



MEETING AGENDA

DATE: Wednesday, October 26, 2022
TIME: 8:30 a.m.

Administration & Finance Committee, Operations & Capital Projects Committee (estimated at 9:30 a.m., although to be held immediately following the Administration & Finance Committee Meeting)

Rural and Small Cities Committee (No Meeting), and **Legislative Committee** (No Meeting)

LOCATION: Staples Street Center – 2ND Floor Boardroom (602 North Staples St., Corpus Christi, TX)

ADMINISTRATION & FINANCE COMMITTEE

GABI CANALES, Committee Chair

Lynn Allison Jeremy Coleman Erica Maymi Aaron Muñoz

	TOPIC	SPEAKER	EST.TIME	REFERENCE
1.	Roll Call	M. Montiel	2 min.	----
2.	Safety Briefing	J. Esparza	3 min.	----
3.	Receipt of Conflict of Interest Affidavits	G. Canales	2 min.	----
4.	Opportunity for Public Comment 3 min. limit – no discussion	G. Canales	3 min.	----
Public Comment may be provided in writing, limited to 1,000 characters, by using the Public Comment Form online at www.ccrta.org/news-opportunities/agenda or by regular mail or hand-delivery to the CCRTA at 602 N. Staples St., Corpus Christi, TX 78401, and MUST be submitted no later than 5 minutes after the start of a meeting in order to be provided for consideration and review at the meeting. All Public Comments submitted shall be placed into the record of the meeting.				
5.	Discussion and Possible Action to Approve the Administration & Finance Committee Meeting Minutes of July 27, 2022 (No August or September Meeting)	G. Canales	3 min.	Pages 1-3
6.	Discussion and Possible Action to Recommend the Board of Directors Approve the Fiscal 2023 Board & Committee Meetings Calendar	M. Rendón	3 min.	Page 4-5 Attachment A
7.	Discussion and Possible Action to Recommend the Board of Directors Approve the Proposed Investment Policy Changes	R. Saldaña	3 min.	Pages 6-23 Attachment A Attachment B
8.	Discussion and Possible Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to Industrial Networking Solutions for Bus Modem Cellular Routers	R. Saldaña	3 min.	Pages 24-25
9.	Committee Chair Report	G. Canales	3 min.	----
10.	Adjournment	G. Canales	1 min.	----

Total Estimated Time: 26 min.

OPERATIONS & CAPITAL PROJECTS COMMITTEE

ELOY SALAZAR, Committee Chair

Beatriz Charo Armando Gonzalez Anna Jimenez Matt Woolbright

	TOPIC	SPEAKER	EST.TIME	REFERENCE
1.	Roll Call	M. Montiel	2 min.	-----
2.	Safety Briefing	J. Esparza	3 min.	-----
3.	Receipt of Conflict of Interest Affidavits	E. Salazar	2 min.	-----
4.	Opportunity for Public Comment 3 min. limit – no discussion	E. Salazar	3 min.	-----
Public Comment may be provided in writing, limited to 1,000 characters, by using the Public Comment Form online at www.ccrta.org/news-opportunities/agenda or by regular mail or hand-delivery to the CCRTA at 602 N. Staples St., Corpus Christi, TX 78401, and MUST be submitted no later than 5 minutes after the start of a meeting in order to be provided for consideration and review at the meeting. All Public Comments submitted shall be placed into the record of the meeting.				
5.	Discussion and Possible Action to Approve the Operations & Capital Projects Committee Meeting Minutes September 28, 2022	E. Salazar	3 min.	Pages 1-3
6.	Discussion and Possible Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Enter into Three-Year Software Agreement with Remix Technologies, LLC	G. Robinson	3 min	Pages 4-5
7.	Committee Chair Report	E. Salazar	3 min.	-----
8.	Adjournment	E. Salazar	1 min.	-----

Total Estimated Time: 20 min.

RURAL AND SMALL CITIES COMMITTEE

LYNN ALLISON, Committee Chair

Gabi Canales Beatriz Charo Jeremy Coleman Armando Gonzalez

NO MEETING

LEGISLATIVE COMMITTEE

AARON MUNOZ, Committee Chair

Gabi Canales Anna Jimenez Dan Leyendecker Eloy Salazar

NO MEETING

On **Friday, October 21, 2022** this Notice was posted by **Marisa Montiel** at the CCRTA Staples Street Center, 602 N. Staples Street, Corpus Christi, Texas; and sent to the Nueces County and the San Patricio County Clerks for posting at their locations.

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

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

Mission Statement

The Regional Transportation Authority was created by the people to provide quality transportation in a responsible manner consistent with its financial resources and the

Vision Statement

Provide an integrated system of innovative accessible and efficient public transportation services that increase access to opportunities and contribute to a healthy environment for the



**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES
WEDNESDAY, July 27, 2022**

Summary of Actions

- 1. Roll Call**
- 2. Heard Safety Briefing**
- 3. Receipt of Conflict of Interest Affidavits – None Received**
- 4. Opportunity for Public Comment – No Public Comments**
- 5. Approved the Administration & Finance Committee Meeting Minutes of June 22, 2022**
- 6. Approved to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Approve the FY 2022 Operating and Capital Budget – Amendment #1**
- 7. Heard Committee Chair Report**
- 8. Adjournment**

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

Call to Order & Roll Call

Gabi Canales; Chair, called the meeting to order at 8:33 a.m. Marisa Montiel called roll and stated a quorum was present.

Board Members Present

Gabi Canales, Lynn Allison (Joined Virtually), Erica Maymi and Aaron Muñoz. Board Chair Dan Leyendecker joined virtually.

Board Members Absent

Jeremy Coleman

Staff Present

Jorge Cruz-Aedo, Derrick Majchszak, Sharon Montez, Rita Patrick, Mike Rendón, Robert Saldaña, Robert Martin and Marisa Montiel.

Public Present

Ben Schmidt, MV Transportation.



Safety Briefing

Mr. Mike Rendón gave the safety briefing to the audience and Board of Directors. He asked that in the event of an emergency, the audience exit the boardroom to his right and proceed towards the west stairwell to the first floor where they will exit through the west doors. Once outside, everyone will go to the clock tower adjacent to the transfer station and he will be the last out to make sure that everyone exits properly. He instructed to not use the elevator during an emergency and to not return until the all-clear is given. If a shelter-in-place is needed, this will be done in the westside stairwell.

Receipt of Conflict of Interest Affidavits

None received

Opportunity for Public Comment

None received

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

Discussion and Possible Action to Approve the Administration & Finance Committee Meeting Minutes of June 22, 2022

DIRECTOR AARON MUÑOZ MADE A MOTION RECOMMEND THE BOARD OF DIRECTORS APPROVE THE ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES OF JUNE 22, 2022. DIRECTOR ERICA MAYMI SECONDED THE MOTION. CANALES, ALLISON, MAYMI AND MUÑOZ VOTING IN FAVOR. ABSENT COLEMAN.

Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Approve the FY 2022 Operating and Capital Budget – Amendment #1

Mr. Robert Saldaña, Managing Director of Administration, presented the next item. He provided background on the item stating the FY 2022 Operating and Capital Budget was approved on November 3, 2021. The approved revenues totaled \$55,246,147. Total approved expenses were \$55,246,147. Staffs request is to amend the FY 2022 Operating and Capital Budget to include \$4,459,019 in supplemental appropriations allocated to support the transit industry during the COVID-19 public health emergency through the American Rescue plan. The American Rescue Plan grant award is in the amount of \$17,644,591. CCRTA has already drawn down \$5,605,366 to balance the 2022 operating and capital budget and \$7,580,206 is being allocated to cover the cost of the shelter and amenities program. The \$4,459,019 was initially intended to be used to balance FY 2023



operating and capital budget. Total revenues will increase by \$4,459,019 and the driving factor was due to the third round of COVID relief funds. Mr. Saldaña states this will enable CCRTA to take advantage of rising interest rates and invest the \$4,459,019 over the remainder of 2022. The proposed amended revenues are \$59,705,166. Committee Chair Canales asked where the \$4.5 million is currently sitting and Mr. Saldaña replied in a federal account not earning interest. Director Woolbright stated he was in support of the item with the restriction that it cannot be used this year for any other projects this year due to the budget shortfall projection for next year.

DIRECTOR LYNN ALLISON MADE A MOTION RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO APPROVE THE FY 2022 OPERATING AND CAPITAL BUDGET – AMENDMENT #1. DIRECTOR AARON MUÑOZ SECONDED THE MOTION. CANALES, ALLISON, MAYMI AND MUÑOZ VOTING IN FAVOR. ABSENT COLEMAN.

Heard Committee Chair Report

Committee Chair Canales welcomed new committee member, Erica Maymi, and thanked her for being at the meeting. She continues that the committee looks forward to meeting, spending time with her and working on the items together. Lastly, she asked for a copy of the Budget Presentation.

Adjournment

There being no further review of items, the meeting adjourned at 8:44 a.m.

Submitted by: Marisa Montiel



Administration & Finance Committee Meeting Memo

October 26, 2022

Subject: Adopt the Fiscal 2023 Board and Committee Meetings Calendar

Background

Each year, the Board adopts a meeting calendar for the upcoming year. The CCRTA monthly Board Meeting(s) are scheduled on the first (1ST) Wednesday of each month. The Administration & Finance Committee and Operations & Capital Projects Committee are held on the fourth (4TH) Wednesday each month, respectively. The Rural and Small Cities Committee and the Legislative Committee will meet quarterly, or as required.

Recommendation

Staff requests the Administration & Finance Committee to recommend the Board of Directors authorize the Chief Executive Officer (CEO) or his designee to Adopt the 2023 Board and Committee Meetings Calendar.

Respectfully Submitted,

Final Approval by: _____

Miguel Rendón
Acting Chief Executive Officer



2023 Meeting Calendar - CCRTA Board of Directors

JANUARY calendar grid with dates 1-31

January

4TH - BOARD Mtg. 8:30 a.m.
25TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

July

JULY calendar grid with dates 1-31

5TH - BOARD Mtg. 8:30 a.m.
26TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

FEBRUARY calendar grid with dates 1-28

February

1st - BOARD Mtg. 8:30 a.m.
22ND - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

August

AUGUST calendar grid with dates 1-31

2ND - BOARD Mtg. 8:30 a.m.
23RD - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

MARCH calendar grid with dates 1-31

March

1ST - BOARD Mtg. 8:30 a.m.
22ND - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

September

SEPTEMBER calendar grid with dates 1-30

6TH - BOARD Mtg. 8:30 a.m.
27TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

APRIL calendar grid with dates 1-30

April

5TH - BOARD Mtg. 8:30 a.m.
26TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

October

OCTOBER calendar grid with dates 1-31

4TH - BOARD Mtg. 8:30 a.m.
25TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

MAY calendar grid with dates 1-31

May

3RD - BOARD Mtg. 8:30 a.m.
24TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

November

NOVEMBER calendar grid with dates 1-30

1ST - BOARD Mtg. 8:30 a.m.
15TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

JUNE calendar grid with dates 1-30

June

7TH - BOARD Mtg. 8:30 a.m.
28TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance, 9:30 a.m. Ops.&Cap.Projects

December

DECEMBER calendar grid with dates 1-31

6TH - BOARD Mtg. 8:30 a.m.
No COMMITTEE Mtgs.

Legend: Meetings - BOD Meetings - COMM * # in red = CCRTA Holidays (Closed or Reduced Service)

*Meetings TBD for Rural and Small Cities Committee & Legislative Committee



Subject: Resolution Approving the Changes to the Investment Policy, the Designation of Investment Advisor and List of Approved Brokers/Dealers

Background

Statute - *The Texas Government Code Section 2256.005a* governs the investment of public funds in Texas and holds governmental units to strict compliance under the *Public Funds Investment Act (PFIA)* and federal, state, and local statutes, rules or regulations. PFIA has eight compliance components. CCRTA is in compliance with PFIA's specific requirements under each of the following components.

1. Investment Policies; Strategies; Investment Officer
2. External Policy Certification
3. Standard of Care
4. Investment Training
5. Authorized Investments
6. Internal Management Reports
7. Qualified Brokers
8. Definitions Authority Applicability

Investment Policy - PFIA requires a written investment policy that must be reviewed and adopted by the governing body annually. The Texas Legislature approves amendments to Chapter 2256 of the Government Code from time to time. These changes are communicated to the Board by the Authority's Investment Advisor, Meeder Public Funds the parent company of Patterson & Associates. The Investment Policy was first adopted on February 5, 2014 and has been either revised or re-certified over the years. The Investment Policy was last reviewed and approved by the Board on **December 1, 2021**.

Investment Advisor - In accordance with ***PFIA section 2256.003(b)*** CCRTA may contract with an investment management firm registered under the Investment Advisors Act of 1940 or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control.

Eligible Investments - As provided in the ***Public Funds Investment Act***, except those specifically not authorized in ***Texas Government Code (TGC) Section 2256.009(b)*** only those investments allowed by law may be made with all funds under the control of the Authority with the exception of pension and retirement funds which are specifically excluded by the act and referred to as public retirement funds.

