Procurement Analysis 2. D/M/WBE Details 3. History of Board Authorizations	Majority

DATE: August 11, 2026

SUBJECT: Approval of Contract Modification for Milestone 8 and the Term of the Contract for the Design-Build Services for the Silver Line Regional Rail Project

RECOMMENDATION

Approval of a resolution authorizing the Interim President & Chief Executive Officer or his designee to execute a contract modification for design-build services with Archer Western Herzog 4.0, Joint Venture, (AWH) [Contract No. C-2033270-01] for the Silver Line Regional Rail Project to change the terms and date for "Milestone 8 Final Acceptance" from August 31, 2026, to December 31, 2026, and change the contract expiration date from August 31, 2026, to February 27, 2027, with no additional cost to the contract and no increase to the Board-authorized amount not to exceed $1,560,737,685.

FINANCIAL CONSIDERATIONS

- This contract modification has no financial impact on the current budget or 20-Year Financial Plan.

BUSINESS PURPOSE

- On December 11, 2018 (Resolution No. 180135), the Board approved the contract award to Archer Western Herzog 4.0, Joint Venture, for design and construction of the Cotton Belt Corridor (now known as the Silver Line) Regional Rail Project as a mixed double and single-track alignment, in an amount not to exceed $783,725,980, plus a supplemental work contingency of $31,349,039 (4%) for unanticipated expenses, for a total authorized amount not to exceed $815,075,019. This contract has been modified several times as shown in the History of Board Authorizations, included as Attachment 3.

- "Milestone 8 Final Acceptance" of the contract primarily specifies completion of construction for the US 75 Aesthetic Arch, Luna Road Improvements, Access Road to Signal Equipment at Dallas Fort Worth International Airport (DFWIA), and Betterment Wall near Knoll Trail Station by August 31, 2026.

- This modification includes a change to the date for "Milestone 8 Final Acceptance" from August 31, 2026, to December 31, 2026, due to the delay of the US 75 Aesthetic Arch construction activity in Richardson, Texas, that would impact US 75 traffic flow and commuter rail activity

during the World Cup Fan Fest and due to the delay to improvements at Luna Road in Carrollton, Texas, due to the ATMOS Energy delay in locating an existing gas line in the vicinity of the work.

- This modification also includes a change to the Period of Performance. The contract expiration date is changed from August 31, 2026, to February 27, 2027.
- The Owner's Controlled Insurance Program (OCIP) coverage ends on December 12, 2026. The design-builder acknowledges that no fieldwork will be permitted after this date under the OCIP.
- Approval of this change to the date for "Milestone 8 Final Acceptance" and the Period of Performance of the contract will support final completion of the project.
- Approval of this change to the date for "Milestone 8 Final Acceptance" and the Period of Performance of the contract will help achieve Agency Strategic Goal 3: Quality Service - Deliver a quality customer experience defined by strong rider advocacy and built on professional pride and continuous improvement; and Strategic Goal 6: Strategic Relationships - Position DART as a collaborative leader and recognized regional economic and mobility asset.

PROCUREMENT CONSIDERATIONS

- This design-build contract is a fixed price with performance incentives contract. The base term of the contract is currently from December 26, 2018, through final acceptance, but no later than August 31, 2026.
- This modification will 1) Extend Contract Milestone 8 from August 31, 2026 to December 31, 2026, and 2) Extend the Period of Performance of the contract from August 31, 2026, to February 27, 2027, to allow for the completion of construction closeout activities and reach Final Acceptance.
- This modification is being done with no additional cost to the contract.
- The procurement analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- The goals for this contract were established in March 2017 at 7% DBE and 38% M/WBE participation.
- Archer Western Herzog 4.0, Joint Venture, the prime contractor, has committed to exceed the DBE goal and meet the M/WBE goal for design services. For construction services, Archer Western Herzog 4.0, Joint Venture, has committed to meet the DBE and M/WBE goals.
- The D/M/WBE analysis and Equal Employment Opportunity (EEO-1) information are included in Attachment 2. The prime contractor's actual EEO-1 reports are available upon request.

