

TEXAS DEPARTMENT OF MOTOR VEHICLES  
PROJECTS AND OPERATIONS COMMITTEE  
MEETING

Texas Department of Motor Vehicles  
4000 Jackson Avenue  
Building 1  
Lone Star Conference Room  
Austin, Texas 78731

2:00 p.m.  
Wednesday,  
April 10, 2024

COMMITTEE MEMBERS:

John Prewitt, Chair  
Christian Alvarado  
Stacey Gillman  
Tammy McRae  
Paul Scott (absent)  
Darren Schlosser

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P R O C E E D I N G S

1  
2 MR. PREWITT: Good afternoon. My name is John  
3 Prewitt, and I am pleased to open the Projects and  
4 Operations Committee meeting of the Board of Directors of  
5 the Texas Department of Motor Vehicles.

6 It is 2:00 p.m. and I am now calling the  
7 Committee meeting for April 10, 2024, to order. I want to  
8 note for the record that the public notice of this meeting  
9 contained all items on the agenda. It was filed with the  
10 Office of Secretary of State on April 2, 2024.

11 Before we begin today's meeting, please place  
12 all cell phones and other communication devices in silent  
13 mode. And please, as a courtesy to others, do not carry  
14 on side conversations in the meeting room.

15 I want to welcome those who are with us today  
16 for today's Committee meeting. If you wish to address the  
17 Committee or speak on an agenda item during today's  
18 meeting, please complete a speaker sheet at the  
19 registration table, or send an email to  
20 [GCO\\_general@txdmv.gov](mailto:GCO_general@txdmv.gov). Please identify in your email the  
21 specific item you are interested in commenting on, your  
22 name and address, and whether you are representing anyone  
23 or speaking for yourself. If your comment does not  
24 pertain to a specific agenda item, we will take your  
25 comment during the general public comment portion of the

1 meeting.

2 In accordance with the Department's  
3 administrative rule, comments to the Committee will be  
4 limited to three minutes. To assist each speaker, a timer  
5 has been provided. The timer light will be green for the  
6 first two minutes, yellow when the speaker has one minute  
7 left, and then red when the speaker's time is up.

8 Individuals cannot accumulate time from other  
9 speakers. Comments should be pertinent to the issues  
10 stated on the comment sheet. When addressing the  
11 Committee, please state your name and affiliation for the  
12 record.

13 There are a few things that will assist in  
14 making the meeting run smoother, and assist the court  
15 reporter in getting an accurate record. One, please  
16 identify yourself before speaking. Two, speak clearly and  
17 slowly. Three, do not speak over others. And finally,  
18 ask the Chairman for permission to speak and be sure to  
19 get recognized before speaking.

20 I would like to thank our court reporter, who  
21 is transcribing this meeting.

22 Before I begin today, I would like to remind  
23 all presenters and those in attendance of the rules of  
24 conduct at our Committee meeting and the Department's  
25 administrative rule. I have the authority to supervise

1 the conduct of this Committee meeting. This includes the  
2 authority to determine when a speaker is being disruptive  
3 of the meeting or is otherwise violating the time or  
4 presentation rules I just discussed.

5 The posted agenda stated that a quorum of the  
6 Board may be present at the meeting. However, Board  
7 members who are not members of the Projects and Operations  
8 Committee meeting will not vote on any Committee agenda  
9 items today, nor will any Board action be taken.

10 I don't currently see any other Board members  
11 outside the Committee here at the meeting at this time.

12 At this point, I would like to call a roll  
13 call, under establishment of quorum. And I would like to  
14 respond -- the Committee members to respond verbally when  
15 I call your name.

16 Member Alvarado, are you present?

17 MR. ALVARADO: Here.

18 MR. PREWITT: Member Gillman?

19 MS. GILLMAN: Present.

20 MR. PREWITT: Vice Chair McRae?

21 MS. McRAE: Here.

22 MR. PREWITT: Member Schlosser.

23 MR. SCHLOSSER: Here.

24 MR. PREWITT: And let the record reflect that  
25 I, John Prewitt, am here as well. We have a quorum.

1 Also, let the record reflect that Member Scott is absent  
2 today.

3 Agenda Item 2, let us please stand and honor  
4 our country with Stacey Gillman -- excuse me, Member  
5 Alvarado, leading us in the U.S. pledge.