Qualifications of Broker/Dealer – ***Public Funds Investment Act Section 2256.005e***, requires a review and designation of an authorized broker/dealer list at least annually. The Investment Advisor continually works with different brokerage firms to find the best value for the Authority which requires changes to be made to the list of authorized brokers. Broker/Dealer firms must have the following qualifications:

- Registered with the Financial Industry Regulatory Authority (FINRA) and provide the FINRA Reports for both the broker and the firm;
- Complies with the Municipal Securities Rulemaking Board (MSRB) rules and regulations;
- Acknowledgement of thorough review and understanding of the CCRTA's Investment Policy;
- Be examined by and/or subject to the rules and regulations of one or more of the following agencies:
 - Securities and Exchange Commission (SEC)
 - Federal Deposit Insurance Corporation (FDIC)
 - National Credit Union Share Insurance Fund (NCUSIF)
 - New York Stock Exchange (NYSE)
 - Federal Reserve System; or
 - The Comptroller of the Currency

Investment Definitions

- **US Treasury Obligations:** Treasury Notes and Bills with full faith and credit of the US Government meaning its taxing ability
- **US Agencies:** obligations of the US Government's agencies such as FNMA and FHLMC, these carry the implicit guarantee of the US Gov't
- **Money market mutual funds:** securities where funds are pooled for investment under a strict policy and the goal is to return \$1 for each \$1 invested with interest
- **Local pools:** operated like money market funds these are created under the Inter-Local Cooperation Act
- **Commercial paper:** short term debt of a corporation must be rated A1/P1 by two nationally recognized rating agencies
- **State and local debt:** debt issued by local or state governments rated A minimum
- **Bankers' Acceptances:** created on international trade, represents an obligation of two banks being used in the trade process
- **Repurchase Agreement (repo):** an investment of cash backed by collateral which CCRTA buys and the sells back after set time – a flex is a longer-term repo used strictly for CIP funds providing a set rate but total w/draw flexibility
- **Certificates of deposit:** time deposits placed in a bank in Texas, insured by FDIC or collateralized per CCRTA policy
- **Book value:** the value of a security in the portfolio representing purchase cost and any amortization or accretion as the security moves to maturity
- **Market value:** the value at which the security could be sold on a free and open market
- **Beginning and ending values:** the book and market values at the beginning and end of the reporting period
- **DVP:** process when buying a security – CCRTA never releases its money until the security is held by the custodian

Identified Need

The federal funds rate is now in a range of 3.0% to 3.25% after a third consecutive 75-basis-point hike and the fifth increase of 2022. Analysts are predicting additional interest rate increases this November that may continue until at least the middle of 2023 in an effort by the Federal Reserve to combat inflation by dipping the economy into a slow growth, stagflation or a recessionary environment. We must be prepared to lock in rates

when the Fed reverses course and begins to cut rates. Locking in rates at the extended recommended tenure will enable the portfolio to generate a favorable financial return.

For this reason, it is recommended that portfolio maturities and the weighted average maturity (WAM) be extended from 3 to 5 years to:

- Provide the portfolio with the **flexibility** to reposition in response to the average FED rate cycle which historically tends to be 3 to 5 years
- This flexibility would be in place to allow management to consider longer term investment opportunities based on the following conditions:
 - In times when market circumstances provide an excellent opportunity to lock in rates and;
 - The option to invest small amounts of funds is available and feasible and;
 - The internal cash flow statement will continue to focus on sufficient funds being available for operations from current inflows and liquidity investment income during the time the long-term funds are inaccessible for other uses.

Proposed Changes to the Investment Policy

- **Section 3. Policy Objectives**

The second to the last paragraph contain two changes. The first change pertains to the weighted average maturity limitation and now reads, “the weighted average maturity limitation of **two years** instead of **12 months**. The second change refers to the Treasury Bill as the comparable benchmark and now reads, “current **one-year** Treasury Bill will be used as a benchmark on the overall portfolio....” instead of **six-month** Treasury Bill.

- **Section 7. Authorized Investments**

First bullet point refers to obligations of the United States, its agencies, and instrumentalities now reads, “with a stated maturity not to exceed **five years**....” instead of **three years**. Second bullet point refers to direct obligations of the State of Texas or its agencies, and instrumentalities now reads, “with a stated maturity not to exceed **three years**” instead of **two years**. Third bullet refers to obligations of states, agencies, counties, cities, and other political subdivisions and now reads, “investment rating agencies not to exceed **five years** to maturity instead of **three years**.”

- **Designation of the Investment Advisor**

Because the investing environment is driven by complex regulatory and market forces that requires daily attention, CCRTA has continued to opt for a professionally managed investment portfolio through the services of an Investment Advisor. Meeder Public Funds, the parent company of Patterson & Associates, a SEC-registered Investment Advisor, is currently serving the Authority under a professional agreement which expires on December 31, 2022. Staff has retained Meeder Public Funds through December 31, 2023.

- **Approval of the list of broker/dealers**

- The list is being provided as an attachment in accordance to our transparency priority. The Meeder resources of financial entities includes **30 additions** and **two deletions**, bringing the total of firms to 41 from 14. The new listing provides a wider swatch of brokers which will bring value to our portfolio.

- One of the changes includes **Bank of Frost Capital Markets** which is being removed as a safety measure since Frost is currently serving as the Authority's official depository and provide safekeeping services for the securities.

Board Priority

This item corresponds with the Agency's Public Image and Transparency effort.

Financial Impact

The financial impact is favorable to the Authority due to the reconsiderations that will allow the portfolio to response to the anticipated Feds rate cutting strategy.

The financial projection assumptions used to estimate interest income revenue for 2023 were presented in early July 2022. For this reason, the projected interest income calculations were driven by investment maturities ranging from **three to twelve months**. Other contributing factors included maintaining the availability of adequate resources to fund capital intense projects with unknown timelines caused by supply chain concerns and unknown matching funding levels from grant applications at the time of the budget development process. A short-term investment was considered at the time more appropriate for meeting a particular amount of money at a certain time to fund operations and capital projects, under these circumstances.

This approach estimated interested income at **\$574,000**. However, with the ability to lock in investments in 2023 to longer maturities, the interest income is now estimated to generate an additional **\$463,823** bringing the total to **\$1,037,823**.

The 2023 fee-based arrangement with **Meeder Public Funds**, the parent company of Patterson & Associates, is set at **\$28,000** for the year **2023**, and represents 2.69% of the revised interest income estimate for 2023. The Asset-Based Equivalent Fee represents 0.05% of the investment assets of **\$56,000**. The **\$28,000** annual fee is budgeted in the Finance and Accounting.

Committee Review

Staff petitions the Administration & Finance Committee to recommend that the Board of Directors authorize the Acting Chief Executive Officer (CEO) or designee to sign a resolution approving the recommended changes to the Investment Policy.

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert Saldana
Managing Director of Administration

Final Approval by: _____
Miguel Rendón
Acting Chief Executive Officer

Approved Broker/Dealer List 6/30/2022



Academy Securities ²	MarketAxess Corporation
Amherst Pierpont Securities ¹	Mizuho Securities ¹
Bank of America/Merrill Lynch ¹	Moreton Capital Markets
BMO Capital Markets ¹	Morgan Stanley ¹
BNY Capital Markets	Multi-Bank Securities ²
BOK Financial	Oppenheimer
Brean Capital	Piper Sandler & Co
Cantor Fitzgerald & Co. ¹	Raymond James
CastleOak Securities ²	RBC Securities ¹
D.A. Davidson	Rice Financial
FHN Financial	Robert W. Baird
FNC	Siebert Williams Shank ²
Goldman Sachs & Co. ¹	Stephens Inc.
Great Pacific ²	Stifel Nicolaus
Hilltop Securities	StoneX Group Inc.
Huntington Bank	SunTrust Robinson Humphrey, Inc.
InspereX (formerly InCapital)	TD Securities ¹
Jefferies ¹	UBS Financial ¹
JPMorgan Securities ¹	UMB Financial Services
Keybank Capital Markets	Loop Capital Markets
Wells Fargo ¹	

Note: Direct issuers of CP and CDs are considered to be approved counterparties if approved as an issuer.