LEGAL CONSIDERATIONS

- Section 452.056 (a) of the Texas Transportation Code authorizes DART to construct, develop, plan and operate a public transportation system within the DART Service Area.
- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

Dallas Area Rapid Transit Authority
PROCUREMENT ANALYSIS
Milestone Date and Contract Period of Performance Modifications
SA 115

Contract Information

A. Contract Description: The Cotton Belt Regional Rail (Silver Line) Design-Build Project

B. Contractor: Archer Western Herzog 4.0, Joint Venture (Archer Western Construction, LLC, and Herzog Contracting Corporation)

C. Contract Number: C-2033270-01

D. Contractual Action: Extend the completion dates for Milestone 8 from August 31, 2026, to December 31, 2026 and the Contract Period of Performance from August 31, 2026 to February 27, 2027.

E. Current Contract Amount: $1,519,515,823

F. Contract Modification Amount: $0.00

G. New Contract Amount: $1,519,515,823

H. Contract Type: Design-Build Contract: Fixed Price with Performance Incentives

I. Current Term of Contract/Performance Period: December 26, 2018, through final acceptance; but no later than August 31, 2026.

J. Remaining Options Available: None

K. Price Considerations: This is a no cost modification.

L. Negotiation Memorandum: None required.

M. Determinations Required: None

N. Funding: Local/Federal

O. Determination of Responsibility:
Bond Check: Yes
Reference Check: Satisfactory
Financial Responsibility Survey: Satisfactory
Insurance Check: Yes
On-Site Inspection: N/A
Arithmetic Check: Yes
Verification of Offer: Yes
Buy America Certification and/or Audit, if applicable: Yes
Debarred/Suspended list: Not on the debarred/suspended list.

Determination and Recommendation

Archer Western Herzog 4.0, Joint Venture is a responsible contractor for the modification described above. Therefore, execution of the contract modification is recommended for the Silver Line Design-Build Project.

Approval of Contract Modification for Milestone 8 and the Term of the Contract for the Design-Build Services for the Silver Line Regional Rail Project

D/M/WBE CONSIDERATIONS

DESIGN SERVICES

The goals for this contract were established in March 2017 at 7% DBE and 38% M/WBE participation. For design services, Archer Western Herzog 4.0, Joint Venture (AWH), the prime contractor, has committed to exceed the DBE goal and meet the M/WBE goal through utilization of the following certified firms:

DBE PARTICIPATION

VENDOR	LOCATION	SERVICE	AMOUNT	PERCENTAGE
HVJ North Texas	Dallas, TX	Geotechnical Services	$2,624,656	4.23%
IEA, Inc	Dallas, TX	Civil & Structural Engineering	$3,052,593	4.92%
Lamb-Star Engineering	Plano, TX	Quality Control	$631,103	1.02%
Multatech Engineering, Inc.	Dallas, TX	Track Engineering Support	$2,181,916	3.51%
		TOTAL DBE PARTICIPATION:	**$8,490,268**	**13.68%****

M/WBE PARTICIPATION

VENDOR	LOCATION	SERVICE	AMOUNT	PERCENTAGE
APM & Associates	Dallas, TX	Civil & Structural Services	$2,369,529	3.16%
ARS Engineers, Inc.	Dallas, TX	Title Search	$624,003	1.00%
Caye Cook & Associates	Dallas, TX	Landscape Architecture	$1,194,300	1.92%
Civil Associates, Inc.	Dallas, TX	CADD Support	$233,128	0.37%
D&S Engineering Labs, LLC	Denton, TX	Geotechnical Services	$2,259,526	3.64%
Lina T Ramey & Associates	Farmers Branch, TX	Engineering Services	$6,657,519	10.73%

McAfee3 Architects	Dallas, TX	Architectural Design Support	$3,014,187	4.86%
Olivier, Inc	Dallas, TX	Document Control Support	$908,426	1.19%
Simon Engineering & Consulting	Dallas, TX	Civil Engineering Support	$1,019,821	1.64%
Solaray Engineering, Inc.	Dallas, TX	Utility Coordinator	$5,888,843	9.49%

TOTAL M/WBE PARTICIPATION: $24,169,282 38.00%**

TOTAL DBE & M/WBE PARTICIPATION: $32,659,550 51.68%**

NOTE: The goals are based on the design cost of $62,058,311. If there are any changes to this amount, the original goals shall still apply.

