

STATE OF TEXAS §
 § **REIMBURSEMENT AGREEMENT**
COUNTY OF DENTON §

This Reimbursement Agreement ("Agreement") is made and entered by and between Denton County Transportation Authority ("DCTA") and the City of Denton, Texas ("Denton"), (each a "Party" and collectively the "Parties"), acting by and through their authorized representatives.

RECITALS

WHEREAS, on November 12, 2020, the DCTA Board of Directors approved the DCTA Transportation Reinvestment Program Policy ("TRiP Policy") which is attached hereto and incorporated herein as Exhibit "A" to provide financial assistance to DCTA member cities for transit-supportive projects consistent with and beneficial to DCTA's Long-Range Service Plan Goals; and

WHEREAS, under the terms of the TRiP Policy, member cities desiring to obtain funding for a proposed eligible project must submit a written application form to DCTA in accordance with the criteria set forth in the TRiP Policy; and

WHEREAS, Denton submitted a written application to widen an existing road from two lanes to a four-lane divided facility and add a bridge for over the A-train line (the "Project") which is more fully described in Exhibit "B" attached hereto and incorporated herein; and

WHEREAS, DCTA has determined that Denton's application for the Project meets the criteria established under the TRiP Policy and will be consistent with and beneficial to DCTA's Long-Range Service Plan Goal and, therefore, has approved the Project; and

NOW THEREFORE, for and in consideration of the mutual obligations and benefits contained herein, the Parties shall agree as follows:

Article I
Term

The Term of this Agreement shall begin on the last date of execution hereof ("Effective Date") and continue until the Project has been completed and DCTA has reimbursed Denton up to Five-Hundred Ninety-Two Thousand Five Hundred Dollars (\$592,500.00) in costs incurred relating to the construction of the Project ("Expiration Date").

Article II Conditions
to Funding

2.1 DCTA shall reimburse Denton in an amount equal to Denton's expenses up to Five-Hundred Ninety-Two Thousand Five Hundred Dollars (\$592,500.00) incurred relating to the

construction of the Project conditioned upon the compliance and satisfaction by Denton of the terms and conditions of this Agreement and the following conditions:

- (a) Reimbursement Request. Denton shall submit quarterly Requests for Reimbursement for its direct expenses after expenses have been incurred and paid. The Requests for Reimbursement should include all invoices and backup to document work performed as well as either copies of cleared checks or copies of posted wires to verify Denton's payments for invoices included therein. Request for Reimbursement should be submitted via email to:

accountspayable@dcta.net
tpalermo@dcta.net

2.2 DCTA shall reimburse Denton within thirty (30) days after receipt of a proper Request for Reimbursement provided there are no errors or discrepancies and that the work noted on the Request for Reimbursement is deemed by DCTA or its designee to be in compliance with the project eligibility requirements set forth in the TRiP Policy.

2.3 Required Use. During the Term of this Agreement, the funding provided by DCTA to Denton shall not be used for any purpose other than construction of the Project. Any use by Denton of funding provided by DCTA other than construction of the Project shall be a violation of this Agreement and result in termination of this Agreement. If such violation occurs, Denton will be obligated to return all funds received for construction of the Project to DCTA.

Article III Denton's Obligations

3.1 Contractor. Denton shall hire the contractor for the Project and enter into a separate agreement with the Contractor for construction of the Project. DCTA shall not be a party to any agreement entered into by Denton and a third party for work relating to the Project.

3.2 Payments. Denton shall be responsible for payments to all contractors performing work on the Project. DCTA shall not be responsible for any payments to any contractor or vendor performing work on the Project.

3.3 Maintenance of Project. Denton shall be responsible for the maintenance and upkeep of the Project following the Expiration Date.

3.4 Competitive Bidding. Denton shall, in performing its requirements under the Agreement and in completing the Project, conform with the requirements of competitive bidding detailed in Chapter 252 of the Texas Local Government Code.

Article IV Miscellaneous

4.1 Limitation on Liability. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties. It is understood and agreed between the Parties that Denton, in satisfying the conditions of this Agreement, has acted independently, and DCTA assumes no responsibilities or liabilities to third parties in connection with these actions.