6 (Whereupon, the Pledge of Allegiance was  
7 recited.)

8 MR. PREWITT: And now, Member Gillman will lead  
9 us in the Texas Pledge.

10 (Whereupon, a pledge to the Texas flag was  
11 recited.)

12 MR. PREWITT: Thank you. We'll now move to  
13 Agenda Item 3. It is my duty to inform this Committee  
14 that we received Member Paul Scott's notice of resignation  
15 from the Committee and, of course, from the board of  
16 directors.

17 I would like to thank Paul for his service on  
18 this Committee and to the State of Texas. And I know I  
19 speak for all of us when I say we wish him very well.

20 Onward to Agenda Item 4A. We are talking  
21 about the Camp Hubbard Renewal Project. This is a  
22 briefing item only. And we'll hear from Dorothy Spearman  
23 and Glenna Bowman.

24 Dorothy and Glenna -- Dorothy, yes.

25 MS. SPEARMAN: Thank you. Okay. All right.

1           Good afternoon. Thank you for the opportunity  
2 to present to you an update on the Camp Hubbard Renewal  
3 Project.

4           First slide, please. I would like to start  
5 with the vision of the future outcome that we are working  
6 towards. Go back -- I have got some updates to do.

7           Okay. So this rendering was created by Marmon  
8 Mok during the design phase of the project. And  
9 hopefully, this is what it will look like in two and a  
10 half years.

11           The first update is regarding the financing.  
12 The TPFA and DMV have finalized the lease agreements. And  
13 Director Avitia will be signing Thursday, tomorrow, our  
14 half.

15           And then the final closing will be on the 19th  
16 for those documents. And then our first draw for  
17 construction funding will happen in May.

18           MR. PREWITT: All right.

19           MS. SPEARMAN: The next aspect of the  
20 project -- can you go back again? Okay -- is the design  
21 portion.

22           So Marmon Mok completed the design and  
23 construction drawings late last year. And we will  
24 continue working with their interiors teams on the  
25 furniture selections later this spring, as well as working

1 with the Texas Workforce Commission on the equipment and  
2 layout for the food and beverage market within the  
3 building.

4 Let's see. Sorry, y'all. Back in here. Okay.

5 So the next slide -- so logistics and timeline.

6 The project contains five phases and an enabling project.

7 The bulk of the work is going to take place within that  
8 red dotted outline in the center of the campus, between  
9 Buildings 1 and 6. And let's see -- Buildings 2, 3, and 5  
10 will be demolished in the future.

11 So right now, the facilities and operation  
12 staff have been working to decommission those buildings  
13 and get them ready for demolition in the fall. And also,  
14 part of that is we have an enabling phase project which  
15 will be moving the data center from Building 5 over into  
16 Building 6.

17 So the contractor kicked off today, and we'll  
18 be working to complete that data center for completion at  
19 the end of July. And then the IT Department will have a  
20 month to get the network setup over in the new space.

21 Meanwhile, Texas Facilities Commission will be  
22 working on the procurement of a construction manager at  
23 risk for construction of phases 1 through 5. Okay.

24 Oh, and back to their other two other  
25 components regarding the data center move. The IT



1 Department and DIR are on track with their running  
2 underground fiber for the new data center and the call  
3 center for the data center move that is in the contracting  
4 phase. And that will begin the enabling phase within the  
5 next few weeks.

6 Let's see. Okay. So, TFC is working on the  
7 solicitation. They have issued the solicitation for a  
8 construction manager at risk. And those qualifications  
9 packages will be due at the end of the month, with  
10 selection and contracting completed in June.

11 And then in July and August, the construction  
12 manager at risk will start preconstruction services which  
13 will consist of confirming costs and developing a strategy  
14 for this schedule.

15 Let's see. At the bottom of that image, there  
16 is a little timeline and the color coding of the phases.  
17 Excuse me. Let's see. Next slide, please.

18 Okay. So, when the first phase work starts,  
19 which will be demolishing those buildings, the contractor  
20 will fence off that area between 1 and 6. And leaving the  
21 sidewalks open for pedestrians to continue using the  
22 sidewalks. And in the green area below Building 1, the  
23 visitor and assigned parking spaces will stay open during  
24 the duration of the project.

