

**FORT BEND COUNTY
PUBLIC TRANSPORTATION DEPARTMENT**

PAULETTE SHELTON, CCTM
Director

September 24, 2012

Mr. Kari Hackett
Houston Gavleston Area Council
Via Electronic Mail

RE: 2012 JARC Call for Projects

Mr. Gleason,

Fort Bend County is pleased to submit the attached response to the call for projects for the Job Access Reverse Commute Program. Please know that we appreciate the efforts of HGAC and Metro to provide funding for these much needed services in our region.

With this application, Fort Bend County is requesting continuation funding for its W.H.E.E.L.S. program. As you know, changes in federal statute resulting from the passage of MAP21 have placed continuance of transportation programs operated by smaller systems in this region in jeopardy. Funding of this application will assist us in mitigating the impacts of all these processes.

Should you have any questions about our application or need further information, please contact me at 281-243-6701. We look forward to working with you on this much needed project.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paulette Shelton", is written over a horizontal line.

Paulette Shelton
Director

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For the Ongoing Call for Projects for
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Instructions: Please click on each shaded area to enter your application information. As you type in each field, the field will expand. Enter information in the shaded fields only.

PART I- APPLICANT INFORMATION

Applicant

Legal Name:
Fort Bend County

Otherwise Known As:
Not Applicable

Federal Identification Number:
1746001969231

Primary Contact Person:
Paulette Shelton

Title:
Director

Department:
Public Transportation

Organization:

Telephone Number:
281-243-6701

Fax No.:
281-243-6715

Email Address:
Shelton.p@co.fort-bend.tx.us

Secondary Contact Person (optional):
Tennille Jones

Title:
Assistant Director

Department:
Public Transportation
Organization:

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Telephone Number:
281-243-6703

Fax No.:
281-243-6715

Email Address:
Tennille.jones@co.fort-bend.tx.us

Main Office

Address:
12250 Emily Court

City/ State/ Zip
Sugar Land, TX 77478

Agency Type

Please identify your agency as the following:

- ☒ State or local governmental entity/authority
- ☐ Operator of public transportation services (privately owned)
- ☒ Operator of public transportation services (publicly owned)
- ☐ Private, non-profit organization (Please attach appropriate documentation certifying non-profit status to this application.)

Agency Profile

Please provide key descriptive information about your agency:

Years in business
The Fort Bend County Public Transportation Department has been
in business for 7 years. _____

Annual budget
Transportation Program - \$5,000,000 _____

Number of employees
13 full time Employees and 3 part time employees. _____

Years of transit experience
Fort Bend County Transportation Department has been in existence
for 7 years. Staff employed in the program have combined years of _____

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cumulative transit experience exceeding 30 years.

Fleet size

37 vehicles used in peak hours

Grantee Status

Is your agency an existing Federal or State grantee?

☐ No

☒ Yes

If yes, please mark all that apply:

☐ Section 5307 (Federal Designated Recipient)

☒ Section 5307 (Federal Grantee)

☒ Section 5310 (State Grantee)

☒ Section 5311 (State Grantee)

☒ Other: TCEQ, CMAQ

Contract Authority

List the name(s) and title(s) of persons authorized to enter into contracts and agreements with METRO.

Name:

Robert Hebert

Title:

County Judge

Name:

Title:

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Project Partners

Organization #1:

Contact Name:

Address:

City/ State/ Zip

Phone Number:

Fax No.:

Email Address:

Organization #2:

Contact Name:

Address:

City/ State/ Zip

Phone Number:

Fax No.:

Email Address:

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PART II – PROJECT INFORMATION

Project Title/Name (Limit: 2 lines)

Continuation of the W.H.E.E.L.S - Work, Health, Education, Employer-Linked Systems- JARC Urban Program

Brief Description (Limit: one-half Page)

Fort Bend County is requesting continuation funding for its WHEELS program. This program was established in 2009 through a Job Access; Reverse Commute (JARC) grant that provided funding to procure vehicles and funding to support operating expenses. Based on a coordinated effort among educational institutions, the unemployed, students, companies, and the Fort Bend County Public Transportation Department, the W.H.E.E.L.S project provides three routes in urban sectors of the County where low income populations have been identified. These transportation routes provide direct access to job sites, education, job training locales and other destinations within Fort Bend County's urbanized area. Routes either originate in low income areas or have stops within these areas. In addition to small professional service businesses, major employment and/or vocational sites along the routes include the University of Houston-Sugarland, Wharton County Junior College, Houston Community College- Stafford, Kroger, Home Depot, Lowes, First Colony Mall and small retail businesses and/or restaurants. Service is operated as "point deviation" routes with timed stops scheduled to allow deviation for passenger pick up and drop off between the timed stops. Since its inception, the routes have provided over 9,066 trips.

The continuation application includes funding to replace the three vehicles initially purchased for the program as well as funding to support operating expenses. Vehicle replacements are being requested by FY14, as the 2010 year model vehicles used to provide the service today, will be ready for replacement. Fort Bend County does not directly provide the bus service. All bus services are contracted to the private sector. Fort Bend County's current contractor is First Transit, an international provider of transportation services. As the services are contracted, federal regulations allow a portion of the "purchase of service" expenses to be reimbursed as a capital expense (with 80% reimbursement). The budget reflects this allowance.

Program Type

Under what program are you applying for funds?

Job Access/Section 5316

Amount:

☒ Reverse Commute/Section 5316

Amount: \$ 443,861 (Federal Share)

☐ New Freedom/Section 5317

Amount: \$

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Project Type

Please mark all that apply:

- ☒ Capital - Purchase of Service and 3 replacement vehicles
- ☒ Operating – Purchase of Service, Fuel
- ☐ Mobility Management/ Coordinated Planning
- ☐ Planning (JARC only)
- ☐ Program Administration

Matching Funds

Please indicate the source and the amount of local funds your agency has secured toward the local match requirement:

Source: Fort Bend County General Revenue Funds

Amount: \$ **\$133,714**

Source: Transportation Development Credits

Amount: \$ **60,000.00**

Source:

Amount: \$

Project Timeline

Start Date: 10-1-13. (Continuation Project- current project funding estimated to be exhausted by 9-30-13.)

End Date: 9-30-14

Service Area

Fort Bend County

Congressional District(s) (by number):

9, 14 & 22

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Briefly describe the service area:

Currently the three JARC routes traverse through the following areas:

Route One – Arcola/ Fresno/Missouri City Sector

Service originates in the urban area of Arcola with timed connections to Fort Bend County's TREK Express Commuter Services Park and Ride lot (located at the AMC Theatre in Sugar Land). That timed connection also allows for transfer to other JARC routes. After making these timed connections, the route deviates, based on demand to connect with Fort Bend County's existing demand response system into other regions of the county.

Route Two –Richmond/Rosenberg Sector

Service originates in Rosenberg with destination to a transfer location near the intersection of Highway 762 and Highway 59 in Rosenberg. Passengers wishing to access commuter services into Houston can transfer to the proposed feeder route which will take them to the TREK express services leaving from the University of Houston Park and Ride lot in Sugar Land. The route will then deviate for trips within the sector.

Route Three – North Hwy 6/Four-Corners Sector

Service originates in the north Hwy 6, Four-Corners area with timed connections to existing commuter services and other JARC routes. The route then deviates for trips within that sector.

All three JARC routes will be operated as Point Deviation service with regular scheduled stops at or near common work locations in the urban area served. The schedule will allow for passenger scheduled JARC related point-to-point trips.

City or Cities Served:

Arcola, Rosenberg, Richmond, Sugar Land, Fresno, Missouri City, Stafford, Unincorporated Highway 6 (Four Corners)

Geographic Area Served by the project (neighborhoods, census tracts, etc.):

Reference Fort Bend County cities listed above

Population Characteristics

(Note: NOT applicable for Reverse Commute projects only)

<i>Service Area Estimate for:</i>	Number	Percent of Population
Welfare Recipients (JARC only)		
Low-income Persons (JARC only)		
Persons with Disabilities (NF only)		

Note: Census information may be obtained at <http://factfinder.census.gov/home/saff/main.html>

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Describe and attach support material for the above estimate of target market(s):

Describe and attach surveys, needs assessment(s), letters, etc. that document development of project need:

Proposed Service is:

- ☐ New
☐ Expansion
☒ Continuation

PART III – PROJECT BUDGET NOTES

Budget Worksheet

An Excel File template has been developed to use for the project budget. You should enter your project budget into that file, **save the file with your project name**, and submit it along with the completed application form.

Financial Statements

Applicants should attach audited financial statements for the two (2) most recent fiscal years including the audit firm's certification and management letter with response (as applicable). *Please note that this is an application requirement.*

Letters of Commitment from Stakeholders

Please attach all letters of commitment for match and project support.

PART IV – CONSISTENCY WITH SELECTION CRITERIA

In addition to the project description required in the previous section, answers to the following questions will be used to evaluate proposals. All questions must be answered or noted as "Not Applicable." You may attach pages if necessary, not to exceed three (3) additional pages.

Section 1 – Project Benefits

1. In detail, describe how the project will complement or expand existing services by your organization or organizations.

Fort Bend County is requesting continuation of our current JARC project known as the W.H.E.E.L.S project. The project, when implemented, added an additional service mode in Fort Bend County as well as additional service hours and the vehicles necessary to provide the service additions. Prior to its implementation, Fort Bend County operated demand response and

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commuter services. The W.H.E.E.L.S project expanded service modes with the addition of 3 point deviation routes. Community partners had identified a need for scheduled service with flexibility for passenger pick up or drop off included. County demand response services were denying trips within peak hours due to capacity constraints. The additional service hours provided with the JARC funding helped to reduce the number of denials.

When originally envisioned in 2009, funding for the project's continuation after the JARC funding period ended was projected to be available from the Federal Transit Administrations Urbanized Area Formula Program (Section 5307). The Section 5307 funding provides the majority of the federal funding utilized by Fort Bend County to support transportation services. In July 2012, Congress passed new transportation legislation entitled Moving Ahead for Progress in the 21st Century (MAP21). MAP21 contained a new funding provision limiting the amount of funds that can be used for operating expenses in urbanized areas. This unexpected provision will have a severe impact on existing services already funded from the Section 5307 program and until resolved, will limit our ability to roll specialized programs into our primary funding streams for transportation services.

As currently authorized, MAP 21 is limited to two years (FY2013 and FY2014). As such, Fort Bend County has been developing a multifaceted approach to mitigate these issues during this two year period, with the overall goal of successfully completing a Federal legislative process aimed at removing the operating expense cap. Mitigation activities include the following:

1. As unlimited operating expenses are allowed under urbanized area grant funding prior to FY2013:
 - a. Re-program remaining balances in open grants to the operating budget.
 - b. For pending or new grant applications, revise the budget request to maximize the amount of funding programmed to the operating expense budget.
2. As Map 21 has no cap on capital and planning expenses re-program capital and planning expenses to MAP 21 requests.
3. As operating expenses are allowed under the JARC and New Freedom Programs, request extension funding from these programs to delay rollover in to the urban and rural programs.
4. Identify and seek other local funding sources to allow reprogramming of existing local funds.
5. Research, identify, and pursue local and State legislative options and processes for mitigation and continuation issues.

Upon approval of this continuation funding application, Fort Bend County can reduce the amount of funding needed from the Section 5307 funding stream relative to the amount awarded allowing a lower operating expense counted under the MAP21 operating cap. Continuation of the project will compliment the efforts needed to insure continuation of this project and all other transportation services operated by Fort Bend County due to the threat of their continuation

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evident in the MAP21 legislation.

2. Describe how the target community will benefit from this project.

The target population for the W.H.E.E.L.S program has benefited by improved access to jobs and job centers in both Fort Bend County and the Houston area. Since its inception FBCPTD has provided 9,066 rides. Our riders benefit greatly as that our services provide predictable schedules and eliminate transportation barriers for job seekers who are seeking to acquire employment and retain employment without having a vehicle or without having the budget to support operating a vehicle.

3. Describe how the project will improve accessibility for the low income, reverse commuters or disabled persons.

4.

The W.H.E.E.L.S program provides 3 routes in the urban sectors of the County where low income populations have been identified. The W.H.E.E.L.S project links areas occupied by low income residents, with high growth areas, areas with employers and areas with schools and colleges. This project has linked workers with the workforce system, enabling these target groups can take advantage of workforce development services such as job training offered by community colleges, vocational schools or employers; support services such as child care, utility assistance or other support needs; and job placement/ job advocacy services.

5. If New Freedom funding is requested, describe how the project provides new services beyond those mandated by the Americans with Disabilities Act (ADA).
Not Applicable

Section 2 – Goals and Objectives

1. Is this project included in the 2011 Updated Coordination Plan?

☒ Yes

Page Number in Plan where project is listed:

The project can be found on pages 45 thru 47; page 66 and page 80.

Identify the project included in the Plan:

W.H.E.E.L.S project is identified in the plan- reference page number 47 of the plan.

If not, is the project eligible for inclusion in the Plan by meeting a need identified in the Plan?

☐ Yes

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Page Number in Plan where need is identified:

Describe how the proposed project will address the identified need:
Reference the project description section of this application.

2. Does this project support the goals of the Job Access/ Reverse Commute or the New Freedom programs, as summarized below:

The purpose of the **JARC program** is to provide access to jobs and training opportunities for low-income individuals and to improve access to suburban employment centers (regardless of income).

The **New Freedom program** provides new and improved transportation services for disabled persons, beyond the requirements of the Americans with Disabilities Act (ADA).

☒ Yes

Explain how this project meets the JARC or New Freedom program goals:

The W.H.E.E.L.S program supports the concept of providing access to jobs and training opportunities for low income individuals thus fitting within the JARC program guidelines. The W.H.E.E.L.S program provides 3 routes servicing persons who reside in low income communities within Fort Bend County, it provides transportation to and from jobs and activities related to employment, and this is considered the "job access" portion of JARC. The service also takes individuals from urbanized areas to non-urbanized (rural) areas where suburban employers are located, and this accounts for the "reverse commute" portion of JARC. The W.H.E.E.L.S program links economically disadvantaged citizens to employment due to lack of transportation, so that they can either seek or retain employment.

Section 3 – Project Plan/ Coordination Plan/ Implementation Plan

1. Describe how the project is being coordinated with public and/or private transportation and/ or social service agencies.

Just before implementation of the routes, The United Way hosted a stakeholders workshop to provide employers and health and human service agencies the opportunity to have input on the route design. Conducted by the Fort Bend County Public Transportation Department Staff, stakeholders were asked to identify where their employees, clients are potential employees lived and needed to go. A map was prepared during the Workshop depicting these locations and routes were developed using this input. (See attached documentation from the workshop).

2. Provide an operating plan for implementing the project. If the project is service related,

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attach draft timetables, routes maps and/ or maps showing the service area.

This request is for project continuation. Copies of schedules are attached.

3. Describe how your agency will implement the project (describe the process). If vehicles purchases are requested, include plans for other uses of the vehicles to prevent idle down time.

The project currently operates as follows: Routes run Monday through Friday making scheduled stops and demand response stops based on passenger requests. Reservations are handled by Fort Bend County reservations staff as are the related schedules. Daily schedules are produced by Fort Bend County and forwarded to the bus service contractor for assignment of drivers and vehicles. Fort Bend County's bus service contractor is responsible for monitoring routes while they are in operation. The contractor provides all maintenance to the vehicles as well s the services necessary to staff the operational aspects (driver and mechanic recruiting/training, etc.). Fort Bend County Transit management staff oversee contractor operations and coordinates demand-response services in the urban areas of Fort Bend County taking into consideration requests by employers, educational/training institutions, and potential passengers. Fort Bend County has an established transportation service providing general public demand response transportation services. The existing demand response services work in conjunction with these services, augmenting any trips that cannot be accommodated on the W.H.E.E.L.S routes. In addition, the W.H.E.E.L.S routes provide timed connections/transfers to the County's existing commuter services into the Houston urban area. These commuter services provide access to Houston's Metro service as well.

Three replacement vehicles are requested for this service. Down time on the vehicles only occurs during the late evening, weekends and holidays. They can be made available during these times to provide service should funding become available to extend their operating hours.

4. If the project includes purchasing a vehicle(s), attach a copy of your agency's preventive maintenance plan.

See attached Operations Standards.

5. Describe how the project will be marketed to the target population.

The W.H.E.E.L.S project services are marketed through our routine outreach and marketing activities. These outreach activities are geared to inform our targeted populations of the transportation resources available from Fort Bend County. Throughout the year, Fort Bend County staff attend numerous events and transportation fairs. A minimum of 4 outreach activities per year are attended. Please see attached list of presentations done over the last three years.

Section 4 – Project Financial Status /Monitoring /Sustainability

1. Describe a plan for ongoing monitoring and evaluation of the project, and steps to be taken if original goals are not achieved.

FBPTD constantly monitors the goals and objective of our W.H.E.E.L.S project. Our managerial staff meets weekly to review needs assessments, growth areas, strategic planning

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and program implementation. We also hold a monthly staff meeting where customer input is reviewed along with financial and operational data. If original goals are not met, route and/or schedules are reviewed to determine if changes are warranted. To date, all of our programs have been successful.

2. Describe how you will measure the success of the project. Include any performance measures for the project.

Project success is measured by both customer satisfaction and performance. Trip counts, on-time performance, trip denials, incidents and customer compliments or complaints are monitored on a monthly basis. Data from these indicators is tracked across the year and fiscal years and monitored to identify and address trends that may emerge.