4.2 Governing Law. If any action, whether real or asserted, at law or in equity, arises on the basis of any provision of this Agreement, venue for such action shall lie in state courts located in Denton County, Texas.

4.3 Severability. If any term or provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, the parties shall endeavor to agree to a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

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

4.5 Authorization. The undersigned officers and/or agents are properly authorized to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary actions extending such authority have been duly passed and are now in full force and effect.

4.6 Notices. All notices, requests, demands, and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon the delivery or receipt thereof, as the case may be, if delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, to the respective representative set out below, or his/her designee.

4.7 Exhibits and Recitals. The exhibits attached hereto, and the Recitals are incorporated herein and made a part hereof for all purposes.

4.8 Entire Agreement. This agreement constitutes the sole and only agreement between the Parties and supersedes any prior understandings written or oral agreements between the Parties with respect to this subject matter.

(signature page to follow)

EXECUTED this 27 day of April, 2023.

Denton County Transportation Authority

By: 

Paul Cristina
Chief Executive Officer

1955 Lakeway Drive, Suite 260
Denton, Texas 75067
Phone: (972) 221-4600

Approved as to form:

By: 

Joseph J. Gorfida, Jr., General Counsel

EXECUTED this _____ day of _____, 2023.

City of Denton, Texas

By: _____

Sara Hensley
City Manager

215 East McKinney Street
Denton, Texas 76201
Phone: (940) 349-8200

ATTEST:

JESSE SALAZAR, INTERIM CITY SECRETARY

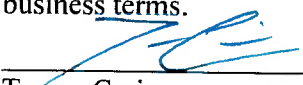
BY: _____

APPROVED AS TO LEGAL FORM:

MACK REINWAND, CITY ATTORNEY

BY: 

THIS AGREEMENT HAS BEEN BOTH
REVIEWED AND APPROVED AS TO
financial and operational obligations and
business terms.


Trevor Crain

Director of Capital Projects
Title

Capital Projects
Department

Date

3/29/23

EXHIBIT "A"
TRiP Policy

EXHIBIT "A"
Denton County Transportation Authority
Transportation Reinvestment Program (TRiP)
Board Approval 11/12/2020

I. POLICY STATEMENT

The Denton County Transportation Authority (OCTA) Transportation Reinvestment Program (TRiP) policy objective is to provide financial assistance to DCTA member cities for transit-supportive projects consistent with and beneficial to DCTA's Long-Range Service Plan goals. TRiP funding will be apportioned to DCTA member cities in proportion to each city's net half-cent sales and use tax collection for the previous fiscal year, as published by the Texas Comptroller's Allocation Payment Detail. Total program funding levels and allocation formula are detailed in Section III. DCTA will distribute funds to member cities for eligible projects consistent with DCTA's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code, and project selection criteria specified in Section V.

II. SCOPE

TRiP is a five-year policy, with its first funding cycle beginning in 2021. Each year, DCTA will establish TRiP funding levels following an audit of the previous fiscal year's net available balance and in accordance with the TRiP policy. DCTA will issue a call for projects in January of each calendar year. Continuation of the policy beyond the initial five years would require DCTA Board reapproval. In the event the Board does not re-approve subsequent years, the policy will expire after the five-years and any unobligated funds shall revert to DCTA cash reserves.

Funds will be available to OCTA member cities, including Denton, Highland Village and Lewisville. A municipality which becomes a participating member of DCTA, under the provisions of Section 460.302 Texas Transportation Code, will become an eligible recipient of DCTA TRiP funding in the next fiscal year following collection of a transit sales and use tax.

III. FUNDING

The annual TRiP budget will be equal to 15 percent of DCTA's net available fund balance from the previous fiscal year. In addition, DCTA will authorize a one-time program startup amount of \$2,000,000 to be transferred from the Capital/Infrastructure Reserve to a dedicated TRiP project line within the FY2021 budget. Annual program contributions may be amended as necessary through Board amendment of the TRiP policy.