25 And then, the next slide, please.

1           In phase 3, when they start building the new  
2 building, it will stay the same. We'll still have that  
3 visitor parking open and the sidewalks open. And we'll be  
4 maintaining construction or delivery access to the  
5 Buildings 1 and 6, so that we can maintain daily  
6 operations and deliveries.

7           And the next slide. Then when we get to --  
8 when we get the new building complete, we will move  
9 everyone from Building 1 over into the new Building. And  
10 the contractors can start demo-ing Building 1 and then  
11 replacing that with new parking lot and new site  
12 landscaping. Next slide.

13           So one of the things that we are doing on  
14 Building 6 is -- part of the renovations to that building  
15 is creating a new entrance to the south parking lot, to  
16 tie the parking on either ends of the campus together.  
17 That will be done by taking off one of the additions that  
18 was added to the building on the south side. And so this  
19 is what the new south entrance will look like. Next  
20 slide.

21           And when the building was built in 1958, it had  
22 a central lobby corridor that connected the north and  
23 south parts of the building. And we are going to recreate  
24 that in the renovations. And off to the right, you can  
25 see some artwork, a rendering of the artwork that reflects

1 the motor vehicles that we serve.

2 And then, next slide. Off to the left of that  
3 is a modernized elevator lobby, with finishes to match the  
4 new building. And the next slide.

5 And then, here we have a birds-eye view of what  
6 the connection of the Building 6 will be to the new  
7 building, from above. With a covered walkway, so that one  
8 could go from the south parking lot to the north parking  
9 lot completely covered.

10 Next slide. And here is another image looking  
11 back from the new entrance, back to the Building 6.

12 And finally, closing shot of what the new  
13 entrance will look like at sunset. One of the things the  
14 neighbors had mentioned to us was really enjoying the  
15 western sunset over our campus. So we tried to maintain  
16 that with a three building -- three-story building.

17 Any questions? Anything I can provide you more  
18 information on at this time?

19 MR. PREWITT: It looks great. Are there any  
20 questions for staff?

21 MS. GILLMAN: Time? Timeline?

22 MS. SPEARMAN: Timeline.

23 MS. GILLMAN: You said two and a half years.

24 MS. SPEARMAN: Yes.

25 MS. GILLMAN: That's --

1 MS. BOWMAN: That's for everything.

2 MS. SPEARMAN: Two and a half. Yes. That is  
3 for everything. So, yes. The demolition work will start  
4 in September, and new building foundations will start in  
5 January next year.

6 That will take 18 months. So mid-2026, we  
7 should be moving into the new building. And end of 2026,  
8 we should be complete.

9 MR. PREWITT: Executive Director.

10 MR. AVITIA: Thank you, Chairman. For the  
11 record, Daniel Avitia, Executive Director.

12 Member Gillman, I just want to let you know the  
13 artwork, each of those vehicles will have a Gillman  
14 license plate placard around it.

15 MR. PREWITT: Perfect.

16 MS. SPEARMAN: Great. Thank you.

17 MR. PREWITT: If there is no other questions,  
18 then thank you all. Thank you, Ms. Spearman and Ms.  
19 Bowman.

20 We'll now move on to Agenda Item 4A, subsection  
21 2. Turn it over to Roland Luna to talk about the  
22 implementation of HB 718.

23 MR. LUNA: Good afternoon, Chairman Prewitt,  
24 Executive Director Daniel Avitia, Committee members. My  
25 name is Roland Luna, Deputy Executive Director with the

1 DMV.

2 I will be providing an update on the Agency's  
3 activities related to the implementation of House Bill  
4 718. Just as a reminder of the changes that are on the  
5 horizon, HB 718 changes a number of operations for the DMV  
6 that impact dealers, that impact law enforcement, that  
7 impact tax assessor-collectors and the motoring public.

8 HB 718 eliminates six different paper tag  
9 types. It creates three new metal plates. It requires  
10 dealers to use webDEALER.

11 It requires that the license plate remain with  
12 the vehicle upon trade-in. It requires that the Agency  
13 adopt rules by December 1st of this year, with full  
14 implementation of the bill by July 1st of 2025.