** The percentages and dollar amounts may remain level, increase or decrease depending on the circumstances.

CONSTRUCTION SERVICES

The goals for this contract were established in March 2017 at 7% DBE and 38% M/WBE participation. For construction services, Archer Western Herzog 4.0, Joint Venture (AWH), the prime contractor, has committed to meet the established goal through utilization of the following certified firms:

VENDOR	LOCATION	SERVICE	AMOUNT
4K Companies, LLC	Graham, TX	Earthwork and Drainage	$18,002,283
Action Automatic Sprinkler, Inc.	Waxahachie, TX	Fire Standpipe	$2,421,532
All in One Resources	Carrollton, TX	Janitorial Services	$197,114
Alliance Geotechnical Group, Inc.	Dallas, TX	Quality Inspection	$693,562
ASFI Construction, LLC	Sanger, TX	Bridge Waterproofing	$5,182,591
Astro Johnny Waste Management Company	Jacksonville, TX	Waste Management	$59,424
ATS Drilling	Ft. Worth, TX	Drilled Shafts	$23,641,510

B&B Diversified Materials	Green Valley, AZ	Material Supplier	$16,406,991
Big D Concrete	Dallas, TX	Concrete	$1,168,591
Bonded Inspection	Garland, TX	Inspection Services	$156,530
Brooklyn Sweeps, Inc.	Dallas, TX	Street Sweeping	$156,530
Bulldog Services, LLC	Rhome, TX	Utilities	$1,654,075
Buyers Barricade	North Richland Hills, TX	Traffic Control	$4,760,286
CARCON Industries	Dallas, TX	Construction Management	$4,096,824
Carrco Painting Contractors	Dallas, TX	Steel Coating	$792,623
Castro Roofing of Texas	Dallas, TX	Canopy Roofing	$487,807
CCA Landscape Architects	Gunter, TX	Landscape Architecture	$1,656,066
Cowboys & Sons, LLC	Dallas, TX	Trucking	$232,904
Cowtown Redi Mix, Inc.	Ft. Worth, TX	Concrete	$803,366
Davis Advocates	Dallas, TX	Consulting Services	$312,000
DGR Consultants, LLC	Dallas, TX	Quality Assurance	$2,182,954
Diversified Electrical Solutions	Dallas, TX	Stations/ Electrical	$19,337,227
Dowager Utility Construction	Dallas, TX	Station Platform Drainage	$14,427,093
Edens Touch Diversified, LLC	Garland, TX	Landscape Maintenance	$1,914,659
Five Star Landscaping & Irrigation	Dallas, TX	Landscaping	$2,445,116
GST Manufacturing	Haltom City, TX	Metal Material	$17,675,754
IEA, Inc.	Dallas, TX	Drainage & Structural Support	$17,229,363
JB Pinnacle Group, LLC	Houston, TX	Guideway Flatwork	$8,056,786