As reference, the FTA has identified these performance measures for the JARC and New Freedom Programs:

The two measures established for the JARC Program are:

- a. Actual or estimated number of jobs that can be accessed in the coverage area of the project.
- b. Actual or estimated number of rides (as measured by one-way trips).

The three measures established for the New Freedom Program are:

- a. Increases or enhancements related to geographic coverage, service quality and/or service times.
- b. Additions or changes to environmental infrastructure (e.g., transportation facilities, sidewalks, etc), technology, and vehicles.
- c. Actual or estimated number of rides (as measured by one-way trips) provided for individuals with disabilities.

(Note: For more information, please refer to the Addendum provided and FTA circulars at www.fta.dot.gov/laws/leg_reg_circulars_guidance.html/)

3. Describe how the project will be sustained after the initial grant-funding period.

Our overall intention was to fold the W.H.E.E.L.S project into our urban area funding stream however, with the inception of MAP 21 we are faced with a funding challenge. MAP 21 places a cap on operating expenses in the Section 5307 funding stream making it difficult to sustain and expand services. MAP 21 is limited to two years (FY2013 and FY2014) as

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currently authorized. As such, FBCPTD is developing a multifaceted approach to mitigate these issues during this two year period, with the overall goal of successfully completing another Federal legislative process aimed at removing the operating expense cap. Reference Section I, Project Benefits of this application for a description of these activities. Successfully completed most of these activities will insure Fort Bend County's ability to sustain this service.

4. How does this project improve efficiency or effectiveness of special needs transportation service delivery (Note: for New Freedom projects only)?

Not Applicable

5. Describe how your agency will determine the cost effectiveness of the project. For instance, what is the estimated cost per trip? The cost per trip will be used to compare similar projects that request funding. A cost effectiveness example follows.

Fort Bend County monitors cost per trip that is based on system wide trips and expenses. This is reviewed annually against cost reported by other transportation providers across the State. Fort Bend County has consistently ranked in the medium range when compared to peer systems. Costs per trips within separate programs are not monitored as each program is coordinated with other programs. For example, general public trips are allowed on JARC vehicles if space is available and JARC trips are sometimes placed on vehicles funded from our general public transportation funding streams. In addition, the demand response nature of our services allows services to traverse across both the urban and rural areas. Separating program cost relative to any of these issues would not accurately represent the program. In FY11, the average cost per trip system wide is \$20.90 is per trip. This average considers both urban and rural area services. (please see annual status report.

Sample cost effectiveness calculation:

Capital cost year 1 :	\$ 44,375
Operating cost year 1:	\$ 100,000
Total non-planning cost year 1:	\$ 144,375
Est. trips year 1:	25,600

Cost/trip: \$ 5.64 (\$144,375/25,600)

Key Assumptions:

Est. weekday trips: 10 passengers x 5 vans x 2 peak directions = 100 trips
Est. annual weekday trips: 25,600 (100 weekday trips x 256 weekdays)

APPLICATION AUTHORITY

(Please print and sign this page. Include a scanned copy of this signed page with your Application Package.)

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I certify, to the best of my knowledge, that the information in this application is true and accurate and that this organization has the necessary fiscal, data collection, and managerial capability to implement and manage the projects associated with this application, and that I have authority to submit this Application Package.

Further, I understand that selection of this project for either JARC or New Freedom grant funding will require compliance with all applicable federal laws and regulations and that an Interagency Agreement with the Metropolitan Transit Authority of Harris County (METRO) will be required.

Applicant:

Fort Bend County

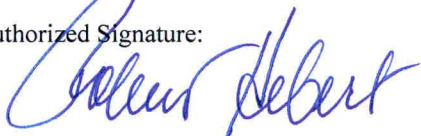
Project Title:

W.H.E.E.L.S - Work, Health, Education, Employer-Linked Systems- JARC Urban Program

Name and Title of Signatory:

Robert E. Hebert, County Judge

Authorized Signature:



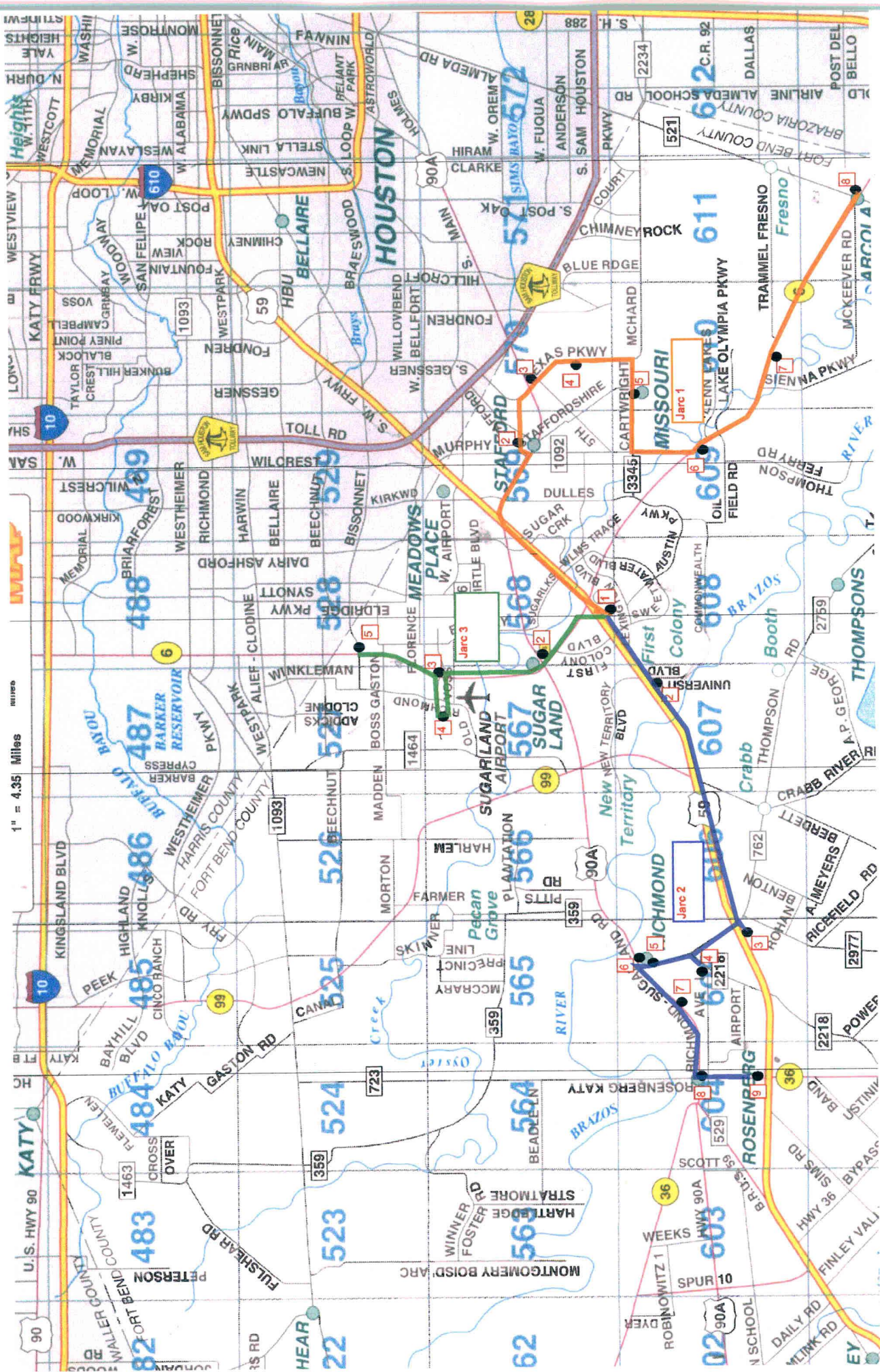
Date:

September 25, 2012

Please Note: Your application must be signed by someone authorized to sign contracts on behalf of your agency/organization, such as the Board Chair or Chief Executive Officer. Unsigned applications will not be accepted.

Additional Attachments

JARC Routes



Jarc Rt.1(East Urban)

5243 FM 521 Rd, 10250 SH 6, 6200 SH6, 2715 Cypress 1522 Tx Prk 303 Tx Prk 9910 Cash 3301 Town
 Rosharon, 77583 Missouri City MC, 77459 Point, MC, Way, MC, Tx Way, MC, Tx Rd, Stafford, Centre Blvd. S.,
 Address SGL, 77479

From Fresno to AMC, Sugar Land									
AM ROUTE	Fresno Chevron 6 & 521	Kroger @ FtBend Toll	Kroger @ 1092	Texana- MC	City Hall, Civic Center	MC Annex, FtB. Health	HCC @ Cash Rd.	P&R @ AMC First Colony	
	6:36 AM	6:48 AM	7:02 AM		7:20 AM	7:28 AM	7:40 AM	8:00 AM	
	9:47 AM	9:59 AM	10:13 AM	10:25 AM	10:35 AM	10:43 AM	10:55 AM	11:15 AM	
From AMC, Sugar Land to Fresno									
	P&R @ AMC First Colony	HCC @ Cash Rd.	MC Annex, FtB. Health	City Hall, Civic Center	Texana- MC	Kroger @ 1092	Kroger @ FtBend Toll	Fresno Chevron	
	8:10 AM	8:30 AM	8:42 AM	8:50 AM	9:00 AM	9:12 AM	9:26 AM	9:38 AM	
From AMC, Sugar Land to Fresno									
PM ROUTE	P&R @ AMC First Colony	HCC @ Cash Rd.	MC Annex, FtB. Health	City Hall, Civic Center	Texana- MC	Kroger @ 1092	Kroger @ FtBend Toll	Fresno Chevron	
	1:10 PM	1:30 PM	1:42 PM	1:50 PM	2:00 PM	2:12 PM	2:26 PM	2:38 PM	
	4:45 PM	5:05 PM	5:17 PM	5:25 PM	5:35 PM	5:47 PM	6:01 PM	6:13 PM	
From Fresno to AMC, Sugar Land									
	Fresno Chevron	Kroger @ FtBend Toll	Kroger @ 1092	Texana- MC	City Hall, Civic Center	MC Annex, FtB. Health	HCC @ Cash Rd.	P&R @ AMC First Colony	
	3:00 PM	3:12 PM	3:26 PM	3:38 PM	3:48 PM	3:56 PM	4:08 PM	4:28 PM	

Jarc Rt.2(Central Urban)

[illegible]

From Rosenberg to AMC, Sugar Land

From Rosenberg to AMC, Sugar Land										
AM ROUTE	Jack In the Box-36 & 59	Exxon - 36 & 90A	FBC Annex In Rosenberg	Rosenberg WorkForce	FBC CourtHouse	FortBend Family Health	WCJC Ric/Rsb	Krogers - Town Xing	U of H - SGL	P&R @ AMC First Colony
	6:40 AM	6:47 AM	6:55 AM	7:02 AM	7:09 AM	7:14 AM	7:24 AM	7:34 AM	7:52 AM	8:00 AM
	9:55 AM	10:02 AM	10:10 AM	10:17 AM	10:24 AM	10:29 AM	10:39 AM	10:49 AM	11:07 AM	11:15 AM

From AMC, Sugar Land to Rosenberg

P&R@AMC First Colony	8:10 AM	U of H SGL	8:18 AM	Krogers - Town XIng	8:36 AM	WHJC Rlc/Rsb	8:46 AM	FortBend Family Health	8:56 AM	FBC CourtHouse	9:01 AM	Rosenberg WorkForce	9:08 AM	FBC Annex in Rosenberg	9:15 AM	Exxon - 36 & 90A	9:23 AM	Jack In the Box-36 & 59	9:30 AM
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From AMC, Sugar Land to Rosenberg

PM ROUTE	First Colony	U of H SGL	Krogers - Town Xing	WCJC Ric/Rsb	FortBend Family Health	FBC CourtHouse	Rosenberg WorkForce	FBC Annex in Rosenberg	Exxon - 36 & 90A	Jack In the Box-36 & 59
	1:10 PM	1:18 PM	1:36 PM	1:46 PM	1:56 PM	2:01 PM	2:08 PM	2:15 PM	2:23 PM	2:30 PM
	4:45 PM	4:53 PM	5:11 PM	5:21 PM	5:31 PM	5:36 PM	5:43 PM	5:50 PM	5:58 PM	6:05 PM

From Rosenberg to AMC, Sugar Land

Jack In the Box-36 & 59	Exxon - 36 & 90A	FBC Annex in Rosenberg	Rosenberg WorkForce	FBC CourtHouse	FortBend Family Health	WHJC Ric/Rsb	Krogers - Town Xing	U of H - SGL	P&R @ AMC First Colony
3:00 PM	3:07 PM	3:15 PM	3:22 PM	3:29 PM	3:34 PM	3:44 PM	3:54 PM	4:12 PM	4:20 PM

Jarc Rt.3(North Urban)

9303 SH6 S., Richmond RD, 15700 Old 1005 Industrial 3301 Town
 Houston, 77083 SGL, 77478 SGL, 77478 SGL, 77478 S., SGL, Centre Blvd.
 345 SH6, SGL, S., SGL, 77479
 77478

From Houston to AMC, Sugar Land

AM ROUTE	Krogers @ Bissonet	Four Corners Comm. Center	Home Depot @ W. Bellfort	Krogers @ W. Airport	Texana - Industrial	Walmart 6 & 90A	P&R @ AMC First Colony
	6:40 AM	6:52 AM	7:04 AM	7:14 AM		7:48 AM	8:00 AM
	9:53 AM	10:05 AM	10:17 AM	10:27 AM	10:44 AM	11:03 AM	11:15 AM

From AMC, Sugar Land to Houston

	P&R @ AMC First Colony	Walmart 6 & 90A	Texana - Industrial	Krogers @ W. Airport	Home Depot @ W. Bellfort	Four Corners Comm. Center	Krogers @ Bissonet
	8:10 AM	8:22 AM	8:41 AM	8:58 AM	9:08 AM	9:20 AM	9:32 AM

From AMC, Sugar Land to Houston

PM ROUTE	P&R @ AMC First Colony	Walmart 6 & 90A	Texana - Industrial	Krogers @ W. Airport	Home Depot @ W. Bellfort	Four Corners Comm. Center	Krogers @ Bissonet
	1:10 PM	1:22 PM	1:41 PM	1:58 PM	2:08 PM	2:20 PM	2:32 PM
	4:45 PM	4:57 PM	5:16 PM	5:33 PM	5:43 PM	5:55 PM	6:07 PM

From Houston to AMC, Sugar Land

	Krogers @ Bissonet	Four Corners Comm. Center	Home Depot @ W. Bellfort	Krogers @ W. Airport	Texana - Industrial	Walmart 6 & 90A	P&R @ AMC First Colony
	3:00 PM	3:12 PM	3:24 PM	3:34 PM	3:51 PM	4:10 PM	4:22 PM