15 To implement HB 718, the Agency received some  
16 funding for FTEs, for technology, as well as for us to  
17 ensure that we can perform the new dealer compliance for  
18 license plates, for the inventory that dealers will have  
19 on site. What the Agency did to make sure that we could  
20 cover all of our bases with implementation, we created a  
21 number of internal committees.

22 We created a Regulatory Affairs Committee to  
23 help us with the development of the draft rules for  
24 presentation to the Board later this year. We also  
25 created a License Plate Design and Manufacturing Committee

1 to make sure that we have optimal efficiency with our  
2 manufacturing process as well as with the creation of the  
3 three new plate types.

4 The three new plate types are -- we have a new  
5 dealer demo plate. We have a temporary registration  
6 plate, which is going to replace the one-trip permit and  
7 30-day permit. And then the last plate that we have is  
8 for out-of-state buyers. So someone purchases a vehicle  
9 in the future on July 1, 2025, they will be assigned an  
10 out-of-state buyer plate.

11 The other committees that we created were  
12 Technology Committee. As you know, technology has to be  
13 leveraged so that we can appropriately implement this  
14 bill. We need a robust inventory management system to  
15 help us track license plate manufacturing, assignment for  
16 a particular tax assessor-collector, as well as the future  
17 plate allotments that are going to go to dealers.

18 The last committee that we have is our  
19 Compliance Committee. And the Compliance Committee, as  
20 you know, with the new responsibility that we are going to  
21 have to monitor plate inventories for dealers, the FTEs  
22 that have been allotted to the agency are going to help us  
23 with that responsibility. The Compliance Committee is  
24 helping us determine what our vulnerabilities are,  
25 determine how we need to regulate this new responsibility,

1 and help us with overall implementation of the bill.

2           There are several notable activities and  
3 deliverables that have already been completed by our  
4 various committees. Staff have reached out to a number of  
5 states and participated in a number of demonstrations to  
6 analyze existing inventory management systems that other  
7 states are using.

8           We have also reached out to the Department of  
9 Information Resources to see which technology solutions  
10 are on contract now that may be viable for the Department.

11          We have also created a Request for Information that  
12 closed on January 31st of this year. And what we did with  
13 that is, we simply said, those companies that are out  
14 there, these are the things that we are we looking for, to  
15 implement this bill.

16          And we had a number of entities that responded  
17 to that, and requested a demonstration. We had five demos  
18 the cross pollination of divisions across the agency  
19 participated in so that they could ask questions that were  
20 specific to their program areas.

21          For our License Plate Design and Manufacturing  
22 Committee, they have made some considerable headway as  
23 well. They have completed the initial mock up of the  
24 three new plate types.

25          We have some demos now that have been created.

1       And we are partnering with the Department of Public  
2       Safety to make sure that those are readable and to make  
3       sure that there are not issues with license plate readers  
4       for law enforcement.

5               The License Plate Design and Manufacturing  
6       Committee also is helping us with our distribution model.  
7       We know how important this is to all of our stakeholders.

8  
9               Just as a reminder, you all know we have 22,000  
10       dealers. And the business and commerce aspect of this  
11       bill is extremely important to us, to the public, and the  
12       dealers. And we want to make sure we get it right.

13              Another stakeholder group that we have for  
14       consideration is the tax assessor-collectors. There is  
15       254 counties. Each county handles their dealer  
16       transactions a little bit different.

17              Some have dealer drop-off. Some have a dealer  
18       section. Some of them leverage webDEALER. Not all tax  
19       assessor-collectors today use webDEALER. That is a  
20       consideration for us.

21              So we want to make sure in our distribution  
22       model that we get it right. We are evaluating three  
23       options now.

24              Our option that we have today is an existing  
25       option that we have. It is that we have a relationship



1 with the Department of Criminal Justice, TDCJ. They  
2 manufacture our plates. They go directly to the counties,  
3 and then the counties could distribute to the dealers.

4 That is one option. Do what we are doing  
5 today.

6 The second option is we have the plates  
7 manufactured at TDCJ. They go to a distribution center,  
8 an entity that we would partner with. Then that  
9 distribution center would issue those plates to the tax  
10 assessor-collector. And then, the tax assessor-collector  
11 would distribute those plates to the dealers in their  
12 county.