KLP Construction Supply	Manor, TX	Material Supply	$1,899,640
KMCE, Inc.	Allen, TX	Utility Support	$60,300
Lamb-Star Engineering, LP	Plano, TX	Construction Quality Control	$2,194,377
Laughley Bridge & Construction	Ft. Worth, TX	Building Construction	$4,668,657
Lina T. Ramey & Associates, Inc.	Farmers Branch, TX	Utility Potholing	$8,527,963
Lindamood Demolition	Irving, TX	Construction Services	$79,630,893
McRyan Hauling	Justin, TX	Furnish & Haul Aggregates	$7,098,277
National Railroad Safety Service	West Chester, OH	Flagging	$6,171,915
North Texas Trucking	Irving, TX	Trucking	$247,178
Omega Industries	Dallas, TX	Material Supplier	$2,483,574
Pannell Industries	Dallas, TX	Street Sweeping	$116,625
Post L Group	Ft. Worth, TX	General Construction Services	$7,287,333
Project Management Associates, PLLC	Bedford, TX	Lab Airspace Modeling	$82,182
Reginald Loftin Photographer	Dallas, TX	Photography Services	$255,795
Renaissance Contractors, Inc.	Ft. Worth, TX	Utilities	$16,169,032
Reyes Group	Grand Prairie, TX	Walls	$54,898,394
Roberts Trucking	Dallas, TX	Ballast Hauling	$1,484,676
Santa Clara Construction	Austin, TX	Utility Work	$26,543,496
Slaton Brothers	Hurst, TX	Walls	$7,476,427
Solaray Engineering, Inc.	Dallas, TX	Utilities	$7,859,524
Spooner & Associates	Euless, TX	Survey Control	$17,980

Stateside Right of Way Services	Dallas, TX	Utility Work	$70,332
STL Engineers	Dallas, TX	Quality Control & Inspections	$12,710,118
Texas Industrial Security	Ft. Worth, TX	Unarmed Security	$603,740
Texas Star Transport	Dallas, TX	Trucking Services	$12,710,118
The Burrell Group, Inc.	Dallas, TX	Public Relations	$1,634,098
The Fishel Company	Dallas, TX	Street Repairs	$2,978,425
The Rios Group	Ft. Worth, TX	Potholing	$256,650
Toro Bravo Construction, LLC	Dallas, TX	Rebar	$17,124,058
Tricon Precast, Ltd.	Ft. Worth, TX	Precast Beams	$30,012,780
Trinity Public Affairs	Dallas, TX	Public Relations	$172,000
Universal Fence Company	Hurst, TX	Betterment Fencing	$937,014
Urban Infraconstruction, LLC	Ft. Worth, TX	Street Paving	$27,758,215
USA SWPP, Inc,	Ft. Worth, TX	Erosion Control	$1,631,779
Viking Fence Co.	Dallas, TX	Guideway Fence	$776,430
VRX, Inc.	Plano, TX	Environmental Services	$4,004,112
WOE Construction, Inc.	Ft. Worth, TX	Saw Cutting	$3,322

Summary of EEO-1 Reports

Archer Western Construction, LLC is located in Irving, TX and employs 2,001 individuals. The following is an analysis of their EEO-1 report:

	ASIAN	BLACK	HISPANIC	NATIVE AMERICAN	WHITE	TOTAL	Percentage
MALES	13	220	747	18	814	1,812	**90.55%**
FEMALES	3	22	62	1	101	189	**9.45%**
TOTAL	16	242	809	19	915	2,001	**100%**
PERCENTAGE	**0.80%**	**12.09%**	**40.43%**	**0.95%**	**45.73%**	**100%**	

Herzog Contracting Corporation is located in Joseph, MO and employs 458 individuals. The following is an analysis of their EEO-1 report:

	ASIAN	BLACK	HISPANIC	NATIVE AMERICAN	WHITE	TOTAL	Percentage
MALES	9	16	116	7	239	387	**84.50%**
FEMALES	1	1	11	3	55	71	**15.50%**
TOTAL	10	17	127	10	294	458	**100%**
PERCENTAGE	**2.18%**	**3.72%**	**27.73%**	**2.18%**	**64.19%**	**100%**	

Attachment 3

History of Board Authorizations for the Design-Build Contract for the Silver Line Regional Rail Project