Funding for each member city will be allocated based on the following formula:

$$= 95\% \times \text{Annual Program Budget} \left(\frac{\text{Individual member city sales tax collection prior FY}}{\text{Total all member cities sales tax collection prior FY}} \right)$$

Actual cost up to and not to exceed five percent of the annual program budget shall be set aside for DCTA program administration, including project selection, monitoring and financial reporting, and 95 percent split among member cities proportional to sales and use tax receipts, as estimated by OCTA financial staff, for the previous fiscal year. Prior to award of the TRiP projects, DCTA staff will present anticipated TRiP administrative costs for Board approval. Unspent administrative budget shall be returned to TRiP reserve balances.

Multiple municipalities may pool their allocated amounts to allow more flexibility in financing larger, mutually beneficial projects. Member cities could accrue allocated funds each fiscal year in order to fund a larger project. Funds remain with DCTA, designated to each member city, until dispersed to an approved project. Funds will remain with DCTA until reimbursements have been made to the member city for an approved project. Unobligated funds designated to each member city may rollover for up to three years.

IV. ELIGIBLE PROJECTS

To be eligible for TRiP funding, a project must be consistent with DCTA's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code, and project selection criteria specified in Section V. Projects funded through inter-local agreements must be authorized under and consistent with the provisions of Texas Local Government Code 791: Interlocal Cooperation Contracts.

A key provision of Chapter 460 regarding DCTA expenditures is that they be consistent with and beneficial to the locally adopted Long-Range Service Plan goals. Projects eligible for TRiP funding should demonstrate support of these formally adopted goals. Eligible projects are shown in Attachment A.

In addition to serving Long-Range Service Plan goals, projects eligible for TRiP funding should be clearly defined and financially sound. Well-defined capital/expansion projects will facilitate a reliable design-build cost estimate. Cost estimates for maintenance of assets should be based on recent similar maintenance projects or bids/solicitations where available. Planning and preliminary design costs may also be eligible for projects that support DCTA's long range goals.

Eligible project types may be amended as necessary through a DCTA Board amendment of the TRiP policy. Adoption of an updated DCTA Long-Range Service Plan update may trigger Board action if amendments to TRiP project criteria are needed to ensure consistency with updated Long-Range Service Plan goals.

V. PROJECT SELECTION

Eligible member cities must submit a written application for funding. The application shall include, at minimum: a project description, project limits and boundaries, proposed or engineering based capital cost estimates, requested funding amount, identification of additional funding sources (if applicable), proposed schedule for the project, and a description of how the project would support DCTA's Long-Range Service Plan goals. A sample project application is provided in Attachment A.

Applications will be submitted within 90 days of the DCTA Call for Projects. However, member cities may submit their applications sooner. DCTA staff will have 30 days to review the application to determine minimum project eligibility or request more information. Subsequent to completing the review, if no additional information was requested, the application will be placed on the agenda for the next regularly scheduled DCTA Board of Directors meeting for consideration. Following the review of each application, the DCTA Board will lead the approval and award process.

Should a member city have a project that timing would necessitate an application prior to the call for projects, a city may submit an application for pre-award authority. Any cost difference between the member city's allocated funding for that year and the project cost, may be reimbursed in subsequent years or borne by the member city.

DCTA staff will have 45 days to review the pre-award authority application to determine minimum project eligibility or request more information. Subsequent to completing the review, if no additional information was requested, the application will be placed on the agenda for the next regularly

scheduled DCTA Board of Directors meeting for consideration. Following the review of each application, the DCTA Board will lead the approval and award process.

At a minimum, projects must meet the following criteria to be eligible for DCTA funding:

- Project limits located primarily within the DCTA service area, the geographic boundaries of DCTA member cities, or within a quarter mile of any A-Train Station or DCTA fixed bus route.
 - o Projects that extend beyond this area should identify extra-territorial costs and alternate funding sources for the portion of costs not eligible for TRiP funding
- Clear and defensible nexus to DCTA Long-Range Service Plan goals
- Financially Sound
 - o Requested capital funding does not exceed the member city's TRiP allocation, or
 - o Funding sources have been identified for project costs exceeding the requested amount

In the event a member city submits multiple projects for consideration whose total costs exceed the member city's balance of available funds, additional project criteria may be considered to narrow the selection. These additional criteria may include percent cost sharing, ability to leverage additional federal funding, project timeframe, and demonstrated ability to meet multiple Long-Range Service Plan goals. Projects meeting minimum selection criteria may be deferred to a future year in the event of funding limitations.