1 Primary Government Securities Dealer

2 Minority, Woman owned, or Service Disabled-Veteran owned Enterprise

Important Disclosures

This list is current as of the effective date only and is subject to change without notice. This list is for informational purposes only, and may not be relied upon for any other purpose. The list does not imply counterparty approval for derivatives of any type. This information is confidential and may not be distributed without prior written consent of Meeder Public Funds, Inc.

CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD POLICY

INVESTMENTS – 2022

POLICY STATEMENT

Section 1. Statement.

This Investment Policy is authorized by the Board of Directors of the Corpus Christi Regional Transportation Authority (the "CCRTA") in accordance with Chapter 2256 of the Texas Government Code: The Public Funds Investment Act (the "Act"). ***The management of its funds is designed to protect CCRTA assets as a primary public fiduciary duty.***

The investment of public funds is statutorily guided by the Public Funds Investment Act (Government Code, Ch. 2256) with protection of principal as its highest priority. Restriction to the highest credit quality is paramount and investments are restricted to the debt markets. Stocks (equities) are strictly prohibited by the Texas Constitution as it represents the lending of the public entity's credit.

Section 2. Scope of Policy.

This Investment Policy applies to investment transactions of the CCRTA operating and capital funds, including sales tax revenues. These funds are defined in the CCRTA's Comprehensive Annual Financial Report and include all governmental, proprietary, and bond funds and any other new funds created unless specifically exempted by the Board.

This Policy does not apply to the investment of assets accrued for the purpose of funding employee retirement benefits or programs, nor does it apply to trustee or escrow funds which are invested in accordance with their respective contracts or escrow agreements. ***These longer duration funds have a significantly longer maturity horizon and can accept additional risk.***

Section 3. Policy Objectives.

The CCRTA investment program shall be managed and invested with four primary objectives listed below, in priority order. Investments are to be chosen in a manner which promotes diversity among market sectors and maturities. The use of high-grade governmental securities and high credit quality money market securities is designed to assure the marketability of those securities should liquidity needs arise. Investment decisions shall not incur unreasonable investment risks in order to obtain investment results.

- (a) Preservation and Safety of Principal. Safety of principal is the foremost objective. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. Each investment transaction shall seek first to ensure that capital losses are avoided, whether resulting from security default or erosion of market value.
- (b) Liquidity. The investment portfolio will retain sufficient liquidity to enable the CCRTA to meet all operating requirements which can be reasonably anticipated. Cash flow analysis will be utilized to continuously monitor cash flow changes and guide investment decisions.
- (c) Diversification. The CCRTA will diversify its investments in an effort to avoid incurring unreasonable or avoidable risks regarding specific security types or individual financial institutions. Diversification will include diversification by maturity and market sector and will include the use of a number of institutions and brokers for diversification, competition, and market coverage. Diversification serves to reduce market and interest rate risk. Asset allocation shall reflect an emphasis on high credit quality governmental investments.

- (d) **Yield.** The investment portfolio shall be designed with the objective of attaining a reasonable market yield, taking into account risk constraints and cash flow needs of the portfolio. CCRTA will not make investments for the purpose of trading or speculation as its dominant criteria. However, CCRTA intends to pursue active portfolio management techniques while working within the guidelines of the Policy in order to enhance total returns.

In order to monitor portfolio performance and in keeping with the weighted average maturity limitation of **two years** based on historical cash flow analysis, the comparable period, **current one-year Treasury Bill** will be used as a benchmark on the overall portfolio **reflecting the CCRTA's ongoing need for liquidity**. The benchmark is designed to monitor risk as well as performance.

The CCRTA may commingle its funds into one pooled investment portfolio for purposes of efficiency and maximum investment opportunity.

PROCEDURES

Section 4. Investment Strategy.

The CCRTA may maintain one commingled portfolio for investment purposes which incorporates the specific investment strategy considerations based on the unique characteristics of the funds represented in the portfolio:

- (a) The investment strategy for operating funds has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. This may be accomplished by purchasing high quality, short- to medium-term maturity securities which will complement each other in a laddered maturity structure permitting some extension for yield enhancement.
- (b) The investment strategy for debt service funds shall have as its primary objective the assurance of available funds adequate to fund the debt service obligations on a timely basis. Successive debt service dates will be fully funded before extension.
- (c) The investment strategy for debt service reserve funds shall have as its primary objective the ability to generate a revenue stream to the debt service funds from high credit quality securities with a low degree of volatility. Securities should be high credit quality and, except as may be required by the bond ordinance specific to an individual issue, of short to intermediate-term maturities.
- (d) The investment strategy for capital projects or capital project funds will have as its primary objective assurance that anticipated cash flows are matched for adequate liquidity. The stated final maturity dates of securities held may not exceed the estimated project completion date.

The CCRTA shall pursue an active investment management strategy. The Investment Officer(s) will continuously monitor the contents of the portfolio, the available markets, and the relative value of competing instruments to adjust the portfolio in response to market conditions.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. CCRTA shall maintain a comprehensive cash management program which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

Section 5. Standard of Prudence.

Investments shall be made with judgment and care, under circumstances then prevailing, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

- (a) In determining whether the Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into considerations) The investment of all funds over which the Investment Officer had responsibility rather than a consideration as to the prudence of a single investment, and
- (b) Whether the investment decision was consistent with the written Investment Policy of the CCRTA.

Employees of the CCRTA and any investment advisor designated by the Board who are involved in investment decisions, when acting in accordance with this Policy and exercising due diligence, shall not be held personally liable for a specific credit risk or market price change, provided deviation from expectations is reported in a timely manner and appropriate action is taken to control adverse developments.

Section 6. Delegation of Authority and Responsibilities.

- (a) All participants in the investment process shall seek to act responsibly as custodians of the public trust. The overall program shall be designed and managed with a degree of professionalism which is worthy of the public trust. Regardless of delegation of investment duties, the Board retains the overall fiduciary responsibility for CCRTA public funds) **The Board of Directors**

The Board's responsibilities include:

- Establishment and annual adoption of the Investment Policy and Strategy;
- Designation of a banking services depository for the funds of the CCRTA;
- Approval of the list of broker/dealers for the purpose of selling investment transactions to the CCRTA;
- Approval of the selection of, if the Board so desires, an investment advisor for the purpose of managing CCRTA funds;
- Quarterly review of investment reports and performance;
- Designation of an employee(s) of the CCRTA to serve as Investment Officer(s) to be responsible for the investment of its funds consistent with the adopted Investment Policy. (Authority granted to a person to invest the CCRTA's funds is effective until rescinded by the CCRTA or until termination of the person's employment with the CCRTA.)