Date	Action	Resolution Number	Contract Change Amount	Total Board Authorized NTE Amount
12/11/18	Contract award to Archer Western Herzog 4.0, Joint Venture, (AWH) for design and construction of the Cotton Belt (now known as Silver Line) project as a mixed double and single-track alignment	180135		$815,075,019 ($783,725,980 plus a 4% contingency of $31,349,039)
2/12/19	Increase contract value for design-build services with AWH to completely double track the project between DFW International Airport and Shiloh Road	190021	$108,760,839	$923,835,858
1/28/20	Increase contract value to include Metes and Bounds Survey to Support Real Estate Acquisitions	200015	$848,318 (funded from contingency)	$923,835,858
5/26/20	Increase contract value for Hillcrest Road, Coit Road, traffic signals at Wester Way and Sugar Cane Way, and related modifications to return to the 10% Design	200049	$26,446,869 (funded from debt service savings in the amount of $21,972,349, and from contingency in the amount of $4,474,520)	$945,808,207
5/26/20	Increase contract value for HAWK signal for pedestrian crossing at Wester Way and traffic signal at McKamy Drive	200050	$217,840 (funded from debt service savings)	$946,026,047
5/26/20	Increase contract value for the betterment wall in the DART right-of-way (ROW) at McCallum Blvd. for Rocky Top Circle	200051	$19,770 (funded from debt service savings)	$946,045,817
5/26/20	Increase contract value for curb cut in existing median at Campbell Road	200052	$25,007 (funded from debt service savings)	$946,070,824
5/26/20	Increase contract value for 8-foot concrete wall at ROW adjacent to Fairhill School	200053	$182,019 (funded from debt service savings)	$946,252,843
5/26/20	Increase contract value for 8-foot concrete wall at ROW adjacent to Ivy Montessori School	200054	$61,408 (funded from debt service savings)	$946,314,251

Date	Action	Resolution Number	Contract Change Amount	Total Board Authorized NTE Amount
5/26/20	Increase contract value for a betterment wall at Highland Springs Phase II	200055	$695,079 (funded from debt service savings)	$947,009,330
8/25/20	Increase contract value for installation of foundations and underground conduits for information kiosks at Silver Line stations	200085	$686,465 (funded by an agreement with Landmark)	$947,695,795
9/22/20	Increase contract value to include design of the Veloweb Hike & Bike Trail	200098	$14,979,703 (from funding authorized by NCTCOG)	$962,675,498
12/8/20	Increase contract value to include franchise utility allowance	200133	$33,970,142 ($10,000,000 from contingency and $23,970,142 rom Debt Service savings)	$986,645,640
1/12/21	Increase contract value to include improvements for the sound-absorbing wall material and signal preview system	210004	$2,985,496 + $1,259,976, for a total of $4,245,472	$990,891,112
3/23/21	Increase the contract value to include construction of tall walls, design of the US-75 aesthetic arch and design and construction of the design enhancements	210029 & 210030	$8,903,073, + $1,621,367 + $859,525, for a total of $11,383,965, minus deobligations in the amount of $1,520,940	$1,000,754,137
4/13/21	Increase the contract value to include construction of the communication infrastructure duct bank	210042	$20,614,584	$1,021,368,721
5/25/21	Increase the contract value to establish an allowance to provide for negotiations of each owner requested or third-party change request	210070	$237,403,589 + supplemental work contingency of $35,795,345	$1,294,567,655
1/25/22	Increase contract value to include a hike & bike pedestrian trail bridge at Preston Green Park	220022	$2,009,082, funded from contingency	$1,294,567,655