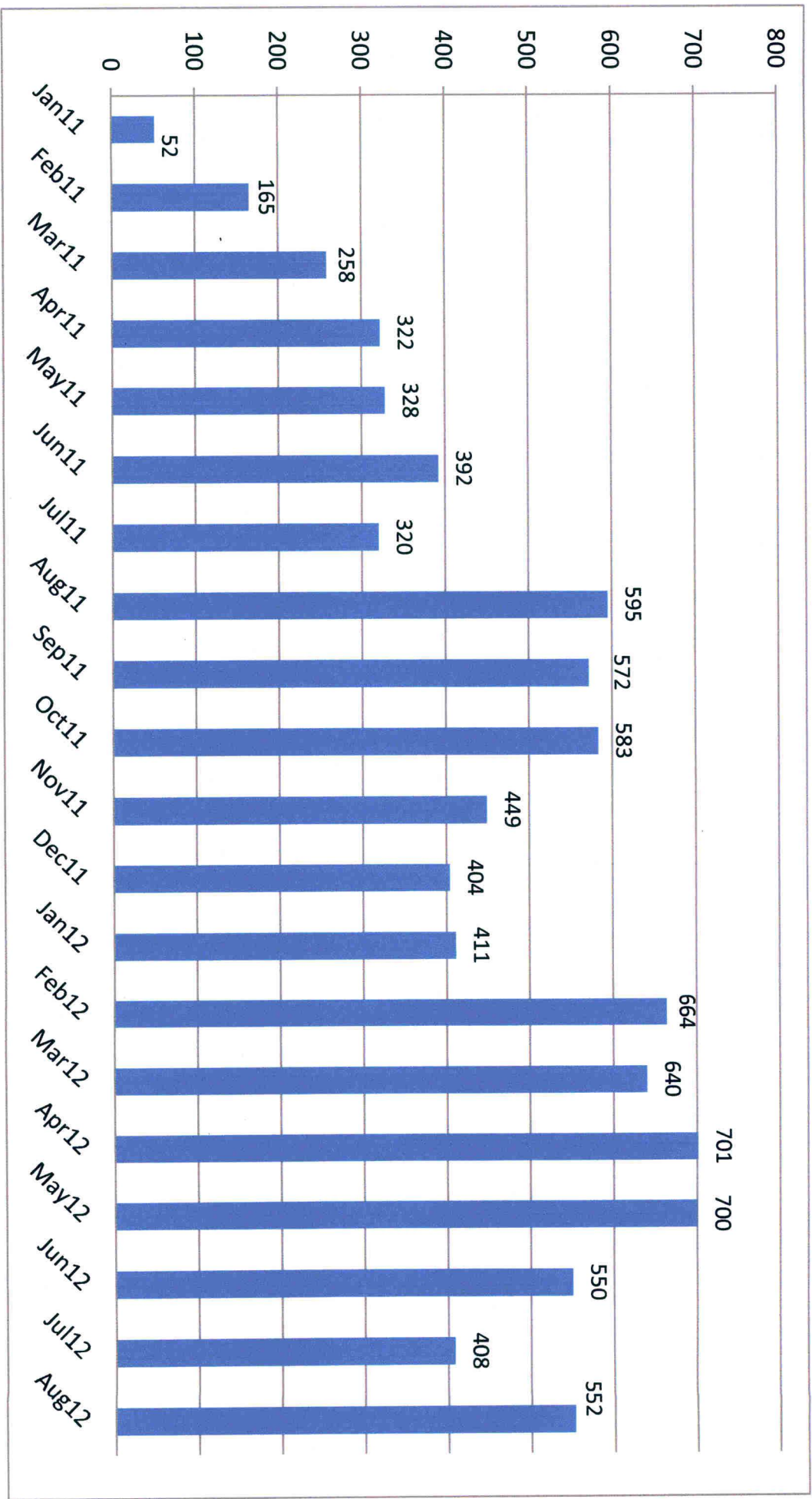
JARC Trip Count



Fort Bend County Public Transportation Department

JARC Trip Counts

Cumulative Total: 9066



**Fort Bend County Public
Transportation Department
Out Reach Log**

Fort Bend County Public Transportation Department- Out Reach Log 2010- Present

Date of Presentation	Attendance Number	Organization Name	Location	Notes
13-May-10	100+	Rosenberg Senior Center	1330 Band Rd Rosenberg tx 77471	meet and greet seniors at the senior prom
	7	Fresnius dialysis	4519 Reading rd Rosenberg tx 77471	customer retention
	3	Fort Bend Dialysis	3819 Cartwright Rd Missouri City	customer retention
		Dulles High School	550 Dulles Ave Sugar Land Tx 77478	marketing affair for consumers with special needs and disabilities
		Fort Bend County Fair Day	4310 State Highway 36 S Rosenberg TX 77471	marketing our services to the general public of FBC
		Merrell Center	6301 S Stadium LN katy Tx 77494	Transportation Expo
17-Nov-10	100+	Rosenberg Senior Center	1330 Band Rd Rosenberg tx 77471	mix and mingle with the elderly and disable, and volunteered to pass out lunches to all
18-Nov-10	50	Legacy Ford	27225 Southwest freeway Rosenberg TX 77471	networking event
11-Jan-11	2	Dialysis (Foodarama Shopping Center)		customer retention
14-Jan-11	50	Fort Bend Alliance		
06-Mar-12	60	Senior Group with St. Theresa Church	St Theresa Church	Marketing our services to the general public of FBC ; Small presentation and gave out promotional items
03-Apr-12	30	FBC Transportation - Grand Opening/Ribbon Cutting	HWY 36 - Park and Ride lot	Took marketing material and promotional items to our grand opening & ribbon cutting
04-Apr-12	50	MD Anderson Transportation Info Fair	MD Anderson at TMC 7007 Bertner Ave	Transportation Fair - Handed out promotional items and information packets - Also there to sell ticket books.
05-Apr-12	35	Silver Living Senior Care	Sugar Land Senior Center off of Matlage Way	Marketing our services to a group of FBC Seniors
11-Apr-12	20	MD Anderson Transportation Info Fair	MD Anderson at TMC 7007 Bertner Ave	Transportation Fair - Handed out promotional items and information packets - Also there to sell ticket books.
14-Apr-12	10	Meadows Place Senior Living Health Fair	Meadows Place Senior Living - 12221 S. Kirkwood	Health Fair - Handed out promotional items and information
18-Apr-12	20	MD Anderson Transportation Info Fair	MD Anderson at TMC 7007 Bertner Ave	Transportation Fair - Handed out promotional items and information packets
21-Apr-12	75+	Needville Youth Fair	KC Hall - Needville, TX 13631 Texas 36	Needville Youth Fair - Handed out promotional items and information. Staged a commuter bus at event.
25-Apr-12	20	MD Anderson Transportation Info Fair	MD Anderson at TMC 7007 Bertner Ave	Transportation Fair - Handed out promotional items and information packets
09-May-12	100+	Fort Bend Seniors Senior Prom	Bud O'Shieles Community Center 1330 Band Road Rosenberg, TX 77471	Meet and greet seniors at the Seniors' Senior Prom

Date of Presentation	Attendance Number	Organization Name	Location	Notes
10-May-12	10	Fort Bend Center for Independent Living	FBCIL 12946 Dairy Ashford Rd. Ste.110 Sugar Land, TX 77478	Presentation to a group of consumers w/ disabilities regarding our services and client responsibilities.
11-May-12	100+	Meyer Elementary "Careers on Wheels"	Meyer Elementary 1930 J. Meyer Rd. Rosenberg, TX 77469	Presentation to groups of elementary students regarding public transportation service. Staged bus at event for children to explore.
22-May-12	100+	Fort Bend Seniors Hurricane Preparedness 2012 Conference	Bud O'Shieles Community Center 1330 Band Road Rosenberg, TX 77471	Presentation to a group of seniors regarding transportation during emergency operations. Handed out information and promotional items.
08-Jun-12	60	FBC Office of Emergency Management Emergency Preparedness Presentation	First United Methodist Church 431 Eldridge Rd. Sugar Land, TX 77478	OEM Presentation to various social service agencies regarding emergency preparedness. Handed out transit info.
12-Jul-12	3	Fort Bend Center for Independent Living	FBCIL 12946 Dairy Ashford Rd. Ste.110 Sugar Land, TX 77478	Presentation to a group of consumers w/ disabilities regarding our services and client responsibilities.
13-Jul-12	75+	Fort Bend CONNECT Meeting HGAC "Transportation Updates Fort Bend County" Presentation	First United Methodist Church in 431 Eldridge Rd. Sugar Land, TX 77478	"Transportation Updates in Fort Bend" presentation by HGAC to various human service organizations. Participated in panel discussion and answered service questions. Handed out Promotional items and information.
25-Jul-12	15	Fort Bend Center for Independent Living	FBCIL 12946 Dairy Ashford Rd. Ste.110 Sugar Land, TX 77478	22nd ADA Anniversary Observance Celebration. Discussion & refreshments.
15-Aug-12	6	Fort Bend Center for Independent Living	FBCIL 12946 Dairy Ashford Rd. Ste.110 Sugar Land, TX 77478	Presentation to a group of consumers w/ disabilities regarding our services and client responsibilities.
16-Aug-12	375	Fort Bend County Employee Fair	FBC Rosenberg Annex 4520 Reading Road Rosenberg, TX 77471	Employee Fair - Handed out promotional items and information
23-Aug-12	200+	Commute Solutions Appreciation Event	AMC Theater Park & Ride 3301 Town Center Blvd. South Sugar Land, TX 77479	Commuter Appreciation Day - Handed out goodie bags and pastries provided by Commuter Solutions to transit commuters
06-Aug-12	50	Fort Bend Seniors Meals-On-Wheels	Rosenberg Senior Center 1330 Band Rd. Rosenberg, TX 77471	Brief presentation to a group of seniors regarding our services. Addressed comments and concerns.
11-Aug-12		Rosenberg Dialysis Center	Rosenberg Dialysis 4519 Reading Rd. Suite 18 Rosenberg, TX 77471	Brief presentation regarding our services. Addressed comments and concerns.
12-Aug-12		Missouri City Dialysis Center	Missouri City Dialysis 1673 Cartwright Rd. Missouri City, TX 77459	Brief presentation regarding our services. Addressed comments and concerns.
13-Aug-12		"My Solution Is...." Transportation Fair	Transportation Fair 3 Greenway Plaza Houston, TX 77046	Handed out promotional items and information to Greenway Plaza commuters.
17-Aug-12	20	Simonton/Fulshear Fort Bend Seniors Meals-On-Wheels	Irene Stern Community Center 6920 Katy-Fulshear Rd. Fulshear, TX 77441	Brief presentation to a group of seniors regarding our services. Addressed comments and concerns.
18-Aug-12	50	Tri-City Fort Bend Seniors Meals-On-Wheels	Stafford Community Center 3110 Fifth St. Stafford, TX 77477	Brief presentation to a group of seniors regarding our services. Addressed comments and concerns.
19-Aug-12	15	Fresno Fort Bend Seniors Meals-On-Wheels	Mustang Community Center 4521 FM 521 Fresno, TX 77545	Brief presentation to a group of seniors regarding our services. Addressed comments and concerns.
20-Aug-12	5	Kendleton Fort Bend Seniors Meals-On-Wheels	Kendleton Senior Center 109 Guess Ave. Kendleton, TX 77451	Brief presentation to a group of seniors regarding our services. Addressed comments and concerns.
21-Aug-12		Hometowne Fort Bend Seniors Meals-On-Wheels	Hometowne Senior Center 10888 Huntington Estates Houston, TX 77099	Brief presentation to a group of seniors regarding our services. Addressed comments and concerns.

**Fort Bend County Public
Transportation Department
Operations Standards**

**FORT BEND COUNTY
PUBLIC TRANSPORTATION DEPARTMENT**

OPERATIONS STANDARDS

(APRIL, 2012)



**Approved by Commissioners Court on November 7, 2006
Updated: May 22, 2012**

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I. Fort Bend County Operations Standards

A. Purpose

The purpose of the Fort Bend County operational standards is to implement goals and objectives for Fort Bend County transit operations. Activities necessary for the success of the service are outlined and will be used as an expandable guideline as our transportation service grows. Through effective and cooperative monitoring we intend to maintain the quality and integrity of our transit programs. While this plan is currently sufficient for the scope of service being provided the program it is expandable as fleet size, passenger volume and operational schedules increase. Addendums to this plan will be written as situations warrant.

Contractor shall cause the transit services to be furnished, operated, and performed in a lawful, safe, efficient, economical, and first-class manner, exercising the highest standard of care for its users, and in accordance with the standards, and specifications determined and set forth herein by Fort Bend County.

B. Goals And Objectives

The main goal of the operations standards are to provide the passengers a transit system that is safe and secure, reliable, cost effective and efficient. To accomplish this goal, transportation operations standards and recommended practices are focused on the following goals and objectives:

Goal:	Objective:
1. Provide efficient and dependable service to meet public needs.	Maintain exemplary operating standards.
2. Provide transit vehicles that are efficient, safe, reliable, comfortable and clean.	Maintain a high quality maintenance program.
3. Minimize equipment failure, vehicle downtime and maintenance/replacement costs.	Adhere to a Preventive maintenance and replacement schedule that utilizes periodic inspections and management oversight.

C. Oversight Activities

Fort Bend County's Public Transportation Department has established the following primary oversight activities in order to insure that objectives are met:

- Review and approval of contractor operational policies/practices for compliance with contract and grant funding requirements.
- Monitoring and review of operational statistics and related records for compliance with contract requirements.
- On-site inspection of facilities, equipment and process' to insure customer service, safety and security objectives are met.
- Monitoring of fuel and engine oil consumption.
- Review and monitoring of contractor's maintenance schedules, service and repair invoices, and pre/post trip inspection records.
- Review and follow up on customer complaints, incident and accident reports.

II. Facilities

Currently, Fort Bend County Public Transportation is not using any facilities owned or operated by contractors.

Contractors may utilize Fort Bend County Facilities for vehicle storage or staging. Prior approval by the Fort Bend County Transportation Director must be obtained prior to the use of any County property for these purposes. Contractors shall adhere to all County policies related to use of County facilities including operational hours and safety/security procedures. Contractors are encouraged to utilize County Facilities where such use would provide for greater efficiency and effectiveness in the services being provided.

III. Equipment

Fort Bend County Public Transportation uses Trapeze software for routing and scheduling of passenger trips. This software is also used to record performance of commuter routes. Contractors will be required to enter all trip performance data directly into Trapeze live on the day of service. Review and final edit of data for each route must be completed within two (2) working days of the routes completion. Copies of driver's manifests and other documentation will be required as necessary. At such time that the County acquires other equipment for tracking and/or documenting trip performance, such as Mobile Data Terminals, the Contractor's employees will be required perform the necessary data entry. Contractors are encouraged to utilize automated software or other systems, such as Automatic Vehicle Location devices which would provide monitoring and evaluation tools.

Minimum preventive maintenance activities and inspections shall be performed and shall include periodic inspections and follow-up repairs.

IV. Vehicle Maintenance and Utilization

The Fort Bend County Public Transportation Vehicle Maintenance Plan is designed to protect County assets and insure operational goals and standards are met and reduce operating costs. The key components for success are implementation by the contractor, monitoring by Fort Bend County Transportation staff and compliance by both parties to the program.

Contractor shall provide all inspection, repair, maintenance, and replacement vehicles and equipment for transit service vehicles; equipment and property used in the transit services. Maintenance services shall be in accordance with acceptable standards in the industry, performed by qualified/certified personnel and meet service standards and intervals established by the vehicle or equipment manufacturer, Fort Bend County and any applicable law. Minimum preventive maintenance activities and inspections shall be performed and shall include periodic inspections and follow-up repairs. Equipment maintenance and preventative maintenance procedures and activities shall include but not be limited to vehicle interior and exterior surfaces and equipment, vehicle mechanical components (including but not limited to engines, transmissions, electrical components, auxiliary parts, belts, hoses, braking systems, interior/exterior lights, mirrors, bumpers, HVAC - heating/ventilation/air conditioning systems, etc.), wheelchair lifts, tie-downs, straps, etc. and/or fare collection and ticketing equipment.

Contractor is required to have a sufficient fleet size to insure that service is not interrupted due to vehicles being removed from service due to accidents, incidents, breakdowns and/or maintenance activities.

Once notice of repairs needed is given, all repairs are to be completed within 10 days of notice. Contractor shall notify County in writing of any circumstance preventing completion of repairs within the designated time frame.

Continued failure to maintain vehicles at a level acceptable to Fort Bend County may result in denial of payment, reduction in services assigned to the Contractor and/or termination of the contract.

Contractor will be required to furnish related policies, procedures and/or reports, maintenance records, etc. Contractor will allow Fort Bend County and/or funding source representatives' access to vehicles, maintenance facilities, and/or records as necessary to insure compliance with contract provisions, operational standards, and applicable laws. Vehicle and site inspections will occur as needed throughout the course of the contract. At a minimum, one site inspection of contractor storage and maintenance facilities will be conducted each year. Two un-announced on-board vehicle inspection will be conducted each year. Follow up inspections will be conducted as necessary to insure corrections recommended are implemented and maintained.

A. Vehicle Maintenance and Service Inspections

1) Daily Inspection

Daily inspections are to be performed by maintenance staff or drivers and done as part of the pre-trip and post trip inspections. Post and pre-trip logs are to be used to record and report any potential problems or damage to the vehicle. It is the contractor's responsibility to develop procedures to immediately address any problems listed on the inspection sheets related to safety and security before placing vehicles in service. At a minimum, the following items are to be checked/performed daily:

- a. Buses refueled and on full level (pre and post trip).
- b. Engine coolant level checked and refilled as necessary
- c. Engine oil level checked (pre and post trip) and refilled as necessary
- d. Transmission fluid level checked (engine operating temp. in drive)
- e. Front and rear tire air pressure checked daily. Tires tread depth exceeds 3/32 of an inch, and/or other tire damage not evident. Visually and manually inspect vehicle wheel lug nuts
- f. Brake system and master cylinder fluid levels checked (If brake fluid level is low vehicle is pulled from service)
- g. All seat belts, wheelchair straps in good working order, wheelchair securement slots clean of debris, belts/straps stored properly.
- h. Interior clean and swept, no graffiti, trash removed, damaged seats or wall panel damage, all on-board equipment/materials stored and secured.
- i. Mirrors, windshield, windows and passenger doors clean, free of cracks
- j. Power steering fluid levels checked, refilled as necessary.
- k. Headlights, taillights, turn signals, brake lights, hazard lights and horn are all in working order.
- l. ADA lift is cycled completely both on pre-trip and post trip inspections. (if inoperable, vehicle is removed from service)
- m. Radio communication and p.a. system are both working.
- n. Fare boxes and cash removed from the vehicle each evening.
- o. HVAC checked (if inoperable, vehicle is removed from service.
- p. Front and rear window defrosters/defoggers checked (if inoperable, vehicle is removed from service)

- q. Front and Rear windshield wipers checked and working (vehicle removed from service if inoperable).
- r. Windshield wiper fluid level checked and refilled as necessary.
- s. Fire Extinguishers, first aid kits, and bio-hazard kits are on-board, completely filled and operable (where applicable).
- t. Interior of vehicles swept, trash removed and all on-board equipment and materials stored and secured.
- u. Exterior of vehicle is free from body damage, washed and waxed.

Fuel, engine oil and other fluids are to be monitored with the daily driver's pre and post trip inspection logs. Vehicles with excessive oil, low oil, low transmission or brake fluid levels should be taken out of service for immediate repairs. Vehicles with repeated oil, transmission or brake fluid level issues should be scheduled for diagnostic determinations and related repairs completed as appropriate.

2) Weekly Inspections

Vehicles are to be inspected weekly by the contractor's maintenance staff or contractors to verify repairs noted on driver post trip logs have been completed or scheduled and to note any conditions which require repair.