(b) Investment Officer(s)

The Director of Finance and the Managing Director of Administration acting on behalf of CCRTA are designated as the Investment Officers and are responsible for investment management decisions and activities. The Investment Officers' responsibilities include the following.

- The Investment Officers are responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management.
- The Investment Officers shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy.
- The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls and documentation to regulate the activities of subordinate officials and staff.
- The Investment Officers shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officers are not available.
- No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and established procedures.
- The Investment Officers shall be knowledgeable of laws concerning the investment of public funds, current investment practices and investment risks and opportunities as required by the Act (2256.008). The Investment Officer shall obtain ten (10) hours of training within twelve months of assuming the position and in each two-year period that begins on the first day of the CCRTA's fiscal year and consists of the two consecutive fiscal years after that. The training may be obtained from:
 - Government Finance Officers Association
 - Government Finance Officers Association of Texas
 - Government Treasurers Organization of Texas
 - Association of Public Treasurers of the US & Canada
 - Texas Municipal League
 - University of North Texas Center for Public Management
 - Patterson & Associates

If the Investment Officers desire to attend an investment-training seminar presented by another organization for training credit, such seminar must be approved by the Chief Executive Officer and the Managing Director of Administration.

- The Investment Officers shall be bonded employees.
- This Policy and its adopting resolution authorize the Investment Officers to engage in investment transactions on behalf of CCRTA. The persons so authorized are authorized to approve electronic transfers used in the process of investing.
- If the Investment Officers have a personal business relationship with a business organization offering to engage in an investment transaction with the CCRTA, that individual shall file a statement disclosing that personal business interest in accordance with the Act
- The Investment Officers shall develop and maintain a cash flow analysis to determine available balances and project cash flow needs for the prudent investment of CCRTA funds and the creation of adequate liquidity buffers.
- The Investment Officers shall maintain current and accurate documentation on all investment transactions and holdings.
- The Investment Officers shall ensure adequate security and independent safekeeping for all securities owned by or pledged to CCRTA.
- The Investment Officers shall ensure that all certification and other requirements placed on financial counter-parties are observed.
- The Investment Officers shall monitor the credit ratings of all investments requiring ratings no less than monthly. Ratings may be obtained from the rating agencies, Bloomberg, the Wall Street Journal or other recognized financial reporting entities. Should the investments lose the required ratings, the Investment Officers shall inform the CEO of the loss of the ratings and options for the liquidation of the investments consistent with this policy.

Rated investments include:

- Obligations of States (other than Texas) and their agencies and subdivisions; banker's acceptances, commercial paper, money market mutual funds and investment pools.
- The Investment Officers shall monitor the status and ownership of all banks issuing brokered CDs owned by the CCRTA based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officers shall immediately liquidate any brokered CD which places the CCRTA above the FDIC insurance level.

(a) **Section 7. Authorized Investments) List of Investments.** The investment types listed below, and as further defined by the Act, are authorized for the CCRTA. If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by CCRTA until this Policy has been amended and the amended version adopted by the Board.

- Obligations of the United States, its agencies, and instrumentalities with a stated maturity not to exceed **five years** and excluding mortgage backed securities.
- Direct obligations of the State of Texas or its agencies and instrumentalities with a stated maturity not to exceed **three** years.
- Obligations, the principal and interest of which are unconditionally guaranteed, insured, or backed by, the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities including the Federal Deposit Insurance Corporation and with a stated maturity not to exceed three years, and excluding mortgage backed securities.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any US state rated not less than A or its equivalent by at least **a nationally** recognized investment rating agencies not to exceed **five years** to maturity.
- Fully insured or collateralized depository certificates of deposit from any bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed two years to stated maturity, to include certificates of deposit purchased through the CDARS program with a Texas bank;
- FDIC insured brokered certificates of deposit securities from a bank in any US state, delivered versus payment to the CCRTA's safekeeping agent, not to exceed two years to maturity.
- Fully collateralized repurchase agreements and reverse repurchase agreements as defined by the Act, with defined termination dates, and placed through a primary government securities dealer with a stated maturity not to exceed six months. Flex repurchase agreements used for capital projects may extend beyond three years as determined by the bond expenditure plan.

- Bankers' acceptances as defined by the Act with a stated maturity not to exceed three months.
- Commercial paper rated A1/P1 or equivalent by at least two nationally recognized rating agencies with a stated maturity not to exceed **270** days.
- AAA-Rated, local government investment pools in Texas and striving to maintain a \$1 net asset value per share.
- AAA-Rated, SEC registered money market mutual funds striving to maintain a \$1 net asset value.
- Interest bearing accounts of banks in Texas with FDIC coverage or collateralized in accordance with this Policy.

(b) Competitive Bidding Requirement. All securities, including certificates of deposit, will be purchased or sold only after three (3) competitive offers/bids are taken to verify that CCRTA is receiving a fair market price. In the case of coordinated programs for the purchase of certificates of deposit bids (CDARS) from multiple brokers will not be required.

All bids/offers for investments may be solicited orally, but confirmed in writing (or electronically) with internal trade ticket documentation, written confirmation from the broker/dealer, and original safekeeping receipt from the custodian.

(c) Delivery versus Payment. All security transactions, including collateral for repurchase agreements, shall be conducted on a delivery versus payment (DVP) basis. The CCRTA's custodian shall release funds only after it has received the purchased security into safekeeping. The custodian must be independent from the broker/dealer. The DVP basis shall be contractually established.

To ensure delivery versus payment settlement no securities will be purchased through a subsidiary of CCRTA's banking services bank.

(d) Diversification. The CCRTA recognizes that investment risks can result from issuer defaults, market price changes, or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification. The **guidelines** for diversification on the total portfolio are determined at the time of purchase and are established as:

	<u>Max. % of Portfolio</u>
US Treasury Obligations	80%
US Agencies/Instrumentalities	80%
State Government Obligations	45%
Local Government Obligations	45%
Certificates of Deposit (Depository)	50%
Brokered Certificates of Deposit	30%
Repurchase Agreements	50%
Flex in CIP Funds	100%
Local Government Investment Pools	80%
Money Market Funds	100%
Limited to 80% in any one fund (Not to exceed 10% of the value of the fund)	
Commercial Paper	35%
Bankers Acceptances	20%

Section 8. Financial Counter-Parties.

(a) Designation of Depository

At least every five years a banking services depository shall be selected through a competitive process. In selecting a depository, the services, cost of services, credit worthiness, and collateralization by the institution shall be considered. Collateralization of time and demand deposits in the depository must be in accordance with this Policy.

Any banking institution in which CCRTA time and demand deposits are placed is a designated depository and funds must be insured or collateralized under a written depository agreement.