Date	Action	Resolution Number	Contract Change Amount	Total Board Authorized NTE Amount
3/22/22	Modify contract value to include 12th Street station connector enhancements and redesign of Aerial Station Art & Design; and modification of Jupiter & Custer grade crossings from elevated to at-grade (credit)	220043	$299,072, funded from contingency; and credit of ($5,931,887) to be transferred to contract contingency, for total contract value decrease of ($5,632,815)	$1,294,567,655
6/28/22	Modify contract value to include modifications to University of Texas at Dallas (UTD) Station driveway, construction of a fire lane blow-off valve at the UTD Station, installation of a dry standpipe at DFW North Station, and addition of temporary and permanent signals at the intersection of Coit Road and Osage Plaza Parkway in Dallas	220090	$1,574,997 funded from contingency	$1,294,567,655
8/23/22	Modify contract value to include the demolition of White Rock Creek Bridge	220116	$192,115 funded from contingency	$1,294,567,655
12/13/22	Increase contract value to add a temporary signal at Coit Road intersection with Alocasia Drive	220195	$477,754 funded from contingency	$1,294,567,655
2/28/23	Increase the contract value to establish an allowance for negotiations of owner requested or third-party change requests, to include settlement of request for equitable adjustment	230017	Final amounts were not considered at this time (see 4/18/23 Resolution No. 230044 below)	$1,294,567,655
2/28/23	Increase the contract value to include Carrollton Heights drainage system	230018	$1,719,978	$1,296,287,633
4/18/23	Increase the contract value to establish an allowance for negotiations of owner requested or third-party change requests, to include settlement of request for equitable adjustment	230044 & Clarification of previous Resolution No. 230017	Negotiation allowance $45,698,000; Equitable Adjustment $212,169,46l; Deobligation $51,778,481; and an addition of $26,968,990 to the existing contingency	$1,529,345,603

Date	Action	Resolution Number	Contract Change Amount	Total Board Authorized NTE Amount
10/31/23	Increase the contract value to include design changes for the Cotton Belt Regional Trail	230144	$4,000,000	$1,533,345,603
1/23/24	Increase the contract value to include design and construction changes for the Carrollton multi-modal transit hub project	240003	$1,799,041	$1,535,144,644
2/27/24	Increase the contract value to replace the freight only crossing at Alma Road	240012	$362,724 to be funded from contingency	$1,535,144,644
4/16/24	Increase the contract value to include procurement of track material and special trackwork for Silver Line EMF	240042	$1,476,109,908 to be funded from contingency	$1,535,144,644
4/16/24	Increase the contract value to include continuous vapor barrier near property formerly owned by Zurn Pex, Inc.	240045	$293,723	$1,535,438,367
6/11/24	Increase the contract value to include design services for revisions to the aesthetic arch enhancement for the bridge across U.S. Highway 75	240055	Amount not to exceed $1,382,900, funded 63 % from existing contract City of Richardson betterments allowance and 37 % from contingency, for new contract value of $1,476,915,304	$1,535,438,367
10/22/24	Increase the contract value to include the following change requests: platform and track repairs in Plano (and authorize replenishment of contingency with the pending CPKC payment for damages incurred), differing site conditions at Coit Road, differing site conditions at CityLine/Bush Station, reconciliation of metes and bounds, construction of the Knoll Trail Station Park and Ride lot, realization of credit for retaining wall and ballast work at BNSF crossover (and authorize return credit amount to contingency).	240125	$271,342 to be funded from contingency	$1,535,438,367

Date	Action	Resolution Number	Contract Change Amount	Total Board Authorized NTE Amount
10/22/24	1) Increase the contract value for intersection work at regional trail street crossings in multiple municipalities; 2) Decrease the contract value to reduce the betterments allowance dedicated for the benefit of the City of Richardson at the request of the City of Richardson to permit the City to use betterment funds to meet commitments to NCTCOG to fund design of an alternate alignment for the Regional Trail; and 3) Decrease the contract value to reduce the betterments allowance dedicated for the benefit of the City of Richardson at the request of the City of Richardson to permit the City to use betterment funds to meet commitments to NCTCOG for the Phase 2 construction of the Regional Trail.	240126	Section 1 increasing the total authorized amount by $1,777,992; Section 2 decreasing the total authorized amount by ($874,100); and Section 3 decreasing the total authorized amount by ($3,400,000).	$1,532,942,259
1/28/25	Include repairs to damages caused by railroads operating on the Silver Line regional rail corridor and other changes (and authorize returned railroad credit amount to contingency).	250005	$4,693,180 to be funded from contingency	$1,532,942,259
3/25/25	1) Increase the allowance for railway flagging; 2) Increase construction costs for the redesign of arch bridge enhancements across U.S. Highway, city betterments, additional funding from the City of Richardson, and other external sources; and 3) Extend contract duration by 423 days to establish a new delivery milestone for the arch bridge enhancement across U.S. Highway 75.	250030	Section 1 increasing the allowance in the amount of $5,490,203 to be funded from contingency. Section 2 increasing in the amount of $8,600,015 to be funded from contingency, city betterments, additional funding from the City of Richardson, and other external sources. These changes establish a new contract value of $1,492,763,352.	A new total Board-authorized not to exceed amount is pending encumbrance of funding sources.
4/29/25	Increase the contract value to include improvements to the street crossing at N Avenue in the City of Plano.	250041	$463,949 from external sources, for a new contract amount of $1,493,499,132	$1,538,440,676