B. Preventive Maintenance Scheduling

A regularly scheduled maintenance inspection and replacement program is the most important component of Fort Bend County Transportation's preventive maintenance plan. Contractors are required to perform and properly document daily vehicle pre-trip and post-trip vehicle inspections. At a minimum, Contractors are required to perform regular scheduled maintenance following the minimum schedule shown below. Contractor is also required to perform any manufacturer's recommended maintenance items not included below or that have requirements for more frequent intervals than listed below. Any requested deviation from this schedule must meet or exceed manufacturer's minimum standards and have written approval from Fort Bend County. For vehicles owned by contractor, contractor must develop a program that at a minimum, addresses all items listed herein and/or on the forms and at intervals that meet or exceed manufacturers suggested intervals.

The maintenance schedule listed below has been established as the minimum schedule for use in maintaining vehicles owned by Fort Bend County. Management may opt not to inspect certain parts or components under a certain mileage category that have been recently repaired. In this situation those components should be tested on the next maintenance cycle even if it falls outside the mileage schedule.

PM (A) - Every 3,000 miles

PM (B) - Every 6,000 miles

PM(C) - Every 9,000 miles

PM (D) - Every 12,000 miles

PM (E) - At OEM Recommendations or excessive wear indications

PM (F) - At OEM Recommendations or excessive wear indications

PM (A) - Oil and filter change, check for engine and transmission leaks, check coolant level, pressure cap test, radiator and hose leaks, fan and accessory belt conditions, check and clean cooling fan, shroud and condenser surface, windshield washer and wiper

operation, check engine compartment, check driver's seat and safety belt, sun visor, horn operations, check all driver switches, gauges, controls and instruments for illumination and function. Check interior, boarding and courtesy lights as well as passenger door and entry. Check exhaust system for leaks, rear axle fluid level, transmission fluid level, steering linkages and u-joints. Perform battery load and charging test, passenger seat belts and seats, interior coach damage, Verify ADA lift operation and condition is satisfactory. Verify any other ADA accessibility features, (e.g., kneelers, public address systems, voice annunciation systems, et.) are operating correctly. Operate/check, exterior mirrors, decals, body damage, parking brake function, tires and lug nuts, windows and latches. Check fire extinguisher, bio-hazard and first aid kits and refill as necessary. Insure state inspection sticker current and schedule for renewal as applicable. (Note: County owned model 2011 Freightliner M2 chassis are approved for 5,000 synthetic oil change interval.)

PM(B) - Change air intake filter, clean and inspect battery connections, check and adjust belt tension, inspect shocks, springs, struts and air ride bags, check air ride compressor and mounting, Test both front and rear A/C system pressures, check both A/C systems for leaks, clean rear a/c filter.

PM(C) -Complete chassis lubrication, light lube of upper and lower door bearings, lube passenger door linkage, fuel filter change, complete ADA Lift Inspection Chart.

PM(D) - Re-pack Wheel bearings and inspect seals, inspect disc brake hoses and lube caliper slides, check master cylinder fluid level, inspect rear brake line and hoses, check rear suspension ride height, rotate wheels.

PM (E) - Change Transmission fluid and filter.

PM (F) - Change differential grease.

C. Parts and Inventory Control

Vehicle parts inventories for Fort Bend County Transportation service vehicles are not maintained or furnished by Fort Bend County. The contractor is responsible for their respective inventory and parts control.

D. Use of Manufacturer's Maintenance Manuals and Recommendations

Contractor maintenance personnel should use manufacturer's manuals and service recommendations as guidelines for vehicle service. Safety bulletins, recall notices and service updates should also be utilized.

E. Warranty Procedures

Contractor shall develop a system for monitoring and utilizing warranty repair and parts replacement. Warranty service will usually be coordinated through an arrangement between the warranty vendor, Fort Bend County Maintenance, transit contractor and/or an authorized dealership where and when applicable.

F. Bus Renovation Program

Fort Bend County currently utilizes a "replace as needed" program for vehicle replacement. Contractors are encouraged to consult and coordinate with the County's Vehicle Maintenance and Transportation Departments any requests for bus renovations or replacements which would benefit the transit program's operations.

G. Engine/Transmission Component rebuild

Contractors are required to use OEM parts as replacements for all parts except alternators. In the event of a total engine or transmission replacement rebuild of the original engine/transmission, replacement with remanufactured units with warranties and/or replacement with OEM units should all be considered. The most cost effective and efficient method of replacement should be utilized.

H. Vehicle Information System

Currently, Fort Bend County Public Transportation is not using any automated vehicle information or operational data software or equipment. Contractors should develop systems for tracking vehicle mileage for Preventive Maintenance thresholds as well as operational data. For monitoring purposes, a simple spreadsheet program is acceptable. For vehicle information and tracking, spreadsheets should include actual mileage at the time service is performed corresponding to the work performed. Contractors are encouraged to utilize Fleet Reporting Software or other systems which would provide further maintenance monitoring and evaluation tools.

I. Vehicles

Each transit vehicle provided must meet the specifications delineated in the Service Plan.

Vehicles provided by contractor shall be in compliance with the design standards set forth in the Americans with Disabilities Act and be maintained in accordance with the standards set forth herein. Flip seats for utilization of wheelchair tie-down spaces when not in use by wheelchair passengers is preferred but not required.

Vehicles must have a fully operational HVAC system and be designed in such a way to insure passenger comfort and safety. Appropriate signage for passenger instruction, cautionary or safety features, on-board rules, passenger conduct, routes, etc. shall be provided in and/or on the vehicles in English and Spanish and/or utilizing appropriate international formats/pictures.

The County reserves the right to inspect any and all vehicles utilized for service provision under the terms of this contract at any time. At a minimum, The County will inspect vehicles quarterly. Contractor will be required to schedule the vehicles for inspection completion activities and arrange for replacement vehicles, meeting minimal vehicle standards, to be utilized for contracted services while vehicles are being inspected to insure no disruption in transportation services. Contractor will be notified of any repair or service items identified during these inspections. Contractor will be required to complete noted repairs within 10 days of notice. Contractor shall notify The County in writing of any circumstance preventing completion of repairs within the designated time frame.

Utilization of vehicles that don't meet Fort Bend County standards may result in denial of payment, reduction in services assigned to the Contractor and/or termination of the contract.

Fort Bend County requires that vehicles being utilized by the Contractor to provide services under this agreement are maintained and utilized according to the following minimum standards:

- Buses must be free of body damage
- Buses must not have missing parts (i.e. wheel covers, door handles, hood ornaments, etc.).
- Bus tires will be replaced when tread depth reaches 3/32 of an inch and/or when other tire damage or condition prevents the safe operation of the vehicle.
- Space saver spare tires are not to be used while the vehicle is in
- Buses must obtain a Revenue or Fair Box.
- Both the interior and exterior of vehicles shall be cleaned daily.
- Buses must have fully operable HVAC and wheelchair lifts systems while in revenue service.

Contractor will insure that no vehicle is placed in service that does not meet the minimum vehicle standards and/or is not in appropriate working condition according to acceptable practices and/or that does not meet applicable safety and operating standards for public transit service vehicles. Contractor will insure that no vehicle is placed in service and/or left in service with any exterior or interior damages resulting from an accident or collision or other circumstance which results in the vehicles being unsightly or un-safe to operate. Contractor will insure that no vehicle is placed in service or left in service with an in-operable and/or poor performing HVAC system. Contractor will be required to insure that no vehicle is placed in service on any service day before having the interior and exterior surfaces cleaned and/or washed and all trash removed from the interior of the vehicle. Drivers shall be required to remove trash from the interior of the vehicle as necessary during the course of a service day. First Aid Kits, wheelchair tie-down straps, safety belts, seatbelt extensions, emergency equipment, supplies, wheelchairs, walkers, canes, oxygen bottles, packages, child safety seats, etc. shall be placed in vehicles in such a way as to insure they do not interfere with passenger access and/or create safety hazards for drivers and passengers.

V. ADA Lift Equipment Testing and Maintenance

All revenue vehicles must be equipped and in compliance with ADA mandated law In order to keep lift equipment in optimum working order, comply with provisions of the American's with Disability Act and to avoid service interruptions Fort Bend County Transportation's Preventive Maintenance Schedule for Lift Equipment is every 3,000 miles (PM(A)). As part of the pre-trip inspection, the lift is to be fully cycled with both the hydraulic and manual systems tested. A separate maintenance sheet should be used to track lift service and repairs. In all cases, repairs must be initiated within 24 hours from the time the lift is reported inoperable.

Contractor must at all times be able to safely transport all passenger that use "common wheelchairs". A common wheelchair is a three or four wheeled mobility device that does not exceed 30 inches in width and 48 inches in length as measured two inches above the ground and does not weigh more than 600 pounds when occupied.

Passengers in common wheelchairs may not be refused service even when the securement system cannot accommodate the passenger's wheelchair. Contractor may recommend, but cannot require that a wheelchair passenger transfer to a seat.

Contractor must comply with requests to use ramps or lifts to load or unload, even for passengers who do not use wheelchairs.

All vehicles must have signage designating priority seating for persons with disabilities and the elderly. When a person with a disability needs to sit in the designated seat or occupy a wheelchair securement location, the contractor shall request any non-disabled passenger in that location to move to another seat. However, a passenger cannot be forced to move to another seat. There is a growing use of larger self-propelled electric scooters over lighter weight manual wheelchairs. Due to the increased weight load of these mobility devices contractors should develop processes to insure that drivers are aware of load limits on lift equipment and do not engage the lift equipment in situations where load limits will be exceeded. Contractor is encouraged to make every effort to safely transport passengers in oversized mobility devices. For commuter services, vehicles are not to be placed in service with inoperable lift equipment. For demand response services, vehicles can be utilized providing that trips requiring lift equipment can be placed on other first line vehicles and/or back up vehicles without affecting the performance standards for the trip(s).

VI. Staffing

Contractor shall furnish all transit vehicle operators, mechanics, supervisors, administrative personnel, sales/ticketing, scheduling, dispatching, and other personnel services necessary for providing the transit services required by and in accordance with the Contract. Contractor shall assume responsibility for the Scope of Services and related Service Plans(s) and shall provide all necessary supervision and coordination of activities to complete its requirements subject to approval and concurrence from the County. Contractor represents that it has and agrees to furnish, personnel with the professional classifications, skills, and expertise required to perform the contracted services.

All maintenance personnel and operators of transit equipment shall be properly trained and competent to maintain and operate the transit vehicles and equipment utilized for Fort Bend County services.

Contractor provided Dispatching staff should have appropriate experience and expertise to be proficient in passenger scheduling, emergency operations, driver support and customer service practices.

Contractor provided Reservations and Scheduling staff shall also have appropriate experience and expertise to insure that schedules are prepared and maintained with optimum efficiency, effectiveness and customer service objectives.

Contractor shall establish and maintain an up-to-date listing of all safety sensitive personnel. Safety Sensitive personnel shall be defined as all personnel meeting the definition for Safety Sensitive Personnel provided in the U.S. Department of Transportation, Federal Transit Administration, Drug and Alcohol Testing Program Requirements.

Contractor must establish and maintain minimum hiring and retention standards for personnel meeting funding source and County minimum standards. Expectations are that hiring and retention standards will be developed and maintained in such a way as to provide appropriate standards for the position(s) being occupied. Hiring, retention and performance standards must also include prudent safety and security measures. Employees with job related convictions cannot be utilized for Fort Bend County services. Personnel violating any of the minimum hiring and/or retention standards approved by Fort Bend County must

immediately be removed from performing services under the contract.

Drivers assigned to provide services under the terms of this contract must meet the requirements of all applicable driving laws and regulations. Drivers utilized must meet licensure requirements established by the State of Texas for the vehicle(s) utilized. At a minimum, driver hiring and retention policies shall include the following elements:

DRIVER HIRING STANDARDS

- Understand, write, speak and read English
- Have no more than 2 moving violation within the last 3 years of driving
- Have no DWI or DUI convictions
- Have ability to complete necessary forms and reports legibly
- Must participate in a drug and alcohol testing program complying with FTA regulations
- Must always have a neat, clean and professional appearance
- Must be physically able to assist passengers boarding and alighting vehicles, including assistance with packages, shopping bags, luggage, etc. and ability to lift a minimum of 50 lbs.
- Must be physically able to assist wheelchair bound passengers and to appropriately board, secure and remove wheelchair riders in/from the vehicle.
- Must be subject to a criminal history check.
- Must be able to pass pre-employment drug and alcohol testing according to FTA regulations.
- Must receive required pre-employment training
- No more one (1) at-fault accident during the previous three year period.

DRIVER RETENTION STANDARDS

- No more than two (2) substantiated and justified passenger complaints within a one (1) year period
- Must participate and comply with a drug and alcohol testing program complying with FTA regulations
- No more than one (1) moving violation within a one (1) year period
- No DWI or DUI convictions
- No more than one (1) at-fault accidents within a one (1) year period
- Must report criminal convictions and traffic violations
- Must receive annual training requirements

A. Training Programs

Contractors are required to establish a training program for all personnel utilized for contract services meeting the minimum training requirements established by grant funding sources and/or Fort Bend County. Proper documentation of training compliance and activities will be required. Failure to establish, maintain and comply with the training requirements can result in contract termination.

Fort Bend County utilizes trainings offered by TX DOT and other vendors for key operations staff. Scholarships covering registration and traveling expenses may be available and contractor personnel are eligible recipients for scholarship programs. Contractor may use a combination of on the job training, campus based, web based and/or other media and activities to accomplish training requirements.

Safety Sensitive personnel as defined in the Department of Transportation regulations for drug and alcohol testing are required to receive a minimum of 1 hour per year of training. Supervisors of safety sensitive personnel must receive an additional 1 hour of training related to reasonable suspension testing.

Personnel performing safety sensitive duties must receive the following trainings before first performing safety sensitive functions:

- Drug and Alcohol Testing Program and procedures
- Emergency Procedures
- Bus Evacuation Procedures
- Passenger Assistance Training

Within 60 days of hire, safety sensitive personnel are required to receive CPR, First Aid, Blood Borne Pathogen, Seizure Management, and Customer Service Training.

Drivers must be provided a minimum of 24 hours per year of driver training activities. Driver training activities must at a minimum include defensive driving, transit safety and security, emergency preparedness, customer service, passenger assistance training and Drug and Alcohol Testing Program Training.

B. Uniforms

Contractor shall require operators to wear uniforms approved by Fort Bend County. At a minimum Fort Bend County will require uniform color, design, pattern, markings, etc. to be consistent for all routes and services offered by Fort Bend County.

Uniforms must be worn in a neat, cleaned and pressed condition. Uniforms with tears and/or stains shall not be worn.

Employees are to be well-groomed and presentable to the public at all times.

C. Drug and Alcohol Testing

Contractor must establish and carry out a Drug and Alcohol Testing Program meeting FTA requirements and require all safety sensitive personnel to participate in the program. Failure to establish, maintain and comply with the drug and alcohol testing program and/or to have the proper training and testing records and procedures required by the program will result in contract termination.

VII. Operational Policies/Practices

Contractor shall provide all operational procedures and practices and develop such in accordance with the minimum standards established by Fort Bend County. Fort Bend County shall approve all the policies, standards, and specifications of the services to be provided by Contractor. All activities under the contract must be in compliance with all applicable Federal, State and Local laws and provisions for operations of public transit services.

Fort Bend County has established a passenger (rider) guide detailing how to access services, contact names/numbers for reservations/scheduling and after hours dispatch or response, eligibility (where applicable), service hours and days, operational policies and procedures, on-board rules, complaint process/procedures, suspension process/procedures, etc. Such guide shall be furnished to passengers upon access to services and be available in the

languages and formats necessary to accommodate those passengers utilizing the services provided by Fort Bend County. Contractor's employees are required to assist passengers in following passenger guidelines and report infractions to Fort Bend County immediately.

Contractor shall also establish driver conduct standards to insure exemplary customer services and to adhere to appropriate safety and security procedures. For safety reasons, Contractor's driver standards must include prohibitions of the use of cell phones, texting or performing data entry while the bus is in motion. Driver conduct standards are subject to approval by Fort Bend County at contract inception and at any point during the contract period that the contractor changes such standards and/or practices.

A. Record Keeping

Where and when applicable or required by funding sources and/or Fort Bend County, contractor will be required to furnish related policies, procedures and/or reports, and related records for maintenance, financial, personnel, accident, complaints, etc. Contractor will be required to furnish and submit policies, procedures and/or reports and records complying with any and all requirements of funding sources to the County according to deadlines established by Fort Bend County.

Reports shall outline work accomplished during the previous month or since the last report. The reports shall include, but shall not be limited to, number of transit trips and hours provided, mileage used on vehicles, number of wheelchair boarding's, number of trip denials, number of no-show rides, number of cancelled rides, number of missed trips, number of late trips, average trip length and time, on-time performance statistics, amounts of any fares or donations collected or received, special problems or delays encountered or anticipated, number of vehicle breakdowns and accidents, changes in the transportation service or the anticipated work activities for the next work period, and/or any other accomplishments, conclusions, etc., if any.

For compliance and monitoring purposes, the County will require specific information about the personnel working under this contract. Information may include but not be limited to copies of driver license, copies of driving record report, criminal background check report, drug and alcohol testing records, birth date, social security number, address, etc.

The County will require contractor to furnish records related to the drug and alcohol testing program to insure compliance with the Federal Regulations governing the program.