(b) Investment Management Firm

The CCRTA may contract with an SEC registered investment advisory firm for management of the portfolio.

Any new contracts with an investment advisory firm must be approved by resolution of the Board of Directors.

The investment advisor must be registered under the Investment Advisors Act of 1940.

The Investment Officer shall require that the investment advisor provide certain documents including:

- Audited financial statements or other acceptable evidence of financial stability
- SEC annual ADV certification and Central Depository Registration (CRD) number.

The investment advisor is responsible for making investments and carrying out its contractual duties in full compliance with this policy and the Public Funds Investment Act.

(c) Security Brokers/Dealers

Investments may be made with or through the following institutions:

- Federally insured banks
- Brokers or security dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York also known as "primary government securities dealers," or
- Secondary institutional brokers/dealers registered with the SEC and registered with Financial Industry Regulatory Authority (FINRA).

The Investment Officer(s) shall maintain a list of not less than three authorized broker/dealers to assure competitive bidding. The Investment Officer(s) shall require that all financial institutions and broker/dealers desiring to transact business with the CCRTA must supply certain documents including:

- Current year audited financial statements or other acceptable evidence of financial stability
- Financial Industry Regulatory Authority (FINRA) certification and the FINRA Central Depository Registration (CRD) number.
- Proof of Texas State Securities registration.

A list of authorized brokers/dealers will be prepared by the Investment Officer(s) and reviewed and adopted at least annually by the Board. **Each authorized broker/dealer will receive a copy of the current investment policy.**

(d) Policy Review Certification

CCRTA must provide a copy of its current Investment Policy to the investment management advisor and also to each pool in which the CCRTA participates in. The qualified representative of said business organization shall execute a written certification in a form acceptable to the CCRTA substantially to the effect that the business organization has:

- Received, and thoroughly reviewed this Policy and
- Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions that are not authorized by this Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entire portfolio or requires subjective investment standards.

The Investment Officer(s) may not acquire or otherwise obtain any investment from a person or firm who has not delivered this written certification.

Section 9. Collateralization and Safekeeping.

All CCRTA repurchase agreements will be fully collateralized and all time and demand deposits will be fully insured or collateralized. Collateral of 102 percent is required and must be kept safe by a CCRTA-approved independent third party.

Authorized collateral for repurchase agreements which is owned by the CCRTA includes only:

- A combination of cash and securities of the United States or its agencies and instrumentalities. The CCRTA does not accept letters of credit as collateral.

Authorized collateral for time and demand deposits which is pledged to the CCRTA includes only:

- Federal Deposit Insurance Corporation ("FDIC") insurance,
- Obligations of the United States or its agencies and instrumentalities, including mortgage backed securities which pass the bank test.
- Direct obligations of the State of Texas or its agencies, or
- Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or their respective agencies and instrumentalities.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated not less than A or its equivalent by at least two nationally recognized investment rating agencies.

The CCRTA reserves the right to refuse any collateral it deems inappropriate.

(a) Pledged Depository (Pledged) Collateral

Financial institutions serving as CCRTA depositories will be required to sign a depository agreement with the CCRTA and the independent safekeeping agent and in compliance with FIRREA¹. The agreement shall define the collateral and CCRTA rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, which includes:

- The Agreement shall be in writing;
- The Agreement shall be approved by the Board of Directors or the Loan Committee of the Depository and a copy of the meeting minutes or resolution reference must be delivered to the CCRTA; and
- No listing of pledged collateral shall be part of the agreement.

The following conditions must be met before time or demand deposits are made:

- Collateral must be held in an independent third-party bank outside the bank's holding company.
- Collateral will be maintained at 102% of principal plus accrued interest at all times, excluding amounts covered by FDIC insurance.
- The bank will be contractually liable for the continuous monitoring and maintaining of collateral and the required margin requirements.
- Pledged collateral will be evidenced by original safekeeping receipts and a monthly report sent directly to the CCRTA by the custodian including security description, par value, market value and CUSIP number.
- Substitution rights will be granted if the bank obtains prior approval from CCRTA and if substituting securities are received before previously pledged securities are removed from safekeeping.
- Collateral shall be reviewed on at least a monthly basis by the CCRTA's Investment Officer and may be audited by the CCRTA at any time during normal business hours of the safekeeping bank. A monthly listing of collateral from the pledgor shall include pledged securities itemized by: name, type and description of the security, safekeeping receipt number, par value, coupon, cusip number, market value, and maturity date.
- Collateral shall be audited at least annually by the CCRTA's independent external auditors.
- Substitution of collateral is authorized; however, the pledging institution must contact the Investment Officer for prior approval.

(b) Repurchase Agreements (Owned) Collateral

The CCRTA and any counter party to a repurchase transaction are required to execute the Bond Market Master Repurchase Agreement. An executed copy of this Agreement must be on file before any transaction is initiated. Collateral will be evidenced by safekeeping receipts clearly denoting ownership by the CCRTA. Collateral will

¹Financial Institutions Resource and Recovery Enforcement Act which governs the actions of the FDIC on default.

be maintained at 102% and held by an independent third party approved by CCRTA and delivered on a delivered-versus-payment (DVP) basis.

Section 10. Reporting.

The Investment Officer(s) shall prepare and submit at least quarterly, signed quarterly investment reports in compliance with the Act and Policy. The reports shall summarize investment strategies employed in the most recent quarter and fully describe investment, maturities, risk characteristics, and investment return for the quarter.

The reports shall include a succinct management summary of the current investment portfolio and changes made during the last quarter. This summary will be prepared in a manner to allow the reader to ascertain whether investment activities during the reporting period have conformed to the Investment policy and adequately maintained diversification and liquidity. The report will include the following:

- A detailed description of the investment position of the entity on the date of the report;
- A summary statement, for each pooled fund group that states the:
 - Beginning market value for the reporting period;
 - Ending market value for the period; and
 - Fully accrued interest for the reporting period;
- For each individual invested asset:
 - State the book value and market value at the end of the reporting period by the type of asset and fund type invested;
 - State the maturity date of each separately invested asset that has a maturity date;
 - State the account or fund or pooled group fund for which each individual investment was acquired (if more than one such account or fund exists).
- Dollar weighted average yield of the portfolio and its benchmarks,
- Earnings for the period (accrued plus net amortization),
- Analysis of the total portfolio by market sector and maturity, and
- Statement of compliance of the investment portfolio with the Act and the Investment Policy.

Market prices for the calculation of market value will be obtained from independent sources.

If the CCRTA invests in other than money market mutual funds or accounts offered by its depository bank in the form of certificates of deposits or money market accounts or similar accounts, the reports prepared by the Investment Officer(s) shall be formally reviewed at least annually by the independent auditor, and the results of the review shall be reported to the Board by the auditor.

Section 11. Annual Policy Adoption.

The CCRTA legal counsel shall review this policy annually to ensure it complies with the applicable laws. The Board shall review and adopt the Policy no less than annually and the adopting resolution shall reference any changes made.