Date	Action	Resolution Number	Contract Change Amount	Total Board Authorized NTE Amount
6/24/25	Increase contract value to include extended overhead.	250072	Extended overhead in the amount of $3,574,738 funded from shared risk pool from Settlement Agreement for new contract amount of $1,497,942,463	$1,542,015,414
8/26/25	Increase contract value to include escalated subcontractor pricing for work related to the Burlington Northern Santa Fe (BNSF) controlled right-of-way, and an access road to facilitate maintenance of signal house on DFW airport property.	250089	$1,008,576, to be funded from the contract contingency, for a new contract amount of $1,499,081,900	$1,542,015,414
9/30/25	To include an increase to the allowance for spare parts.	250109	$750,000, to be funded from the contract contingency, for a new contract amount of $1,499,831,900	$1,542,015,414
10/28/25	To include settlement agreement payment.	250134	$18,383,369 to be funded from the project's shared risk pool established in the Settlement Agreement for a new contract amount of $1,518,215,269	$1,560,398,783

Date	Action	Resolution Number	Contract Change Amount	Total Board Authorized NTE Amount
11/18/25	Increase contract value to include Custer Parkway drainage and Canadian Pacific and Kansas City damage.	250156	$338,902, funded from the North Central Texas Council of Governments (NCTCOG); and Canadian Pacific and Kansas City (CPKC) Station Damage in the amount of $147,686, to be funded from the contract contingency, for a total increase in the amount of $486,588 for a new contract amount of $1,518,718,810, and an increase in the amount of $338,902.	$1,560,737,685.
12/9/25	Increase contract value to include license for station camera.	250170	$169,059, to be funded from the contract contingency, for a new contract amount of $1,518,888,869, and no increase to the Board-authorized amount.	$1,560,737,685

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of Contract Modification for Milestone 8 and the Term of the Contract for the Design-Build Services for the Silver Line Regional Rail Project

WHEREAS, on December 11, 2018 (Resolution No. 180135), the Board approved the contract award to Archer Western Herzog 4.0, Joint Venture, for design and construction of the Cotton Belt Corridor (now known as the Silver Line) Regional Rail Project as a mixed double and single-track alignment, in an amount not to exceed $783,725,980, plus a supplemental work contingency of $31,349,039 (4%) for unanticipated expenses, for a total authorized amount not to exceed $815,075,019; and

WHEREAS, the Board has authorized subsequent contract actions as follows: February 12, 2019 (Resolution No. 190021); May 26, 2020 (Resolution Nos. 200049, 200050, 200051, 200052, 200053, 200054, and 200055); August 25, 2020 (Resolution No. 200085); September 22, 2020 (Resolution No. 200098); December 8, 2020 (Resolution No. 200133); January 12, 2021 (Resolution No. 210004); March 23, 2021 (Resolution Nos. 210029 and 210030); April 13, 2021(Resolution No. 210042); May 25, 2021 (Resolution No. 210070); January 25, 2022 (Resolution No. 220022); March 22, 2022 (Resolution No. 220043); June 28, 2022 (Resolution No. 220090); August 23, 2022 (Resolution No. 220116); December 13, 2022 (Resolution No. 220195); January 24, 2023 (Resolution No. 230005); February 28, 2023 (Resolution No. 230017 and 230018); April 18, 2023 (Resolution No. 230044); October 31, 2023 (Resolution No. 230144); January 23, 2024 (Resolution No. 240003); February 27, 2024 (Resolution No. 240012); April 16, 2024 (Resolution No. 240042); April 16, 2024 (Resolution No. 240045); June 11, 2024 (Resolution No. 240055); October 22, 2024 (Resolution Nos. 240125 and 240126); January 28, 2025 (Resolution No. 250005); March 25, 2025 (Resolution No. 250030), April 29, 2025 (Resolution No. 250041); June 24, 2025 (Resolution No. 250072); August 26, 2025 (Resolution No. 250089); September 30, 2025 (Resolution No. 250109); October 28, 2025 (Resolution No. 250134); November 18, 2025 (Resolution No. 250156); and December 9, 2025 (Resolution No. 250170), for a new total Board-authorized amount not to exceed $1,560,737,685; and