Contractor shall maintain complete and accurate records with respect to its performance under the contract. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible at all reasonable times. Contractor further agrees that the County shall have, until the expiration of FIVE (5) years after final payment of this Contract, access to and right to examine any directly pertinent books, documents, papers, and records concerning this project.

From time to time, the County may give Contractor information, either orally or in writing, and indicate that the information is confidential. Contractor shall protect such information, shall not disclose such information to anyone, and shall not use the

information for any purpose except for rendering service to the County. Under no circumstances is Contractor authorized to release any material or information obtained or developed in the performance of these services under this agreement without the express prior written permission of the County.

Contractor shall not disclose specific and personal passenger information to any party without the express prior written permission of The County. Specific and personal passenger information requested by law enforcement personnel during the course of an accident or incident investigation shall be provided to said officials at the time the request is made and/or as soon as the information is available.

B. Fares

Fort Bend County shall establish fares for each route provided and detail such fares in the related service plan. Where and when applicable, contractor shall provide a system for the collection of the fares and charges established by Fort Bend County insuring the security of said collections. Fare collection practices must be in accordance with requirements for security and accountability established by funding sources and Fort Bend County.

Where fares are prohibited by grant funding sources, no fare will be assessed. Contractor will be required to develop appropriate policies and procedures for the collection and/or receipt of donations related to the transportation services provided under the contract. If donations are allowed and/or collected, they must be collected, secured and tracked and accounted for as if they were fare box revenue.

All collections and fare box revenues related to the contract are Fort Bend County revenues. Such fares and charges may be collected in the form of cash, subscriptions, passes, tickets, or other methods determined by Fort Bend County. Fares shall be released to authorized personnel only and contractor shall be held accountable to Fort Bend County for all fares collected. Contractor will be required to provide appropriate reporting documents and records and allow approval and inspection of fare collection activities and processes by Fort Bend County and/or its representatives. Site inspections will occur as needed throughout the course of the contract. At a minimum, one un-announced site inspection will be conducted each year to insure that fare collection activities both on-board vehicles and at the contractor's administrative facility are being conducted in a safe and secure manner. Follow up inspections will be conducted as necessary to insure corrections recommended are implemented and maintained.

The contractor shall furnish all tickets, transfers, passes, and other printed fare materials. Contractor shall assist Fort Bend County in the delivery and placement of tickets and/or passes in vehicles, ticketing locations and/or at other appropriate locations defined by Fort Bend County.

No free transportation services shall be provided without the specific approval of Fort Bend County. From time to time promotional activities may include free fare or passes. Contractor will be notified of the term and length of such promotions as they occur.

Passengers are to be notified of the applicable fare at the time a reservation is made and/or upon boarding vehicles. Passengers presenting for boarding without the

appropriate fare shall be allowed to board and ride with no fare a minimum of three two-way trips per year.

Infants and children will be assessed the same fare as that of adults.

Individuals unable to travel on their own accord, whether from physical or mental disabilities, will be required to travel with an aide and/or companion. Up to two aides/companions will be allowed to travel with the individual with no fare assessed for the aides.

C. On-time Performance

Performance standards for on-time performance are set at 95% of trips provided on time. Contractors will be required to maintain a minimum operating goal of 95% On-Time Performance for pickup and delivery. For demand response services, a trip shall be considered on-time when the vehicle arrives no more than 15 minutes before or after the scheduled pick up time and the trip is delivered by or before the requested appointment time. For all other transit services types, on time shall be considered when the trip is performed within 5 minutes of the published schedule.

D. Customer Complaints

Customer Complaint processes and procedures shall be established and furnished to passengers. Customer complaint procedures shall, at a minimum, include provisions to acknowledge receipt of the complaint by the following business day for complaints received by telephone and within 10 business days for complaints received in writing. Minimum complaint processing and/or resolution shall be concluded within 45 business days of receipt of the complaint.

Upon initiation of contract services, Contractor shall coordinate with Fort Bend County the establishment of definitions for minor and serious complaints. The designation agreed upon shall not be all inclusive and will be modified as necessary over the course of the contract. The contractor should seek clarification for any complaints which are not specifically listed, which are in question, or in which the nature and circumstances surrounding the complaint should require other designation or handling of the complaint.

Contractor shall provide monthly complaint reports to Fort Bend County briefly detailing complaints defined as "minor" and their resolution. Serious complaints shall be reported verbally to Fort Bend County either immediately or as soon as possible after being received by the contractor. A follow up written report detailing resolution of the complaint will be required by Fort Bend County for all serious complaints.

Repeated similar complaint occurrences shall subject the contractor to a performance review by Fort Bend County to determine corrective measures. Failure to implement and maintain corrective measures may be cause for contract cancellation.

E. Safety/Security

Contractor shall establish appropriate safety and security procedures and process in accordance and consistent with recommendations by equipment manufacturers, law enforcement agencies, the Department of Homeland Security and/or Fort Bend County guidelines and suggestions.

At a minimum, Contractors shall have and furnish to Fort Bend County safety and security procedures, plans and policies related to any and all equipment utilized under the contract, vehicle breakdowns and accidents, emergency events, facility and vehicle security, drug and alcohol testing of safety sensitive personnel, and vehicle on-board incidents and security inspections.

Passengers preventing the safe conduct of vehicles or presenting threats to drivers and/or other passengers may be refused services and/or appropriately removed from vehicles at the contractor's discretion.

Operational Policies must include but not be limited to the following provisions:

- Children weighing 40 pounds or less are not to be transported without an appropriate child restraint seat.
- Drivers and passengers must have access to and wear a seat belt.
- No fueling of vehicles or performance of maintenance activities while passengers are on-board vehicles.
- Transfer of passengers to back-up vehicle(s) meeting minimum contract standards within a reasonable time-frame when a vehicle breakdown, incident or accident prevents continuance of the route in the initially assigned vehicle
- Provisions for immediate notification/provision of emergency services such as fire, police or emergency medical services.
- Provisions for immediate emergency contact and notification of appropriate authorities for transit security events.
- Provisions for the safe transport of respirators, portable oxygen bottles or life support equipment, walkers, canes, packages, etc.
- Provisions for service animals such as guide dogs.
- Provisions for travel training.
- Provisions for providing appropriate information, inclusive of personnel and passenger information, as requested by law enforcement personnel during the course of an accident or incident investigation.
- Suspension of services due to inclement weather conditions
- Suspension of services due to or as a result of security events/concerns.
- Staff hiring and retention policies consistent with security recommendations and practices.
- Provisions for staff identification such as name tags, picture ID's and patches designating employees, supervisors, special training or awards, etc.
- Provisions prohibiting the utilization and wearing of personal cell phones, other equipment, or dangling jewelry, etc.
- Provisions prohibiting smoking, eating and drinking on vehicles. Provisions shall include allowances for driver breaks and/or the needs of passengers with disabilities.
- Provisions for lost and found articles that include appropriate notification methods and secured storage.
- Two-way radio communications procedures.
- Driving procedures for varying road conditions and hazards
- Vehicle evacuation procedures.

F. Operating Hours

Operating hours will be designated as routes/shuttles are developed and will be identified for each specific route in the related service plan(s). Service and service routes may be

revised from time to time as directed by Fort Bend County in consultation with the service provider. Hours of operation may be over the course of a full 24- hour day. Days of operations may include weekdays, weekends and holidays.

During inclement weather conditions services may be suspended until such time as vehicles can operate safely. When possible, Contractor will be required to notify Fort Bend County before any service suspension occurs due to inclement weather conditions and/or other conditions that prevent the safe operation of transportation services. Contractor shall develop a method for notifying passengers of service interruptions.

Scheduling and Reservations service hours are to be between the hours of 8:00 a.m. and 5:00 p.m. Monday thru Friday excluding County Holidays. For demand response services, rides are to be scheduled for first destination drop-off by 8:00 a.m. and last pick up no later than 5:00 p.m.

Dispatching services are to be provided during all hours in which a vehicle is in service.

Contractor is required to immediately notify Fort Bend County of any service suspension – whether suspension of a particular bus or route or a service suspension to a particular passenger.

G. No-show Trips

Fort Bend County has developed and implemented a no-show trip policy and included such provisions in the passenger guide.

H. Cancellation Trips

Fort Bend County has developed and implemented a trip cancellation policy and included such provisions in the passenger guide.

I. Subscription Rides

Fort Bend County does allow passengers the convenience of becoming a subscription rider. Fort Bend County has developed and implemented a subscription ride policy and practice. Subscription rides cannot exceed 50% of service hour capacity for each service hour.

J. Incidents/Accidents

Contractor is required to provide The County with a written report of each accident or incident. Reports shall be prepared according to formats required by funding sources and approved by the County. Major accidents, security breaches or incidents involving the services provided in the performance of this contract, are to be reported immediately to Fort Bend County with a written report furnished within 24 hours of the occurrence. Minor accidents, security breaches or incidents are to be reported in writing on a monthly basis unless circumstances require a specific report to be provided sooner.

Upon initiation of contract services, Contractor shall coordinate with Fort Bend County the establishment of definitions for minor and serious incidents and accidents. The designation listing agreed upon shall not be all inclusive and will be modified as necessary over the course of the contract. The contractor should seek clarification for

any incidents or accidents which are not specifically listed, which are in question, or in which the nature and circumstances surrounding the event should require other designation or handling.

K. Reservations/Scheduling/Dispatching

Contractor supplied Reservations, Scheduling and/or Dispatching must have sufficient experience, equipment, and staff to take reservations with as little as one business day advance notice and as early as 30 business day's advance notice.

When these services are provided by the Contractor, the County prefers that Contractor has the ability to give passengers a confirmation number for the scheduled trip at the time it is reserved. When the reservation has been made at least two business days in advance of the ride, Contractor is encouraged to make reminder calls to passengers at least one business day in advance of the ride as a customer service and to prevent no-show trips. Passengers are to be advised of the on time performance window and informed of the specific on-time window for their assigned trip.

For demand response services, rides are to be scheduled for first destination drop-off by 8:00 a.m. and last pick up no later than 5:30 p.m. Passengers are to be allowed to schedule repeat rides in advance and/or according to an approved subscription ride policy. Rides are to be accepted on a "time and space" available basis with on-time performance, ride-time and early arrival limits considered for all passengers on the affected route. Passengers shall be allowed to book multiple rides during a call and to reserve rides as long as 30 days in advance of the need for a ride.

Fort Bend County may directly provide passenger scheduling activities and/or provide passenger scheduling and dispatching equipment and software to contractors. At such time as the County elects to provide such services, specific operating parameters will be developed in consultation with the contractor.

Scheduling parameters shall include appropriate dwell times provisions for loading and securing equipment utilized by passengers with disabilities. Scheduling parameters shall also include early drop-off limits, ride-time limits, provisions to maintain or increase the efficiency and effectiveness of routes as well as provisions to optimize on-time performance.

Dispatcher(s) should be proficient in monitoring and moving trips around throughout the service day to insure that trips are performed on-time, efficiently and effectively. Dispatchers should be aware of early drop-off limits and adjust trips accordingly. Driver ability to contact dispatcher stations must be maintained at all times. Dispatching coverage must be provided at all times vehicles are in service.

L. Eligibility

As a general rule, eligibility shall include all residents and visitors of Fort Bend County unless otherwise designated in the Service Plan for a particular route or service or unless grant funding parameters limit passenger eligibility.

For grant funding provided under Federal Transit Administration Section 5310 (Elderly and Disabled) funding TXDOT requires that the following classifications of riders have priority; Anyone over the age of 55 years of age and anyone with a physical or cognitive

disability and after the needs of these riders have been met, any other rider. For grant funding provided under Federal Transit Administration Sections 5311 (Rural), 5307 (Urban), CMAQ (Congestion Mitigation Air Quality), JARC (Job Access & Reverse Commute) all classifications of riders are eligible.

The service area is primarily Fort Bend County but is not limited only to Fort Bend County. Specific service area restrictions will be detailed in service plans issued under the contract provisions. Currently, demand response services are limited to any trips within Fort Bend County, connector service to the Houston Metro park and ride facility located at West Bellfort Road and Highway 59 South, or within one mile of the County line.

Commuter service routes are currently providing two pick-up locations in Fort Bend County within the city limits of Sugar Land and a third location in Rosenberg at the Fort Bend County Fairgrounds. These Park & Ride lots are located along the Highway 59 South corridor. Three separate commuter routes are operated, designated as the Greenway, Galleria and Texas Medical Center (TMC) Area routes, final destinations are located within the City of Houston. Detailed route maps and schedules will be furnished to the contractor at contract initiation.

During the course of the contract period, other services and routes may be developed. Specific service area designations, route maps, etc. shall be coordinated and implemented in consultation with the contractor and detailed in service plans implemented under the contract provisions.

Juveniles under the age of 13 years old shall not be allowed transportation unless accompanied by a companion of at least 18 years of age.

Individuals, who are unable to travel on their own accord, whether from physical or mental disabilities, will be required to travel with an aide and/or companion. Up to two aides/companions will be allowed to travel with individuals with disabilities with no fare charged.

Operational Policies must include provisions not allowing children under 40 pounds to be transported without an appropriate child restraint seat. Contractor may provide child restraint seats or may require the passenger to supply the child restraint seat.

M. Passenger Assistance

All contractor employees are expected to treat passengers and the public courteously. This includes contractor employees who answer telephones, supervisors, maintenance personnel, subcontractors and drivers. Contractor employees shall receive training in appropriate customer service applications and conduct and shall be expected to provide staff who are friendly and responsive to people's concerns and with the ability to use tact and diplomacy while interacting with people and carrying out their respective duties.

For all service types, drivers are responsible for and must be capable of taking wheelchairs up or down one step or curb and open and close the door of the vehicle for the passenger. Drivers are to offer and provide all other necessary assistance in boarding or departing the vehicle. Unless otherwise designated in an operational service plan, contractors are required to provide curb-to-curb transit services.

For curb-to-curb services, assistance shall be provided between the vehicle and the curb. At a minimum, assistance to and from the vehicle and over or off the curb, into and out of vehicles, on and off lift equipment, and assistance with mobility devices and/or packages will be required.

Fort Bend County has established policies for the number, weight and securement of packages and included this information in the passenger guide. Contractor employee shall at a minimum provide for assistance with packages meeting the passenger's guidelines.

The contractor can elect to provide assistance to passengers to or from the front door of buildings and to provide provisions and policies for additional packages and package weight minimums.

For service plans requiring door-to-door services to meet the special needs of elderly and disabled patrons, assistance to and from vehicles, onto/off curbs and stairways, into and out of vehicles, on and off lift equipment, into and out of buildings, assistance checking into facilities and assistance with mobility devices and/or packages will be required. Drivers may be required to provide other assistance to include insuring the passenger is appropriately attired for transport and reporting needs, abuse or neglect to designated officials.

Drivers should exercise reasonable care when dropping off passengers by looking out for safety concerns, responding where/when possible and notifying appropriate supervisory personnel of safety concerns encountered along routes, in day to day activities or at particular drop off locations.

Fort Bend County may at times contract to provide certain routes with an Ambassador to provide additional assistance for elderly or disabled passengers.

The contractor must follow ADA guidelines for fixed route, commuter or JARC stops and transfer points by providing audible stop announcements at those locations to aide individuals with visual or other disabilities with identification of a route and/or stop. This guideline also applies to any stop location served by more than one route.

Any stop location that provides service to the general public must also provide service for those with disabilities. Contractor may not refuse to allow a passenger to board or exit the bus by using a lift or ramp at any regular stop location.

Contractor must allow adequate dwell time for person with disabilities to load or unload the bus. Any regular passenger that takes longer than expected to load should be reported to FBC staff so that additional time can be scheduled for that passenger's future trips.

N. Passenger Suspensions

Service suspension to passengers must be conducted in accordance with provisions of the Fort Bend County approved Passenger Guidelines. Contractor is required to immediately notify Fort Bend County of any recommendations for service suspension – whether suspension of a particular bus or route or a service suspension to a particular passenger unless an immediate circumstance precludes advance notification to Fort Bend County. “Immediate circumstances” may include and not be limited to safety and/or security violations. Passengers preventing the safe conduct of vehicles or presenting threats to drivers and/or other passengers may be refused services and/or appropriately removed

from vehicles at the contractor's discretion. Fort Bend County's Passenger suspension policy does include both temporary and permanent service suspension provisions based on the severity of an incident.

Suspension may also be provided for in accordance with an approved policy for no-show or late cancel trips with suspension consequences for policy violations.

VIII. Emergency Operations

Contractor will be required to assist Fort Bend County during emergency events by providing vehicles and drivers to perform evacuation services. Contractor will not be required to provide more vehicles and drivers than are currently contracted at the time of the emergency. The Contractor is encouraged to offer additional drivers and vehicles during the event. Charges for such emergency services shall be in accordance with the price bid for routine services. Additional charges related to supervisors, dispatchers and driver overtime compensation, lodging and meals as well as increased fuel and/or maintenance charges will be allowed where and when applicable. Due to the nature of this provision, such additional charges will be negotiated at the time the request for services is made. Additional charges will be expected to be reasonable as well as verifiable when and where applicable.

Within 30 days of contract initiation, contractors shall develop and implement emergency policies and practices and furnish them to Fort Bend County. Policy provisions shall insure drivers are available to provide emergency assistance when necessary and require drivers to check in, be on-call and/or on-duty at locations designated by Fort Bend County during emergency planning activities and/or events. Drivers shall be required to have a means of contact by telephone or pager during and after hours. The emergency policy shall be continually updated as necessary throughout the course of the contract relative to the detail on the appropriate personnel name(s) and contact information and shall include provisions for after-hours contact information.