Adopted – February 5, 2014

Approved by Resolution – February 1, 2017

Revised/Approved – October 4, 2017

Revised/Approved – December 5, 2018

Revised/Approved – November 6, 2019

Revised/Approved – November 4, 2020

Revised/Approved – December 1, 2021

**Corpus Christi Regional Transportation Authority Investment Policy
ATTACHMENT A**

Authorized Investment Advisor

Patterson & Associates
Austin, Texas

**Corpus Christi Regional Transportation Authority Investment Policy
ATTACHMENT B**

Authorized List of Brokers/Dealers (see attached)

Corpus Christi Regional Transportation Authority



Resolution

APPROVE A CHANGE TO THE INVESTMENT POLICY, DESIGNATION OF INVESTMENT ADVISOR AND LIST OF APPROVED BROKERS/DEALERS

WHEREAS, the Corpus Christi Regional Transportation Authority most recently adopted an Investment Policy on November 2, 2022 in accordance with Public Investment Act (Texas Government Code Chapter 2256) governs local government investment; and

WHEREAS, the Public Investment Act (Section 2256.005a), Texas Government Code Chapter 2256 requires the Board to adopt an Investment Policy, Investment Strategies, and Broker/Dealer List by rule, order, ordinance or resolution governing the investment of funds under its control;

WHEREAS, Texas Government Code §2256.025 requires a review and designation of an authorized broker/dealer list at least annually; and

WHEREAS, the Public Investment Act (Section 2256.005e), requires the resolution approving the Broker/Dealer List recording any changes made thereto; and

WHEREAS, the Authority has chosen to make certain changes material to the Policy to include the following:

- One-year Treasury Bill will be used as a benchmark instead of six-months
- The weighted average maturity limitation is now two years instead of 12 months
- Maturity not to exceed five years for authorized U.S. investments instead of 3 years
- Maturity not to exceed three years for state of Texas investments instead of 2 years
- Investment rating agencies not to exceed five years to maturity instead of 3 years
- Recording name changes of Broker/Dealers on the approved list

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

RESOLVED, that the Corpus Christi Regional Transportation Authority Investment Policy is reviewed and approved.

RESOLVED, that the designation of Patterson & Associates as the Investment Advisor under the Investment Policy is hereby ratified and confirmed.

RESOLVED, that the authorized broker/dealer list is hereby ratified and confirmed.

The foregoing Resolution was adopted by the Board of Directors of the Regional Transportation Authority at a duly held meeting on November 2, 2022.

DULY PASSED, APPROVED AND ADOPTED this 2 day of November, 2022.

ATTEST:

CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Lynn Allison, Board Secretary

Dan Leyendecker



Subject: Award a Contract to Industrial Networking Solutions for Bus Modem Cellular Routers

Background

The CCRTA's current Bus Modem Cellular Routers Digi, have been in place since 2015 and has reached its end of life support. Replacement of the Modem Cellular Routers is imperative to meet future network and security needs of the organization; particularly related to Wi-Fi speeds, wireless coverage and cloud services.

Identified Need

The CCRTA's MIS department has identified the need for new cloud access cellular modems to help meet the requirements of the Authority. The modems will be robust enough for current and future needs, and have the capability to support AT&T FIRSTNET wireless services. FIRSTNET is the only nationwide wireless broadband communications platform dedicated to America's first responders and public safety community.

Analysis

An Invitation for Bid (IFB) was issued on April 28th, and proposals were due September 22. Eight proposals were received and two of them were deemed not responsive. Key factors of the overall winning bid are cost and response to the IFB.

The results of the IFB are listed below:

Bidder	Total Cost*
Industrial Networking Solutions	\$114,225
Ensemble Solutions Group	\$127,575
Insight	\$132,561
NETSYNC	\$139,277.25
Computer Solutions	\$141,750
Avail Technologies, Inc.	\$181,350

*Total Cost for 75 Bus Modem Cellular Routers and Bus Antennas

Financial Impact

The Bus Modem Cellular Routers are budgeted under the 2021 CIP at an estimated total cost of \$114,225. The 2021 CIP project will be funded by a 5307 grant at an 80/20 split. The CIP project was budgeted with estimated amount of \$134,420.

Board Priority

The Board Priority is Innovation.

Recommendation

Staff request that the Administration & Finance Committee recommend the Board of Directors authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to Industrial Networking Solutions for Bus Modem Cellular Routers.

Respectfully Submitted,

Submitted by: David Chapa
Director of IT

Final Review by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Miguel Rendón
Acting Chief Executive Officer



**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
OPERATIONS & CAPITAL PROJECTS COMMITTEE MEETING MINUTES
WEDNESDAY, September 28, 2022**

Summary of Actions

- 1. Roll Call**
- 2. Heard Safety Briefing**
- 3. Receipt of Conflict of Interest Affidavits – None Received**
- 4. Provided Opportunity for Public Comment – None Received**
- 5. Approved the Operations & Capital Projects Committee Meeting Minutes of July 27, 2022**
- 6. Recommended the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Approve the Fiscal Year 2023 Holidays and Service Levels**
- 7. Recommended the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to Nash Entities, LLC, for a Three-Year Contract for Power Washing Services at the Transfer Stations**
- 8. Heard Committee Chair Report**
- 9. Adjournment**

The Corpus Christi Regional Transportation Authority Board of Directors met at 8:45 a.m. in the Corpus Christi Regional Transportation Authority Staples Street Center facility located at 602 N. Staples Street, 2nd Floor Board Room Corpus Christi, Texas.

Call to Order & Roll Call

Eloy Salazar, Committee Chair, called the meeting to order at 8:35 a.m. Ms. Marisa Montiel called roll and stated a quorum was present.

Board Members Present

Eloy Salazar, Beatriz Charo, Anna Jimenez and Matt Woolbright.

Board Members Absent

Armando Gonzalez

Staff Present

David Chapa, John Esparza, Angelina Gaitan, Derrick Majchszak, Sharon Montez, Rita Patrick, Mike Rendón, Robert Saldaña and Marisa Montiel.

Public Present

Ben Schmidt, MV Transportation.



Safety Briefing

Mr. John Esparza, Safety and Security Administrator, presented the safety briefing to the Board and audience. He asked that in the event of an emergency the audience exit the boardroom to his right and proceed to the first floor where they will exit through the west doors. Once outside, report to the clock tower adjacent to the transfer station. Ms. Montiel would account for all of the board members and Mr. Esparza would be the last to be out to make sure that everyone exits properly. He asked to please not use the elevator during an emergency and do not return until the all-clear is given. If a shelter in place is needed, everyone will do so in the west stairwell.