VI. DISBURSEMENT

Based on the requested funding amount and as part of the Board approval packet, DCTA staff will recommend a schedule for TRiP funding disbursement which may be lump sum, quarterly, or annually.

Once approved by the DCTA Board, the approved funding becomes programmed to the project. That programmed amount is deducted from the available apportionment as an obligation. Funds will be allocated in accordance with the approved schedule, including lump-sum, quarterly or annually. In no case, will disbursements be made until the project eligibility requirements have been met and formal approval by the DCTA Board has been made. DCTA disbursement of payment to member cities for eligible project expenses will occur after an expense has been incurred as a reimbursement.

For capital assistance projects, member cities shall provide DCTA with a project status report and current financial records for each approved project. The status report shall be submitted on an annual basis (consistent with recommended disbursement schedule), and will include:

- Project identifier
- Approved project budget
- TRiP funds programmed for the project
- Expenses incurred
- Percentage completion

At project completion, in the event that final project accounting or audit reveals that TRiP funding was not expended in a manner consistent with program requirements, or that the final project cost was less than the approved TRiP funding, those unspent funds shall be returned to DCTA and remain available in the apportionment for reprogramming to the eligible city. Unspent dollars shall be available to the eligible city up to three years for reprogramming and will be in addition to, any future allotments.

DCTA does not assume or incur any liability, obligation or financial responsibility for a contract between an eligible city and a contractor, employee or agent for an approved project or any liability for a result, occurrence, injury or damages resulting from or caused, directly or indirectly, by an approved project.

VII. PERFORMANCE EVALUATION AND REPORTING

Eligible cities shall maintain accurate books and records of all approved projects. Cities will maintain separate records for each approved project including project budgets, budget amendments, revised budget balances, expenditures to date, change orders, cost to complete, and TRiP funding received to date. DCTA maintains the right to audit a city's books to ensure that TRiP funding is applied in accordance with the program criteria. Cities also maintain the right to audit DCTA's books to ensure that the funding allocations and disbursements are in accordance with these guidelines and other applicable laws.

In addition to financial records, member cities will provide to DCTA an annual status report for each funded project detailing the activities completed to date, schedule updates, and any foreseeable issues or challenges. Additional performance monitoring criteria may be established for larger disbursements or on-going programs funded through TRiP.

DCTA may reconfirm performance goals (established in coordination with the member cities) intended to demonstrate the project's ability to support Long-Range Service Plan goals. DCTA will report quarterly to the Board on the status of the TRiP fund, including amounts apportioned, amounts programmed, amounts disbursed to member cities, and the amount remaining for each city. Quarterly staff reports will also include a summary of significant milestones and performance goals.

VIII. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the project selection process shall refrain from personal business activity that could conflict with the proper execution and management of the TRiP of that could impair the ability to make impartial decisions. Employees and board members shall disclose any material interests potentially affected by any of the projects submitted.

Procedures when identifying a potential conflict of interest will comply with Chapter 171 of the Texas Local Government Code regarding conflicts of interest. If an officer or employee involved in the project selection process has a substantial interest in a business entity or in real property, that person must file an affidavit stating the nature and extent of the interest and abstain from further participation.¹

IX. SUBJECT TO AUDIT

DCTA shall establish a system of written internal controls which will be reviewed annually with the independent auditor of DCTA. The controls shall be designed to prevent loss of public funds due to error, misrepresentation, or oversight. A formal annual review of these internal controls as well as disbursements and receipts associated with the Transportation Reinvestment Program will be performed by an independent auditor. Results of the audit shall be reported to the Board.