Contractor may be required to provide additional documentation, records and/or reports to Fort Bend County for emergency activities. Such additional administrative activities are to be provided at no additional charge. Failure by the contractor to provide emergency services when requested can subject the contractor to contract cancellation and removal of the contractor from consideration for future contracts.

IX. Federal, State and Local Regulations

Contractor shall enforce all rules and regulations and/or laws pertaining to contractor services promulgated by Fort Bend County and/or applicable Federal, State or Local law. All activities shall be consistent with and in accordance with the rules and regulations of the Federal Transit Administration (FTA), The Texas Department of Transportation (TXDOT), Fort Bend County, and any local government as applicable.

Contractor must observe and comply with all applicable federal and state laws, rules, and regulations, and is responsible for all licenses, disclosures, notices, and registrations which may be required in connection with the performance of the contract.

Restrictions on lobbying activities and charter and school bus services as defined by FTA must be followed. All required policies and practices must be implemented and followed by the contractor during the course of the contract period as a condition of the contract.

X. Performance Goals

The following performance goals have been set for contract compliance. Repeated performance failures may result in contract cancellation.

Operations Standards	On-time Performance-95% of pick/up and delivery On-Time.
	95% of Random Inspections of site/facilities/equipment/vehicles and fare collection activities reveal no contract violations.
	Customer complaints are addressed and resolved in a timely manner 95% of the time.
	Service and/or passenger suspensions are conducted in accordance with contract provisions and approved policies 100% of the time annually.
Safety/Security	Vehicle Accidents - No more than 1.5 accidents per 100,000 vehicle miles.
	Major System Failures - No more than 2 service interruptions per 100,000 vehicle miles.
	Drug and Alcohol Testing program performed in compliance with Federal Transit Administration Rules and Regulations.
	95% of Random Inspections of site/facilities/equipment/vehicles activities reveal no contract violations.
	Security and emergency incident/event performance complies with contract provisions and approved policies and practices.
Driver Standards	Fare collections and practices are performed in compliance with contract provisions and approved policy and procedures 100% of the time.
	100% of driver staff receive minimum annual training hours.
	100% of driver staff meets minimum hiring/retention standards.
Equipment Standards	Preventative Maintenance Procedures performed on time at least 95% of the time annually.
	Vehicle and/or Equipment repairs are initiated within three business days of notification or identification of the need for repairs.

Please note the following regarding performance measures:

- Funding sources will mandate service reporting under the National Transit Database (NTD) requirements. NTD reporting criteria define a Major Accident as an accident where there is a fatality, injuries requiring immediate treatment away from the scene, property damage in excess of \$25,000, evacuation of a transit vehicle due to life safety reasons, collision at a RR grade that results in one injury requiring immediate treatment away from the scene. NTD reporting criteria defines a Non Major Incident as all other accidents including towing. Contractors are advised that accident data will have to be collected and reported accordingly. For the purpose of measuring performance under the contract's performance standards for vehicle accidents, a vehicle accident will be considered any accident that meets the NTD definition for Major Accident and/or any accident that results in the driver receiving a traffic citation and/or any accident that results in vehicles being towed.
- NTD defines Major System Failure as an incident when a bus has to be towed for mechanical reasons and is unable to start or complete revenue service and/or when a bus starts but is unable to complete revenue service and has to return to the depot for mechanical reasons. Contractors are advised that Major System Failure data will have to be collected and reported accordingly. For the purposes of measuring performance under the contract's performance standards for Major System Failures the NTD definition will be utilized.

XI. Promotional Activities/Marketing

Marketing, promotions, public relations activities and other administrative or planning support services under the provisions of the contract shall be provided by the contractor in accordance with an applicable Marketing Plan approved by Fort Bend County. Services shall include labor and materials necessary to market and promote services and routes and may include events, advertising, purchase of goods/services, etc. Marketing/promotional events shall be designed to promote and advertise the service and should be designed with the intent of increasing awareness of and rider ship on the route. Performance standards for rider ship increases by service route are set at a minimum of a 5% increase per route over the previous year's ridership on the route. Marketing/promotional activities are to be designed to meet this standard.

A "Kick-off" event will be required for all new services implemented during the course of the contract. Marketing and promotional events should include provisions for all staff costs, sub-contractor costs, labor, materials, facility costs, promotional materials, give-a-ways, advertisements, programs, schedules, etc.

Contract price allowances for promotional events and materials will be negotiated and allocated annually with a base price per service route detailed in the corresponding route's Service Plan.

The contractor shall furnish, in handicap accessible formats, all schedules, maps, tickets, transfers, passes, and other printed or promotional materials. Printed materials shall be produced in both English and Spanish and in other languages as deemed appropriate for the patrons utilizing the services.

Contractor shall assist Fort Bend County in the delivery and placement of promotional materials on racks within each vehicle and at other appropriate locations.

XII. Coordination

FTA, TXDOT and The County encourage and promote coordination among agencies and providers for both services and equipment. Contractor is encouraged to enter into coordination agreements with other agencies and providers in the provision of services and the use of equipment.

Contractor agrees to coordinate transportation services with other transportation providers in Fort Bend County. Any coordination agreements using the equipment or funding provided under this agreement must be coordinated, reviewed and approved by and with the County during the contract period.

Any subcontracts for goods and/or services using the equipment or funding provided under this agreement must be coordinated, reviewed and approved by and with the County during the contract period.

All coordination agreements and/or subcontracts must meet or exceed the minimum requirements and standards required in the contractor's agreement with Fort Bend County and be included as a part of the subsequent agreements or contract's terms and provisions. All required regulations and processes shall also be included. Documents shall include all required federal, state and local clauses. Coordinating agencies and/or subcontractors will be subject to the same reporting and inspection requirements as the Contractor.

Additional governmental entities, within Fort Bend County, may purchase from the bid and related contract implementing this agreement. Contractor agrees to accept purchase orders from those participating entities and to invoice each entity separately.

Budget Tables

FY2012 JARC & NEW FREEDOM BUDGET: (FORT BEND COUNTY PUBLIC TRANSPORTATION DEPARTMENT)

Category	Qty (a)		Unit	Price (b)	Year 1	Year 2	Year 3	Total \$\$	FTA \$\$	Local \$\$	FTA %	Comments
	Units	#										
CAPITAL												
2 Replacement Buses	Each	3		\$80,000				\$240,000	\$240,000	\$60,000	100%	Using TDC's as Match
This line revenue vehicles only								\$0	\$0	\$0	83%	
This line revenue vehicles only								\$0	\$0	\$0	83%	
Purchase of Service	Lot	Lot		\$116,913				\$116,913	\$93,530	\$23,383	80%	
								\$0	\$0	\$0	80%	
								\$0	\$0	\$0	80%	
								\$0	\$0	\$0	80%	
								\$0	\$0	\$0	80%	
SUBTOTAL CAPITAL					\$0	\$356,913	\$0	\$356,913	\$333,530	\$83,383		
OPERATING (c), (d), (e)												
								\$0	\$0	\$0	50%	
Fuel	Lot	Lot		\$50,000	\$50,000	\$48,147		\$98,147	\$49,074	\$49,074	50%	
Purchase of Service	Lot	Lot		\$172,515		\$172,515		\$172,515	\$86,258	\$86,258	50%	Net Operating Reflected
								\$0	\$0	\$0	50%	
								\$0	\$0	\$0	50%	
								\$0	\$0	\$0	50%	
								\$0	\$0	\$0	50%	
								\$0	\$0	\$0	50%	
SUBTOTAL OPERATING					\$50,000	\$220,662	\$0	\$270,662	\$135,331	\$135,331		
PLANNING												
								\$0	\$0	\$0	80%	
								\$0	\$0	\$0	80%	
								\$0	\$0	\$0	80%	
SUBTOTAL PLANNING					\$0	\$0	\$0	\$0	\$0	\$0		
TOTAL					\$50,000	\$577,575	\$0	\$627,575	\$468,861	\$218,714		

NOTES:

Capital cost of contracting amounts shown must be net of fare revenue.

- (a) Quantity = number of vehicles to be purchased, number of hours to be worked, etc.
- (b) Unit Price = price for single item in the "quantity" column, i.e., price of one new vehicle.
- (c) Labor = on a separate schedule, identify position type, expected hours to be worked annually, cost per hour
- (d) Program administration = rent, utilities, telephones, supplies, printing, etc. Provide details on separate schedule
- (e) Other miscellaneous = identify other expenses in either Comments column or on a separate schedule

Fort Bend County
FY2012 JARC & NEW FREEDOM:
SCHEDULE FOR SERVICE DETAILS

	Statistic	Year 1	Year 2	Year 3	Total
1	Estimated daily trips (all vehicles)	26	27		
2	# Days operated (all vehicles)	252	252		
3	Estimated total annual ridership	6,650	6,850	0	13,500
4	# Service hours / day (each vehicle)	12	12		
5	Number vehicles operated	3	3		
6	Number days operated	252	252	0	
7	Cost per hour	\$50.19	\$50.19		
8	Estimated total service cost	\$455,324	\$455,324	\$0	\$0
9	Fare per trip	\$1.00	\$1.00		
10	Estimated daily trips (all vehicles)	26.38888889	27.18253968	0	
11	Number days operated	252	252	0	
12	Estimated fare revenue per year	\$6,650	\$6,850	\$0	\$0
13	Total estimated net cost	\$448,674	\$448,474	\$0	\$0

Fort Bend County

**FY2012 JARC & NEW FREEDOM:
CAPITAL COST OF CONTRACTING CALCULATION**

	FTA %	Year 1	Year 2	Year 3	Total
Estimated service cost					\$0
40% eligible CCC-capital		\$0	\$116,913	\$0	\$116,913
FTA share	80%	\$0	\$93,530	\$0	\$93,530
Local share	20%	\$0	\$23,383	\$0	\$23,383
60% eligible CCC-operating		\$0	\$175,359	\$0	\$175,359
Less fares			\$2,844		\$2,844
Estimated net service cost		\$0	\$172,515	\$0	(\$2,844)
FTA share	50%	\$0	\$86,258	\$0	\$140,287
Local share	50%	\$0	\$86,258	\$0	\$35,072
Annual total		\$0	\$289,428	\$0	\$292,272
Less fares		\$0	\$2,844	\$0	\$2,844
FTA share		\$0	\$179,788	\$0	\$233,818
Local share		\$0	\$109,640	\$0	\$58,454

Notes:

Vendor provides maintenance & transit service; applicant provides vehicles. See FTA Circular 9030.1D Chapter III for other combinations of Capital Cost of Contracting calculations.

Fort Bend County

**FY2012 JARC & NEW FREEDOM
SOURCES OF LOCAL MATCH**

CATEGORY	AMOUNT	CASH	IN-KIND	SOURCE
CAPITAL				
Purchase of Service	\$23,383	\$23,383		Fort Bend County General R
3 Replacment Buses	\$60,000		\$60,000	Transportation Development
SUBTOTAL CAPITAL	\$83,383	\$23,383	\$60,000	
OPERATING				
Purchase of Service	\$86,258	\$86,258		Fort Bend County General R
Fuel	\$49,074	\$49,074		Fort Bend County General R
SUBTOTAL OPERATING	\$135,331	\$135,332	\$0	
PLANNING				
SUBTOTAL PLANNING	\$0	\$0	\$0	
TOTAL LOCAL MATCH	\$218,714	\$158,715	\$60,000	

Letter(s) of Support



22503 Katy Freeway Suite 8
Katy, Texas 77450
Tel. 281-994-4238
Fax 281-994-4236
<http://karskaty.org>

September 14, 2012

Paulette Shelton
Fort Bend Transportation
12550 Emily Court
Sugar Land, Tx. 77478

To Whom It May Concern:

The Katy Area Ride Service (KARS) is pleased to provide this letter of support for the Fort Bend County Transportation program. Fort Bend Transportation is a model for coordination within our area and we welcome the opportunity to partner and support the program. This program continues to demonstrate commitment and determination to create real, positive and enduring benefits for all eligible clients in Fort Bend County.

Katy Area Ride Service is excited about collaborating with Fort Bend Transportation and including our organization as a Partner agency. The Fort Bend county section of the Katy area is the fastest growing community in the state. Expanding the services for this population is critical to the many seniors and persons with disabilities who live there.

The new Katy Area Ride Service (KARS) provides a one-stop centralized processing center for facilitating affordable rides for seniors and persons with disabilities in the Katy area. This is a beneficial service to the Katy community where general public transportation is unavailable, inaccessible or insufficient to meet the need of the target group.

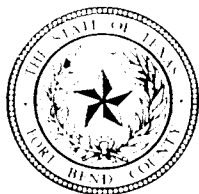
KARS' innovative approach to transportation has eliminated ride service barriers across county lines. In previous years, Katy's configuration between three counties - Harris, Fort Bend, and Waller - has served as a major deterrent for senior citizens and people with disabilities finding affordable, convenient rides across county lines. With KARS, the process is now seamless.

Thank you for your thoughtful consideration of the Fort Bend Transportation proposal. This is a great opportunity to address the special needs of older adults and persons with disabilities in our community. Please let me know if you need any further information.

Sincerely,

Kathie Gerritzen
Katy Area Ride Service
Executive Director

Local Match Letter



COUNTY JUDGE

Fort Bend County, Texas

Robert E. Hebert
County Judge

(281) 341-8608
Fax (281) 341-8609

September 25, 2012

Mr. Kari Hackett
Houston Galveston Area Council
Via Electronic Mail

Subject: Local Match
JARC Application

Dear Mr. Hackett:

Please accept this letter as assurance that the local match funds necessary to match the attached request for federal funding under the Job Access and Reverse Commute program will be provided from Fort Bend County General Revenue funds. As proposed, \$133,714 would be used as the local cash match share. Note that the application also identifies Transportation Development Credits (TDC's) valued at \$60,000 as match for the requested purchase of three (3) replacement vehicles in this application. At the time this call for projects was issued, a State rulemaking process regarding proposed changes to TDC use, distribution and requests was underway and was in the public input process. That process has closed now and we expect to learn the procedure for requesting TDC's for use in grant applications within the next 90 days. Once the procedure is announced, the appropriate requests will be processed. We appreciate your consideration of our proposal.

Sincerely,

A handwritten signature in black ink that reads "Robert Hebert". The signature is stylized with a large, flowing "R" and "H".

Robert E. Hebert
County Judge

Auditors Summary Letter

2010



130 Industrial Blvd., Suite 130 • Sugar Land, Texas 77478 • 281/242-3232 • Fax 281/242-3252 • www.sktx.com

INDEPENDENT AUDITORS' REPORT

To the Honorable Robert E. Hebert, County Judge
and Members of Commissioners Court
Fort Bend County, Texas

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Fort Bend County, Texas (the "County"), as of and for the year ended September 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

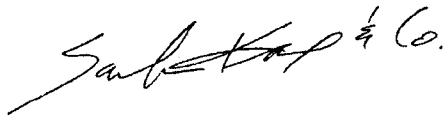
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County, as of September 30, 2010, and the respective changes in financial position, and cash flows where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2011, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 3 through 11 and 60 through 63 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

A handwritten signature in cursive script, appearing to read "Santa Rosa & Co.", is written in dark ink.

Sugar Land, Texas
March 7, 2011

FORT BEND COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Fort Bend County (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$715.8 million (net assets). Of this amount, there is a deficit of \$2.7 million in unrestricted net assets due to the increased liability for other post-employment benefits.
- The County's total net assets increased by \$7.8 million.
- As of the close of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$147.8 million, a decrease of \$70.4 million over the prior year.
- At the end of the current fiscal year approximately \$43.3 million is available for spending at the government's discretion (unreserved, undesignated General Fund balance). This fund balance amounts to 23% percent of total General Fund expenditures.
- The County's total long-term liabilities increased by \$15.7 million during the current fiscal year. The increase was primarily due to an increase in the other post-employment benefit obligations (OPEB) of \$26.3 million less net change in long-term debt related to bonds of \$10.8 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

FORT BEND COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The government-wide financial statements present functions of the County that are principally supported by taxes (governmental activities). The governmental activities of the County include general administration, financial administration, administration of justice, construction and maintenance, health and welfare, cooperative service, public safety, parks and recreation, libraries and education, and interest on long-term debt.

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate entities for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The County's three discretely presented component units consist of the following:

- Fort Bend County Toll Road Authority
- Fort Bend County Surface Water Supply Corporation
- Fort Bend County Housing Finance Corporation

The government-wide financial statements can be found on pages 15 through 17 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 66 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Mobility 2009 Projects Fund, 2007 Facilities Bond Fund, and the Justice Center Project Fund, all of which are considered to be major funds. Data from the other 61 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the comprehensive annual financial report.

The basic governmental fund financial statements can be found on pages 18 through 24 of this report.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary funds

The County uses internal service funds to report activities that provide services for the County's other programs and activities. The Employee Benefits Fund and Other Self-Funded Insurance Fund are the County's internal service funds. Their purpose is to provide for the accumulation of money for insurance and employee benefits used in County operations. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the comprehensive annual financial report.

The basic proprietary fund financial statements can be found on pages 25 through 27 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 28 of this report.