Receive Conflict of Interest Affidavits

None Received

Opportunity for Public Comment

None Received

Discussion and Possible Action to Approve the Operations & Capital Projects Committee Meeting Minutes of July 27, 2022

DIRECTOR MATT WOOLBRIGHT, MADE A MOTION TO APPROVE THE OPERATIONS & CAPITAL PROJECTS COMMITTEE MEETING MINUTES OF JULY 27, 2022. DIRECTOR BEATRIZ CHARO SECONDED THE MOTION. SALAZAR, CHARO, JIMENEZ AND WOOLBRIGHT VOTING IN FAVOR. ABSENT GONZALEZ.

Discussion and Possible Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Approve the Fiscal Year 2023 Holidays and Service Levels

Mr. Derrick Majchszak gave the item presentation and stated the Board Priority is public image and transparency. For the background, each year, service standards require Board approval of holidays and service levels on or near holiday dates. He continues, for FY 2023, proposed holidays and service levels determined by executive management, historic ridership data and public input. The proposed FY 2023 holidays and service level calendar was presented and noted that it includes the day after Thanksgiving. This calendar guides decisions for leave requests and for maintaining appropriate staffing levels near or on holidays. Also, it is utilized for public notifications regarding holidays and service levels. He closed with noting that the costs associated with the FY 2023 Holidays and Service Levels are included in the 2023 Operating Budget.

DIRECTOR MATT WOOLBRIGHT, MADE A MOTION TO RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO APPROVE THE FISCAL YEAR 2023 HOLIDAYS AND SERVICE LEVELS. DIRECTOR BEATRIZ CHARO SECONDED THE MOTION. SALAZAR, CHARO, JIMENEZ AND WOOLBRIGHT VOTING IN FAVOR. ABSENT GONZALEZ.



Discussion and Possible Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to Nash Entities, LLC, for a Three-Year Contract for Power Washing Services at the Transfer Stations

Ms. Sharon Montez gave the item presentation and stated the Board Priority is facilities, safety and public image. For the background, she noted this is an existing contract. Nash Entities currently provides power washing services for the stations, twice a week, at \$151,800. The current contract expires November 28th of this year and she noted the benefits of the power washing. Also, Nash Entities was the lowest responsive bidder. The IFB was issued and five proposals were received, two were non-responsive. She displayed the comparison of the bids. Ms. Montez named past and current clients and noted they have been in business for 19 years. The DBE goal is 0%. The three-year contract total is \$343,200 and funding will be provided through local operating funds. She introduced Mr. Robert Nash, owner of Nash Entities, and thanked him for being present. Committee Chair thanked the team for getting several proposals and being proactive.

VICE CHAIR ANNA JIMENEZ, MADE A MOTION TO RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO AWARD A CONTRACT TO NASH ENTITIES, LLC, FOR A THREE-YEAR CONTRACT FOR POWER WASHING SERVICES AT THE TRANSFER STATIONS. DIRECTOR MATT WOOLBRIGHT SECONDED THE MOTION. SALAZAR, CHARO, JIMENEZ AND WOOLBRIGHT VOTING IN FAVOR. ABSENT GONZALEZ.

Heard Committee Chair Report

Mr. Eloy Salazar noted that an item will be going back to the full Board in regards to diesel fuel supply and Mr. Majchszak gave a brief update and noted this will be going to the next board meeting. With there not being any further comments and Chair Salazar adjourned the meeting.

Adjournment

Adjourned at 8:49 a.m.

Submitted by: Marisa Montiel



Subject: Enter into a Three-Year Software Agreement with Remix Technologies, LLC

Background

The Corpus Christi Regional Transportation Authority (CCRTA) has utilized the Remix software since 2016 to support service improvements and Title VI Fare and Service Equity Analysis efforts. The software provides transit professionals with easy-to-use visual mapping and presentation tools to sketch, analyze, and design transit service scenarios, and build consensus across stakeholders. Over 350 governments around the world leverage Remix’s software to build more livable communities. The Remix transit planning platform is available for an unlimited number of users and includes:

- Fast and accurate sketch planning using existing stop infrastructure
- Instant demographic impact analysis
- Instant cost estimates
- Unlimited exports (Microsoft Excel, GIS shapefile, KML, frequency-based GTFS, high-resolution image)
- Unlimited custom data layers (polygon-based shapefiles)
- Unlimited GTFS uploads
- Public engagement and share features
- Travel-time isochrone visualizations
- Title VI Engine (US) - generate a service equity analysis in less than 10 minutes
- Timetables – generate and customize timepoints and segment-level runtimes
- Export timetables into excel
- Consistent and regular product improvements / feature launches
- Software as a Service (SaaS): fully hosted, cloud-based web platform

Since 2016, the CCRTA has executed a year-to-year agreement term. Annual costs for each year is listed below.

Year	Year-to-Year Cost	% Change
2016	\$28,050 plus one time set up fee of \$5,000 = \$33,050	-
2017	\$28,050	-
2018	\$30,000	7%
2019	\$31,000	3%
2020	\$31,000	-
2021	\$31,000	-
2022	\$32,000	3%

Identified Need

The current agreement expires December 31, 2022. Therefore, a new agreement is required for the software renewal. This purchase is a sole source because Remix Technologies, LLC is the manufacturer and sole provider of the Remix software platform

and the only source for setup and customization, updates, training, and customer support services for Remix software.

The proposed year-to-year pricing in 2023 is \$39,000 or a 22% increase over the 2022 annual cost. Due to this high increase in costs for the year-to-year agreement option, a proposed three-year agreement option is recommended for the January 1, 2023 through December 31, 2025 period for a total cost of \$114,000. Over this three-year period, the cost difference is a \$15,090 reduction but could be a greater reduction as compared to the year-to-year option. For example, if other variable costs occur within the year-to-year option, which may include the inflation and innovation index, additional services, and fleet size increases, then the annual cost may increase. In comparison, other variable costs do not impact the three-year agreement period as it is a firm not to exceed amount.

Year-to-Year Agreement Option	Cost	Three-Year Agreement Option	Cost
Year 2023	\$39,000	Year 2023	\$34,500
Year 2024	\$42,900 *	Year 2024	\$38,000
Year 2025	\$47,190 *	Year 2025	\$41,500
Total	\$129,090 *	Total	\$114,000

* Cost includes 10% increase per year.

Disadvantaged Business Enterprise

For this procurement, the DBE goal is zero percent (0%) as local funds are being utilized.

Financial Impact

For the proposed three-year agreement option, January 1, 2023 through December 31, 2025, the proposed total cost of the software is \$114,000.00. Year 2023 is budgeted in the proposed fiscal year 2023 operating budget. Costs for the 2024 and 2025 years will be budgeted in each respective year.

Board Priority

The Board Priority is Innovation.

Recommendation

Staff requests the Operations & Capital Projects Committee to recommend the Board of Directors authorize the Chief Executive Officer (CEO) or designee to enter into a three-year software agreement with Remix Technologies, LLC. not to exceed \$114,000.

Respectfully Submitted,

Submitted by: Gordon Robinson
Director of Planning

Reviewed by: Derrick Majchszak
Managing Director of Operations

Final Approval by: 
Miguel Rendón
Acting Chief Executive Officer