¹ Legal exceptions and situations not requiring abstention should be reviewed and documented with DCTA counsel.

DENTON COUNTY TRANSPORTATION AUTHORITY
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

ATTACHMENT A – PROJECT APPLICATION

PROJECT NAME:

PROJECT SPONSOR:

☐

Denton

☐

Lewisville

☐

Highland
Village

PROJECT DESCRIPTION:

**GEOGRAPHIC
LIMITS/BOUNDARIES:**

REQUEST FOR CAPITAL

LEVEL OF DESIGN:

PROJECT COST:

FUNDING REQUEST:

**ESTIMATED PROJECT
COMPLETION DATE:**

ADDITIONAL INFORMATION:

DENTON COUNTY TRANSPORTATION AUTHORITY
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

IN THE SECTION BELOW, PLEASE INDICATE HOW THE PROPOSED PROJECT
SUPPORTS DCTA LONG-RANGE SERVICE PLAN GOALS

☐ Increase service efficiency and reliability

☐ Increase service effectiveness for DCTA
Customer

☐ Increase the visibility and elevate the image
of DCTA

☐ Expand DCTA services into areas where
Transit has a strong likelihood of success

☐ Coordinate with regional transportation
Providers

☐ Pair transit facilities to existing and planned
Transit-supportive development

☐ Advocate sustainable development practices
that support transit

☐ Strive for financial excellence by maintaining
fiscally sound and sustainable financial plans
and budgets that reflect community priorities
and values

DENTON COUNTY TRANSPORTATION AUTHORITY
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

THIS SECTION TO BE COMPLETED BY DCTA STAFF

Transportation Reinvestment Program Project Identifier: _____

☐ Meets minimum project eligibility requirements

☐ Meets project selection

Rank: _____

Initial Member City Transportation Reinvestment Program Balance: _____

Recommended Project FY _____ Programmed Amount: _____

Remaining Member City Balance: _____

Recommended Disbursement Schedule:

☐ Lump Sum

☐ Quarterly

☐ Monthly

☐ As defined through Inter-local Agreement

PLEASE ATTACH PROJECT COST BACKUP. ACCEPTABLE COST BACKUP FOR CAPITAL PROJECTS INCLUDES PROJECT DRAWSINGS, DESIGN SHEETS, COST WORKBOOK OR BID SHEET. FOR SERVICE REQUESTS, PLEASE INLCUDE A SUMMARY OF DISCUSSIONS WITH DCTA SERVICE PLANNING STAFF OR AN ESTIMATE FROM AN ALTERNATE TRANSPORTATION SERVICE PROVIDER.

ATTACHMENT A

Improvement Type	Restrictions
Transit Stop Amenities	Along existing or planned DCTA fixed routes
Sidewalks	Within one mile and/or along existing or planned DCTA fixed routes/demand response zones
Crosswalks/median Island	Within one mile and/or of planned DCTA fixed routes/demand response zones
Bike/Ped Trail Connections	Provides connection to existing or planned transit network
Bus Bulb Out/Turning Pocket	N/A
Transit Lane	N/A
Bike Lane (on-street)	N/A
Other Lane Reconfiguration	Must serve a transit-related purpose
Traffic Calming	N/A
Landscaping/Streetscaping	Along existing or planned DCTA fixed routes/on-demand response zones
Street Lighting/Other Public Safety Improvements	Along existing or planned DCTA fixed routes/on-demand response zones
Transit Signal Priority (TSP)	Along existing or planned DCTA fixed routes/on-demand response zones
Signal Timing	Along existing or planned DCTA fixed routes/on-demand response zones
Other Intersection Improvements	Along existing or planned DCTA fixed routes/on-demand response zones
Street Improvements	Along existing or planned DCTA fixed routes/on-demand response zones
Shared Parking, Kiss & Ride/Drop-Off Zones	Within 500 feet of DCTA stations or facilities
Transit Oriented Development	Planning and site development activities
Transit Adjacent Development	Planning and site development activities
Wayfinding/Placemaking Signage	N/A

Note: All improvements should be consistent with approved local and regional plans, including DCTA's Long-Range Service Plan

EXHIBIT "B"
Project Application

DENTON COUNTY TRANSPORTATION AUTHORITY
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

ATTACHMENT A – PROJECT APPLICATION

PROJECT NAME:

MAYHILL ROAD EXTENSION PHASE 2

PROJECT SPONSOR:



Denton



Lewisville



Highland
Village

PROJECT DESCRIPTION:

Widen existing 2 lane to a 4 lane divided roadway and add a Bridge over the DCTA rail from the newly constructed Mayhill Road limit (Phase1) to Colorado Blvd providing a new alignment of this section of Mayhill Road.