Combining component unit financial statements

The County's three discretely presented component units shown in aggregate on the face of the government-wide financial statements have individual information for each of the major discretely presented component units presented in the form of combining statements immediately following the fund financial statements of the primary government.

The combining component unit financial statement can be found on pages 29 through 31 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 through 58 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees. The County adopts an annual appropriated budget for its general, debt service and certain special revenue funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 60 through 63 of this report.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$715.8 million at the close of the most recent fiscal year.

By far the largest portion of the County's net assets (99.8 percent) reflects its investment in capital assets (e.g., land, buildings, vehicles, machinery and equipment, office furniture and equipment, infrastructure, and construction-in-progress), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CONDENSED SCHEDULE OF NET ASSETS

September 30, 2010 and 2009

	Primary Government Governmental Activities	
	2010	2009
Current and other assets	\$ 204,573,206	\$ 278,493,662
Capital assets, net	977,874,947	876,058,079
Total Assets	1,182,448,153	1,154,551,741
Long-term liabilities	423,953,977	408,205,327
Other liabilities	42,658,491	38,320,535
Total Liabilities	466,612,468	446,525,862
Net Assets:		
Invested in capital assets, net of related debt	714,386,675	679,586,901
Restricted	4,168,945	5,363,740
Unrestricted	(2,719,935)	23,075,239
Total Net Assets	\$ 715,835,685	\$ 708,025,880

A portion of the County's net assets, \$4.2 million, represents resources that are subject to external restrictions on how they may be used. There is a deficit balance for unrestricted net assets, \$2.7 million, primarily due to the increased liability of \$26.3 million for other post-employment benefits (OPEB).

The County's assets exceeded its liabilities by \$715.8 million, resulting in an increase of \$7.8 million from the prior year. This increase primarily relates to the addition of capital assets (net of related debt) of \$34.8 million offset by the increase OPEB liability of \$26.3 million.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

SCHEDULE OF CHANGES IN NET ASSETS
For the years ended September 30, 2010 and 2009

	Primary Government Governmental Activities	
	2010	2009
Revenues		
Program revenues:		
Charges for services	\$ 35,156,664	\$ 35,102,888
Operating grants and contributions	23,313,282	33,935,787
Capital grants and contributions	30,358,341	63,974,765
General revenues:		
Property taxes	198,888,176	191,467,403
Earnings on investments	3,870,155	3,664,184
Other	4,237,069	3,901,588
Total Revenues	295,823,687	332,046,615
Expenses		
General administration	44,235,342	40,876,045
Financial administration	8,059,389	8,841,189
Administration of justice	78,194,354	75,836,037
Construction and maintenance	45,850,196	47,188,776
Health and welfare	23,789,044	25,623,533
Cooperative services	1,131,763	1,188,580
Public safety	55,214,005	61,126,911
Parks and recreation	2,576,095	1,879,525
Libraries and education	13,468,700	12,956,363
Interest on long-term debt	15,494,994	12,338,352
Total Expenses	288,013,882	287,855,311
Change in Net Assets	7,809,805	44,191,304
Net Assets, Beginning	708,025,880	663,834,576
Net Assets, Ending	\$ 715,835,685	\$ 708,025,880

At the end of the current fiscal year, the County was able to report a positive balance in net assets for the government as a whole. The same situation held true for the prior fiscal year.

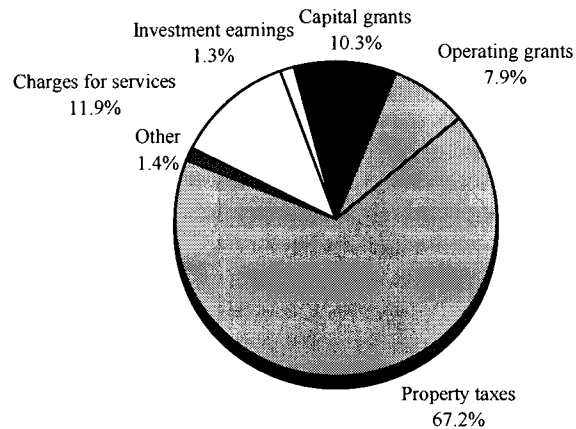
Governmental activities increased the County's net assets by \$7.8 million. This increase is down from last year's increase of \$44.2 million. The key elements of the lower increase in net assets are as follows:

- Decreases from the prior year for capital grants and contributions of \$33.6 million, and operating grants and contributions of \$10.6 million. These decreases are primarily due to reduced activity related to demand for services and infrastructure.
- There was also an increase in interest on long term debt of \$3.2 million. Operating expenses overall for the governmental functions remained constant.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

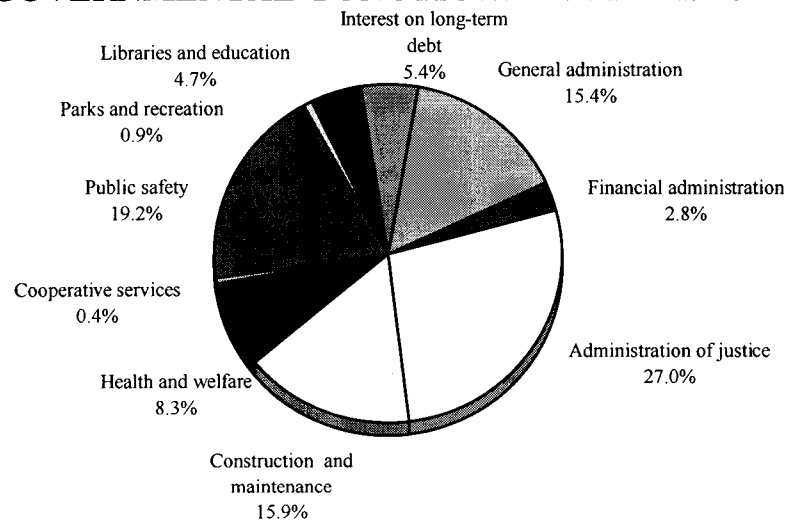
Governmental revenues for fiscal year 2010 are graphically displayed as follows:

GOVERNMENTAL REVENUES



Governmental functional expenses were as follows:

GOVERNMENTAL FUNCTIONAL EXPENSES



Financial Analysis of the County's Funds

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental funds is to provide information of near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

FORT BEND COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The County's governmental funds reflect a combined fund balance of \$147.8 million. Of this, \$66.2 million is unreserved and available for day-to-day operations of the County. In addition, \$4.8 million is reserved for debt service and the remaining reserved amount is for capital projects and prepaid items of \$76.7 million and \$115.5 thousand, respectively.

There was a decrease in the combined fund balance of \$70.4 million from the prior year. This overall decrease was primarily due to net expenditures in capital funds as follows: Mobility 2009 Projects of \$15.1 million; 2007 Facilities Bonds of \$10.0 million; Justice Center Project of \$39.6 million; and 2001-2007 Mobility Projects of \$12.7 million. Debt Service fund balance had a budgeted decrease of \$1.2 million to bring ending fund balance to \$4.8 million. The increase in General Fund of \$8.8 million is due to operating revenues exceeding operating expenditures and net other financing uses during the course of operations.

Proprietary Funds - The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Employee Benefits Fund had a net assets balance at fiscal year-end of \$2.1 million, which is a \$7.1 million decrease from the prior year. This decrease was necessary to overcome a surplus in net assets that had grown since 2009 due to lower budgeted claims expenses. Other Self-Funded Insurance Fund has a deficit net assets of \$2.5 million at fiscal year-end. The allocation for Other Self-Funded Insurance will be increased by 33% annually over the next four fiscal years (beginning with 2011) to eliminate this deficit net assets balance.

General Fund Budgetary Highlights

During the year there was a net \$29.5 million decrease in expenditure appropriations between the original and final amended budget. The main components of this were based on the following: \$7.9 million budgeted for capital projects; \$4.1 million from surplus employee benefits funds; \$6.0 million from unexpended operating budgets from the governmental functions, and \$8.4 million budgeted for Juvenile Probation and Child Protective Services. The budgeted amounts for Juvenile Probation and Child Protective services were moved to operating transfers for further allocation to the respective funds for each of those functions. The other amounts were transferred to multi-year capital projects with budgets that extend beyond the County's fiscal year.

Property taxes resulted in revenues of \$0.8 million excess over budget due to underestimation of the collection rate. Fees and fines resulted in \$1.0 million in excess revenues due to increased collections in the County and Justice courts. Intergovernmental revenue resulted in \$1.4 million in excess revenues primarily due to equalization grant allocations from the state and federal reimbursements for the County Attorney, Sheriff's Office Detention, and Emergency Management. Miscellaneous revenue resulted in \$0.5 million in excess revenues due to refunds for Indigent Health, additional building lease revenue, additional pay phone commissions in the jail, and increased public transportation collections.

General administration expenditures had a budget short-fall of \$0.8 million due mainly to increased fees, and utilities. All other governmental functions resulted in a budget surplus of \$1.4 million due to reduced operating expenditures during the year.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets and Debt Administration

Capital Assets - At the end of fiscal year 2010, the County's governmental activities had invested \$977.9 million in a variety of capital assets and infrastructure, as reflected in the following schedule. This represents an increase of approximately \$101.8 million over the previous fiscal year.

FORT BEND COUNTY'S CAPITAL ASSETS

	Governmental Activities	
	2010	2009
Non-Depreciable Capital Assets		
Land	\$ 318,334,776	\$ 302,118,215
Construction-in-progress	153,414,815	121,423,463
Other Capital Assets, Net		
Vehicles	8,622,902	7,726,891
Office furniture and equipment	10,751,796	7,104,929
Machinery and equipment	11,269,692	10,472,916
Buildings, facilities and improvements	171,345,349	146,704,670
Infrastructure	304,135,617	280,506,996
Totals	\$ 977,874,947	\$ 876,058,079

Construction-in-progress at year-end represents numerous ongoing projects, the largest of which are: Justice Center Complex for \$54.7 million; 2000 Mobility Bond projects for \$37.3 million; 2007 Mobility Bond projects for \$31.4 million; Big Creek Flood Control Water Supply Corporation project for \$11.7 million; and Upper Oyster Creek project for \$5.3 million.

Long-Term Debt - At the end of the current fiscal year, the County had total bonds outstanding of \$331.4 million. This is a decrease of \$11.9 million from the prior year due to scheduled debt service payments made during fiscal year 2010. OPEB liability increased by \$26.3 million based on the actuarial valuation dated September 30, 2010. Unamortized premium on bonds increased by \$1.1 million due to debt issuance activity during fiscal year 2010.

	Governmental Activities	
	2010	2009
General obligation bonds	\$ 331,410,000	\$ 343,330,000
Premiums on bonds	12,038,573	10,896,881
Accrued compensated absences	5,392,775	5,158,522
Other post-employment benefits (OPEB) obligation	75,112,628	48,819,922
Total	\$ 423,953,976	\$ 408,205,325

The County received an insured rating of Aaa from Moody's and Standard and Poors on issuances prior to 2009. The three issuances in 2009 were not insured and therefore retained the uninsured ratings. The uninsured ratings were as follows:

Moody Investor Service Aa2
Standard and Poor's AA+

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

The Fort Bend County Housing Finance Corporation (the "Corporation"), a component unit of the County, has issued conduit debt in the amount of \$98.3 million. The tax-exempt bonds issued by the Corporation do not constitute a debt or pledge of faith by the Corporation, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. As of September 30, 2010, approximately \$31.0 million of total bonds were outstanding.

Additional information on capital assets and long-term debt is available in Notes 6 and 7 respectively.

Economic Factors and Next Year's Budgets and Rates

The County continues to enjoy growth in various demographic areas during this ongoing economic slowdown.

The population of the County is estimated at 581,830 in 2010 and is expected to grow by 4.44% annually through 2015. Total employment is estimated at 226,060 in 2010 is expected to grow by 3.37% annually over the same period.

The number of households has increased to 187,030 in 2010 and is expected to grow to 230,330 by 2015. Mean household income for 2010 is \$119,831 and is estimated to rise to \$146,579 by 2015. Income per capita is currently at \$38,866 and is expected to grow to \$48,116 by 2015. Retail sales increased by 8.9% to \$5.74 billion in 2010 and should grow to \$7.37 billion by 2015.

The Commissioners Court approved a \$239.6 million total budget for the 2011 fiscal year. This is a 2.4% decrease over the adopted 2010 fiscal year budget. The reduction in the budget is driven by a more efficient use of resources. The overall tax rate remained constant from 2010 to 2011 at \$0.49976 per \$100 of assessed valuation.

Requests for Information

This financial report is designed to provide a general overview of Fort Bend County's finances for all of those with an interest in the County's finances. Questions concerning this report or requests for additional financial information should be directed to Ed Sturdivant, County Auditor, 301 Jackson, Suite 533, Richmond, TX 77469, telephone (281) 341-3760.

Auditors Summary Letter

2011



130 Industrial Blvd, Suite 130 • Sugar Land, Texas 77478 • 281/242-3232 • Fax 281/242-3252 • www.sknk.com

INDEPENDENT AUDITORS' REPORT

To the Honorable Robert E. Hebert, County Judge
and Members of the Commissioners Court
Fort Bend County, Texas

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Fort Bend County, Texas (the "County"), as of and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County, as of September 30, 2011, and the respective changes in financial position, and cash flows where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2012, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 3 through 13 and 62 through 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and

other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

A handwritten signature in black ink, appearing to read "Sam Karp & Co.", is written in a cursive, flowing style.

Sugar Land, Texas
March 16, 2012

FORT BEND COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Fort Bend County (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2011. The following narrative includes approximate values and percentages in the wording to summarize the schedules and financials in this report that include the exact values. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$717.7 million (net assets). Of this amount, there is a deficit of \$60.1 million in unrestricted net assets due to the continued liability increase for other post-employment benefits that now totals \$101.8 million.
- The County's total net assets increased by \$1.9 million.
- As of the close of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$79.4 million, a decrease of \$68.4 million from the prior year.
- At the end of the current fiscal year approximately \$10.8 million is available for spending at the government's discretion in the General Fund (unassigned fund balance). This fund balance amounts to 5% of total General Fund expenditures. There is a deficit unassigned fund balance in the 2009 Mobility capital projects fund of \$4.4 million.
- The County's total long-term liabilities increased by \$13.7 million during the current fiscal year. The increase was primarily due to an increase in the other post-employment benefit obligations (OPEB) of \$26.6 million less net change in long-term debt related to bonds of \$13.1 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. As noted above this narrative includes approximate values and percentages in the wording to summarize the schedules and financials in this report that include the exact values. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

FORT BEND COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The government-wide financial statements present functions of the County that are principally supported by taxes (governmental activities). The governmental activities of the County include general administration, financial administration, administration of justice, construction and maintenance, health and welfare, cooperative service, public safety, parks and recreation, libraries and education, and interest on long-term debt.

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate entities for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The County's five discretely presented component units consist of the following:

- Fort Bend County Toll Road Authority
- Fort Bend Grand Parkway Toll Road Authority
- Fort Bend County Surface Water Supply Corporation
- Fort Bend County Housing Finance Corporation
- Fort Bend County Industrial Development Corporation

The government-wide financial statements can be found on pages 17 through 19 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 62 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Debt Service Fund, both of which are considered to be major funds. Data from the other 60 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the comprehensive annual financial report.

The basic governmental fund financial statements can be found on pages 20 through 23 of this report.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary funds

The County uses internal service funds to report activities that provide services for the County's other programs and activities. The Employee Benefits Fund and Other Self-Funded Insurance Fund are the County's internal service funds. Their purpose is to provide for the accumulation of money for insurance and employee benefits used in County operations. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the comprehensive annual financial report.

The basic proprietary fund financial statements can be found on pages 24 through 26 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 27 of this report.

Combining component unit financial statements

The County's four discretely presented component units shown in aggregate on the face of the government-wide financial statements have individual information for each of the major discretely presented component units presented in the form of combining statements immediately following the fund financial statements of the primary government.

The combining component unit financial statements can be found on pages 29 through 31 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 through 60 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees. The County adopts an annual appropriated budget for its general, debt service and certain special revenue funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 62 through 73 of this report.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$717.7 million at the close of the most recent fiscal year.

The County's capital assets (e.g., land, buildings, vehicles, machinery and equipment, office furniture and equipment, infrastructure, and construction-in-progress), less any related debt used to acquire those assets that is still outstanding, total \$773.3 million. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CONDENSED SCHEDULE OF NET ASSETS

September 30, 2011 and 2010

	Primary Government Governmental Activities	
	2011	2010
Current and other assets	\$ 140,500,675	\$ 204,573,205
Capital assets, net	1,064,035,810	977,884,351
Total Assets	1,204,536,485	1,182,457,556
Long-term liabilities	437,628,727	423,953,977
Other liabilities	49,183,445	42,658,491
Total Liabilities	486,812,172	466,612,468
Net Assets:		
Invested in capital assets, net of related debt	773,322,172	714,396,078
Restricted	4,477,906	4,168,945
Unrestricted	(60,075,765)	(2,719,935)
Total Net Assets	\$ 717,724,313	\$ 715,845,088

A portion of the County's net assets, \$4.5 million, represents resources that are subject to external restrictions on how they may be used. The deficit balance for unrestricted net assets of \$60.1 million was primarily due to the expense of current assets to purchase and construct capital assets.