WHEREAS, "Milestone 8 Final Acceptance" of the contract primarily specifies completion of construction for the US 75 Aesthetic Arch, Luna Road Improvements, Access Road to Signal Equipment at Dallas Fort Worth International Airport (DFWIA), and Betterment Wall near Knoll Trail Station by August 31, 2026; and

WHEREAS, this modification includes a change to the date for "Milestone 8 Final Acceptance" from August 31, 2026, to December 31, 2026, due to the delay of the US 75 Aesthetic Arch construction activity that would impact US 75 traffic flow and commuter rail activity during the World Cup Fan Fest and delay to improvements at Luna Road due to delay from ATMOS Energy for locating a gas line in the vicinity of the proposed Construction; and

WHEREAS, this modification also includes a change to the Period of Performance. The contract expiration date is changed from August 31, 2026, to February 27, 2027; and

WHEREAS, approval of this change to the date for "Milestone 8 Final Acceptance" and the Period of Performance of the contract will support final completion of the project; and

WHEREAS, this contract modification has no financial impact on the current budget or 20-Year Financial Plan.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Interim President & Chief Executive Officer or his designee is authorized to execute a contract modification for design-build services with Archer Western Herzog 4.0, Joint Venture, (AWH) [Contract No. C-2033270-01] for the Silver Line Regional Rail Project to change the terms and date for "Milestone 8 Final Acceptance" from August 31, 2026, to December 31, 2026, and change the contract expiration date from August 31, 2026, to February 27, 2027, with no additional cost to the contract and no increase to the Board-authorized amount not to exceed $1,560,737,685.

Approval of Contract Modification for Milestone 8 and the Term of the Contract for the Design-Build Services for the Silver Line Regional Rail Project

Prepared by: /s/ Melvin E. Walker, III
Trey Walker, P.E.
Interim Executive Vice President/
Chief Development Officer

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ David Leininger
David Leininger
Interim President &
Chief Executive Officer

Agenda Report

DATE: **August 11, 2026**

SUBJECT: **Briefing on Current Transit-Oriented Development Projects and Other Economic Development Matters**

RECOMMENDATION

This item is a briefing item. No action is required at this time

BUSINESS PURPOSE

- The DART Board of Directors has previously approved transit-oriented development (TOD) projects at Trinity Mills Station, Mockingbird Station, Buckner Station, Arapaho Station, Addison Station, South Garland Transit Center, and Lake Ray Hubbard Transit Center. This briefing will provide an update regarding the status of these TOD projects, including construction progress, milestones achieved, delays, challenges, and next steps.
- This briefing will include:
  - Status of implementing the Tax Increment Reinvestment Zone (TIRZ) program, which enables DART's automatic participation through an interlocal agreement in city-created zones that include transit anchors.
  - The new study by AECOM, which analyzed the economic impact of DART's freight rail corridors on the North Texas region.
  - Upcoming TOD opportunities at Westmoreland, MLK, Jr., Park Lane, LBJ Skillman, 8th & Corinth, and Inwood/Love Field stations.
- This briefing will assist DART in achieving Agency Strategic Goal 5: Fantastic Spaces - Create fantastic spaces that add value to our communities, enhance the rider experience, and foster a sustainable and thriving region.