**GEOGRAPHIC
LIMITS/BOUNDARIES:**

From the existing Mayhill Road just north of Quailcreek to Colorado Blvd.

REQUEST FOR CAPITAL

LEVEL OF DESIGN:

90%

PROJECT COST:

\$ 23,600,000.00

FUNDING REQUEST:

\$ 592,500.00

**ESTIMATED PROJECT
COMPLETION DATE:**

Q3 2024

ADDITIONAL INFORMATION:

Project will include sidewalk & trail and will add a signal at the Colorado and Mayhill intersection.
Project is anticipated to advertise for bids in Q3 2022.

DENTON COUNTY TRANSPORTATION AUTHORITY
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

IN THE SECTION BELOW, PLEASE INDICATE HOW THE PROPOSED PROJECT
SUPPORTS DCTA LONG-RANGE SERVICE PLAN GOALS

☐ Increase service efficiency and reliability

DCTA specific goal, which the City of Denton supports, but is beyond the scope of this project application.

☒ Increase service effectiveness for DCTA Customer

Located east of the Medpark A-Train station, the Mayhill Road project will substantially increase sidewalk connectivity along Mayhill Road and Edwards Road.

☒ Increase the visibility and elevate the image of DCTA

Expanding access to the Medpark A-Train station increases potential for both rail and bus transit ridership, and use of the rail-trail.

☐ Expand DCTA services into areas where Transit has a strong likelihood of success

DCTA specific goal, which the City of Denton supports, but is beyond the scope of this project application.

☐ Coordinate with regional transportation Providers

DCTA specific goal, which the City of Denton supports, but is beyond the scope of this project application.

☒ Pair transit facilities to existing and planned Transit-supportive development

Expanding sidewalk connectivity east of the Medpark A-Train station provides increased opportunities to use transit.

☒ Advocate sustainable development practices that support transit

Expanded sidewalk connectivity makes transit access more convenient by walking or biking, and increases bus stop access.

☒ Strive for financial excellence by maintaining fiscally sound and sustainable financial plans and budgets that reflect community priorities and values

The City of Denton is rated AA+/A+ by Standard & Poor's & has earned all 5 Transparency Stars by the Texas Comptroller of Public Accounts. This Project is in the Capital Budget, with financial resources to ensure successful completion.

DENTON COUNTY TRANSPORTATION AUTHORITY
TRANSPORTATION REINVESTMENT PROGRAM (TRiP)

THIS SECTION TO BE COMPLETED BY DCTA STAFF

Transportation Reinvestment Program Project Identifier: _____

☐ Meets minimum project eligibility requirements

☐ Meets project selection

Rank: _____

Initial Member City Transportation Reinvestment Program Balance: _____

Recommended Project FY _____ Programmed Amount: _____

Remaining Member City Balance: _____

Recommended Disbursement Schedule:

☐ Lump Sum

☐ Quarterly

☐ Monthly

☐ As defined through Inter-local Agreement

PLEASE ATTACH PROJECT COST BACKUP. ACCEPTABLE COST BACKUP FOR CAPITAL PROJECTS INCLUDES PROJECT DRAWSINGS, DESIGN SHEETS, COST WORKBOOK OR BID SHEET. FOR SERVICE REQUESTS, PLEASE INLCUDE A SUMMARY OF DISCUSSIONS WITH DCTA SERVICE PLANNING STAFF OR AN ESTIMATE FROM AN ALTERNATE TRANSPORTATION SERVICE PROVIDER.