The County's assets exceeded its liabilities by \$717.7 million, resulting in an increase of \$1.9 million from the prior year. This increase is primarily due to the following: decrease in cash of \$64.1 million due to expense of bond funds for facilities and road projects; increase in capital assets of \$86.1 million due to construction of new facilities and construction and contribution of new roads; increase in long term liabilities of \$13.6 million due to an increase of \$26.6 million for other post-employment benefits (OPEB) offset by a decrease of \$13 million in outstanding long-term debt; and an increase in other liabilities of \$6.5 million due to an increase in accounts payables for construction projects.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

SCHEDULE OF CHANGES IN NET ASSETS
For the years ended September 30, 2011 and 2010

	Primary Government	
	Governmental Activities	
	2011	2010
Revenues		
Program revenues:		
Charges for services	\$ 37,241,289	\$ 35,156,664
Operating grants and contributions	35,820,119	23,313,282
Capital grants and contributions	25,214,312	30,358,341
General revenues:		
Property taxes	196,820,339	198,888,176
Earnings on investments	2,925,202	3,870,155
Other	6,065,510	4,237,069
Total Revenues	304,086,771	295,823,687
Expenses		
General administration	47,061,517	43,485,772
Financial administration	8,648,273	8,059,389
Administration of justice	86,081,856	78,173,873
Construction and maintenance	46,150,023	46,946,163
Health and welfare	25,283,662	23,718,848
Cooperative services	1,177,426	1,123,951
Public safety	55,190,407	55,269,509
Parks and recreation	2,915,986	2,263,280
Libraries and education	14,810,488	13,468,700
Interest on long-term debt	14,887,908	15,494,994
Total Expenses	302,207,546	288,004,479
Change in Net Assets	1,879,225	7,819,208
Net Assets, Beginning	715,845,088	708,025,880
Net Assets, Ending	\$ 717,724,313	\$ 715,845,088

At the end of the current fiscal year, the County was able to report a positive balance in net assets for the government as a whole. The same situation held true for the prior fiscal year.

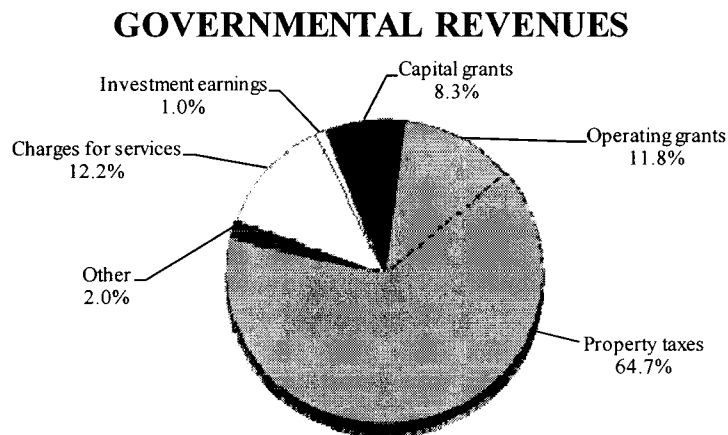
Governmental activities increased the County's net assets by \$1.9 million. This increase is down from last year's increase of \$7.8 million. The key elements of the lower increase in net assets are as follows:

- Increase in charges for services of \$2.1 million primarily due to increased collections of fines, fees, and court costs.
- Decrease in earnings on investments of \$0.9 million due to lower cash balances caused by expenditure of bond funds.
- Increase in other revenue of \$1.8 million due to increase in forfeited assets of \$246 thousand by order of the courts, increase in miscellaneous revenue of \$245 thousand due to a settlement agreement of \$225 thousand and a cost sharing agreement of \$25 thousand, increase in fuel reimbursement of \$307 thousand due to an increase in fuel costs, increase in miscellaneous reimbursements of \$375 thousand for payments received from local cities for road repairs, and an increase in miscellaneous reimbursements of \$100 thousand for payment from Houston Galveston Area Council of Governments for purchase of equipment.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

- Decrease from the prior year for capital grants and contributions of \$5.1 million resulting from a decrease in right of way reimbursements from the State of Texas for ongoing mobility projects.
- Increase in operating grants and contributions of \$12.5 million primarily due to increase of funds received from the Texas Commission on Environmental Quality of \$1.4 million, increase in local revenue of \$1.2 million for participation in Upper Oyster Creek Project, increase in federal funding of \$1.3 million of energy efficiency grant, increase in federal funding of \$4.3 million for Urban Area Security Initiative grants, increase in federal funding of \$2.8 million for transportation grants, and an increase in federal funding of \$1.3 million for Community Development Block Grants.
- Expenses increased in several governmental functions: Administration of justice expenses increased by \$7.9 million primarily due to an increase in health benefits cost of \$6.1 million caused by rising healthcare costs, and depreciation expense of \$1.6 million due to the opening of the new justice center; Libraries and education expenses increased by \$1.3 million due to the opening of a new library branch; Health and welfare expenses increased by \$1.6 million primarily due to an increase in health benefits cost of \$520 thousand caused by rising healthcare costs, and public assistance payments of \$1.1 million for Community Development Block Grant allotments; General administration expenses increased by \$3.6 million primarily due to an increase in health benefits cost of \$1.2 million caused by rising healthcare costs, increase in depreciation expense of \$1.7 million due to prior period adjustment relating to capital assets, and increased fuel costs of \$881 thousand due to rising fuel prices.

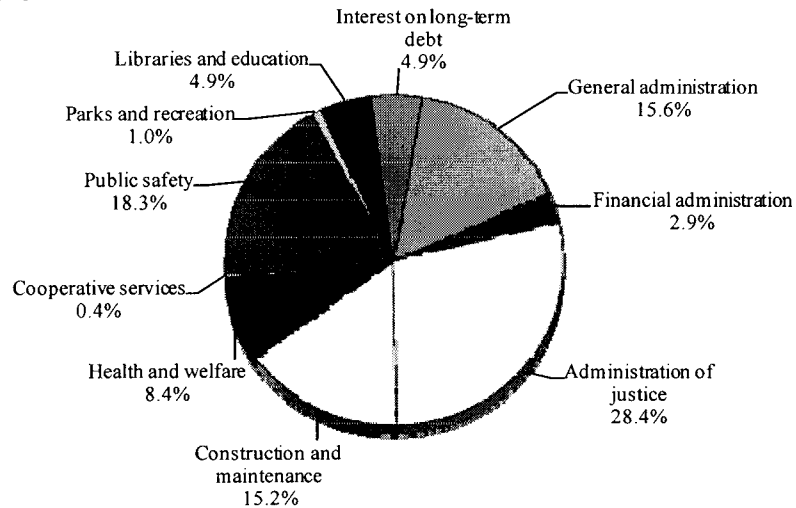
Governmental revenues for fiscal year 2011 are graphically displayed as follows:



FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental functional expenses were as follows:

GOVERNMENTAL FUNCTIONAL EXPENSES



Financial Analysis of the County's Funds

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental funds is to provide information of near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

The County's governmental funds reflect a combined fund balance of \$79.4 million. Of this, \$10.8 million is unassigned fund balance and available for day-to-day operations within General Fund. There is a deficit unassigned fund balance of \$4.4 million in the 2009 Mobility capital projects fund due to an advance from General Fund to enable this capital project fund to proceed until the issuance of the next mobility bond issue, which is expected in April 2012. \$33.1 million is committed fund balance for capital projects within General Fund. \$39.7 million is restricted fund balance for debt service and the non-major governmental funds in the amount of \$5.2 million and \$34.5 million respectively. \$205.4 thousand is designated as nonspendable fund balance for General Fund and the non-major governmental funds in the amount of \$136.0 thousand and \$69.4 thousand respectively for prepaid items.

There was a decrease in the combined fund balance of \$68.4 million from the prior year for the governmental funds. This overall decrease was primarily due to net expenditures and transfers out in capital project funds as follows: Mobility 2009 Projects of \$24.8 million; 2007 Facilities Bonds of \$14.7 million; Justice Center Project of \$19.0 million; and 2001-2007 Mobility Projects of \$9.0 million. Debt Service fund balance increased by \$0.3 million due to the refunding of the 2001 Flood Control Water Supply Corporation bonds bringing ending fund balance to \$5.2 million. General Fund Balance increased by \$0.7 million which is down from the previous year's increase of \$8.8 million. This reduction in fund balance increase of \$8.1 million is primarily due to the following factors:

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

- Decrease in General Fund property tax allocation of \$3.5 million due to a shift of a *portion* of the 2011 operating and maintenance tax rate to the interest and sinking tax rate to accommodate the increase in debt service.
- Increase in fees of office collections of \$2.0 million due to increase in services from all the governmental functions.
- Increase in federal funds of \$9.2 million primarily due to increase in federal funding of \$1.3 million for energy efficiency grant, increase in federal funding of \$4.3 million for Urban Area Security Initiative grants, and an increase in federal funding of \$2.8 million for transportation grants.
- Decrease in state funds of \$3.7 million primarily due to a decrease in right of way reimbursements from the State of Texas for ongoing mobility projects.
- Increase in payroll costs of \$1.8 million primarily due to staffing of new library branch and new jail facility.
- Increase in healthcare costs of \$5.9 million due to rising healthcare costs.
- Increase in contract fees of \$1.6 million primarily for energy efficiency grant for County facilities.
- Decrease in supply costs of \$0.9 million primarily due to the required costs to outfit the new library in fiscal year 2010.
- Increase in janitorial maintenance costs of \$0.7 million due to increased facilities to maintain.
- Increase in utility costs of \$0.5 million due to expansion of County facilities.
- Increase in fuel costs of \$0.9 million due to rising fuel prices.
- Increase in capital acquisitions of \$4.6 million primarily for equipment purchased under the Urban Area Security Initiative grant and various transportation grants.
- Decrease in construction in progress of \$2.8 million primarily due to facilities projects funded within the General Fund in fiscal year 2010.

Proprietary Funds - The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Employee Benefits Fund had a net assets balance at fiscal year-end of \$0.6 million, which is a \$1.6 million decrease from the prior year. This decrease was primarily caused by increased healthcare costs in fiscal year 2011. The Other Self-Funded Insurance Fund has a deficit net assets balance of \$2.5 million at fiscal year-end which is the same as the previous year. The allocation for the Other Self-Funded Insurance Fund will continue to be increased by 33% annually over the next three fiscal years to eliminate this deficit net assets balance.

General Fund Budgetary Highlights

During the year there was a net decrease of \$7.0 million in expenditure appropriations between the original and final amended budget. The main components of this were based on the following: \$2.2 million budgeted for capital projects; \$1.2 million from surplus indigent healthcare funds; \$2.0 million from surplus non-departmental funds; \$1.8 million from public transportation for local match of transportation grants transferred to multi-year grant budgets. The surplus amounts from indigent healthcare and non-departmental were transferred to multi-year capital projects with budgets that extend beyond the County's fiscal year.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund revenues exceeded the amended budget by \$3.6 million for the year. The reasons for this surplus are detailed as follows:

- Property taxes resulted in revenues of \$0.3 million excess over budget due to underestimation of the collection rate.
- Fees and fines resulted in \$1.7 million in excess revenues due to continued increased collections of fines, fees and court costs.
- Intergovernmental revenue resulted in \$0.5 million in excess revenues primarily due to increased federal funding for transportation and energy efficiency offset by a decrease in state reimbursements for right of way acquisitions.
- Earnings on investments decreased by \$0.1 million due to reduced cash balance for General Fund caused by expenditure of multi-year project budgets for facilities.
- Miscellaneous revenue resulted in \$1.3 million in excess revenues primarily due to increased fuel reimbursements from outside entities due to higher fuel prices, a settlement agreement contract, and cost sharing agreements with local municipalities.

General Fund expenditures fell short of the amended budget by \$1.1 million for the year primarily due to turnover within each of the departments. There were minor budgetary shortfalls within budget categories of some departments. These minor shortfalls were not covered by budget transfers at the end of the year due to materiality and that the overall departmental expenditure budget had a surplus. The individual governmental function's budgetary performance is detailed as follows:

- General administration expenditures had minor budget shortfalls within individual budget categories for Commissioner Precinct 1, Commissioner Precinct 2, and Purchasing that were funded by other budget categories within those departments. Non-departmental had a budget shortfall of \$321 thousand in operating costs due to a correction for appellate fees that were improperly posted as a negative expenditure. This was corrected by the end of the year; however it allowed an over-expenditure of the amended budget. This did not cause an overall budget deficit for General administration, however, procedures have been put in place to prevent this in the future.
- Financial administration expenditures had minor budget shortfalls within individual budget categories for County Auditor that were funded by another budget category within that department.
- Administration of justice had minor budget shortfalls within individual budget categories for Courts Administration and Indigent Defense Program that were funded by other budget categories within those departments.
- Health and welfare had a budget shortfall of \$120 thousand in Social Services under the operating costs budget category due to a negative encumbrance that allowed expenditures to exceed actual available funding. This did not cause an overall budget deficit for Health and welfare, however, procedures have been put in place to prevent this in the future.
- Public safety had minor budget shortfalls within individual budget categories for Constable Precinct 2 and Constable Precinct 3 that were funded by other budget categories within those departments.

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets and Debt Administration

Capital Assets - At the end of fiscal year 2011, the County's governmental activities had invested \$1,064.0 million in a variety of capital assets and infrastructure, as reflected in the following schedule. This represents an increase of approximately \$86.2 million over the previous fiscal year.

	Governmental Activities	
	2011	2010
Non-Depreciable Capital Assets		
Land	\$ 333,434,751	\$ 318,334,776
Construction-in-progress	120,250,614	152,903,502
Other Capital Assets, Net		
Vehicles	11,780,089	8,791,182
Office furniture and equipment	11,259,478	10,768,112
Machinery and equipment	12,080,859	11,292,998
Buildings, facilities and improvements	251,258,481	171,658,164
Infrastructure	323,971,538	304,135,617
Totals	\$ 1,064,035,810	\$ 977,884,351

Construction-in-progress at year-end represents numerous ongoing projects, the largest of which are: 2000 Mobility Bond projects for \$38.5 million; 2007 Mobility Bond projects for \$47.8 million; Big Creek project for \$2.1 million; Big Creek Flood Control Water Supply Corporation project for \$12.0 million; and Upper Oyster Creek project for \$7.6 million.

Long-Term Debt - At the end of the current fiscal year, the County had total bonds outstanding of \$318.3 million. This is a decrease of \$13.1 million from the prior year due to scheduled debt service payments made during fiscal year 2011. OPEB liability increased by \$26.6 million based on the actuarial valuation dated September 30, 2011 to a total balance of \$101.8 million.

	Governmental Activities	
	2011	2010
General obligation bonds	\$ 318,265,000	\$ 331,410,000
Premiums on bonds	12,043,251	12,038,573
Accrued compensated absences	5,560,434	5,392,775
Other post-employment benefits (OPEB) obligation	101,760,042	75,112,628
Total	\$ 437,628,727	\$ 423,953,976

The County received an insured rating of Aaa from Moody's and Standard and Poors on issuances prior to 2009. The three issuances in 2009 were not insured and therefore retained the uninsured ratings. The uninsured ratings were as follows:

Moody Investor Service Aa2
Standard and Poor's AA+

FORT BEND COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

The Fort Bend County Housing Finance Corporation ("FBCHFC"), a component unit of the County, issues conduit debt in the form of tax-exempt bonds for the purpose of providing below-market interest rate financing to qualified homebuyers and developers of affordable rental housing, and sponsorship or the federal low-income housing tax credit program. The tax-exempt bonds issued by FBCHFC do not constitute a debt or pledge of faith by FBCHFC, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. As of September 30, 2011, approximately \$11.0 million of total bonds were outstanding.

The Fort Bend County Industrial Development Corporation ("FBCIDC"), a component unit of the County, issues conduit debt in the form of bonds to finance all or part of the cost of one or more projects as defined in the Development Corporation Act of 1979, Article 5190.6, Vernon's Annotated Texas Civil Statutes, as amended. The bonds issued by the Corporation do not constitute a debt or pledge of faith by FBCIDC, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. As of September 30, 2011, approximately \$13.8 million of total bonds were outstanding.

Additional information on capital assets and long-term debt is available in Notes 6 and 7 respectively.

Economic Factors and Next Year's Budgets and Rates

The County continues to enjoy growth in various demographic areas during this ongoing economic slowdown.

The population of the County is estimated at 606,786 in 2011 and is expected to grow by 4.44% annually through 2015. Total employment is estimated at 235,961 in 2011 and is expected to grow by 3.37% annually over the same period.

The number of households has increased to 195,264 in 2011 and is expected to grow to 230,330 by 2015. Mean household income for 2011 is \$129,337 and is estimated to rise to \$146,579 by 2015. Income per capita is currently at \$41,986 and is expected to grow to \$48,116 by 2015. Retail sales increased by 7.8% to \$6.19 billion in 2011 and are expected to grow to \$7.37 billion by 2015.

The Commissioners Court approved a \$252.1 million total budget for the 2012 fiscal year. This is a 5.2% increase over the adopted 2011 fiscal year budget. The increase in the budget is due to increased debt service along with increases in operating expenditures for a new branch library and new facilities now in service. The overall tax rate remained constant from 2011 to 2012 at \$0.49976 per \$100 of assessed valuation.

Requests for Information

This financial report is designed to provide a general overview of Fort Bend County's finances for all of those with an interest in the County's finances. Questions concerning this report or requests for additional financial information should be directed to Ed Sturdivant, County Auditor, 301 Jackson, Suite 533, Richmond, TX 77469, telephone (281) 341-3760.