13 The third option is that we continue to use our  
14 relationship with TDCJ. We enter into a new relationship  
15 with this distribution center. And then, the distribution  
16 center would issues plates to the tax assessor-collector,  
17 as well as a direct to dealer model.

18 We have heard from a number of dealers around  
19 the state. We have heard from tax assessor-collectors,  
20 that the preferred model is for us to have a distribution  
21 center that assigns and allocates plates directly to the  
22 dealers, as well as to the tax assessor-collectors.

23 The License Plate Design and Manufacturing  
24 Committee presented all of this information to the  
25 Executive Office a few weeks ago, to our Executive

1 Director Daniel Avitia and my fellow Deputy Executive  
2 Director, Shelly Mellott. And during that presentation,  
3 it gave us an opportunity to really talk about the cost  
4 benefit analysis associated with each one of these  
5 options.

6 We have asked the License Plate Design and  
7 Manufacturing Committee for some additional information,  
8 so that we can further evaluate all of the options. So  
9 that we can make a decision very soon and communicate that  
10 decision to all of our stakeholders.

11 With our Compliance Committee -- our Compliance  
12 Committee, with this new responsibility, they have  
13 conducted a preliminary risk assessment. Where do our  
14 vulnerabilities and risks lie with implementation of this  
15 bill? Especially as it relates to plate inventory onsite  
16 for dealers.

17 We are using that as a risk mitigation and  
18 fraud prevention tool. We will continue to review that  
19 information. And as we learn new things about the  
20 implementation, we will continue to add that to our risk  
21 mitigation and fraud prevention document that has been  
22 drafted.

23 Our Regulatory Affairs Committee, which was  
24 charged with developing the draft rules, they did a  
25 fantastic job of getting through the first iteration. And

1 we have met with our three advisory committees. We met  
2 with two committees in February, and one in March.

3 The three committees that we met with are the  
4 Vehicle Title and Registration Advisory Committee that has  
5 a strong presence from the tax assessor-collectors, as  
6 well as dealers and members of the public, as well. We  
7 met with the Motor Vehicle Industry Advisory Committee.  
8 And then lastly, we met with the Customer Service and  
9 Protection Advisory Committee.

10 That gave us an opportunity to point out the  
11 noteworthy sections of the rule, of the draft rules, as  
12 well as hear feedback from them. We have taken that  
13 feedback, and we are refining our rules that will be  
14 presented -- the final rules for proposal at the June  
15 Board meeting. That will give the Board an opportunity to  
16 weigh in on rules and ask any questions, and gives us  
17 enough runway to ensure that we have rules adopted well in  
18 advance of the December 1, 2024, due date.

19 With outreach, we understand the significance  
20 of the bill. And we want to ensure that we are working  
21 with all of our stakeholders. And we are working with  
22 dealerships. We are working with tax assessor-collectors,  
23 law enforcement.

24 And we have participated in a number of TIADA  
25 events across the state, in Donna, and El Paso, and

1 Lubbock. We have one planned here in Austin. There was  
2 one in the DFW area.

3 That gave us an opportunity to talk about the  
4 legislative and operational changes associated with 718,  
5 as well as answer questions directly from dealers. We  
6 have learned a number of things from these stakeholder  
7 events. And we have learned how we need to further  
8 enhance our webDEALER application to make sure that is  
9 stable and fully operational on July 1, 2025, when the  
10 bill takes effect.

11 We have also participated in a number of tax  
12 assessor-collector association regional training events in  
13 Wichita Falls, here in Central Texas. And there are  
14 planned events in the DFW area as well. This gives us an  
15 opportunity to slow down and explain some of the finer  
16 operational components of 718 with our partners.

17 The Department of Public Safety is a key  
18 partner for us. Not only for this bill, but for a number  
19 of other bills. We met with their executive leadership  
20 last month to explain HB 718, and how it impacts law  
21 enforcement.

22 We also provided them with the three sample  
23 plates and asked for their feedback on it. We expect to  
24 receive that by next Monday.

25 This concludes my update on 718. And I am

1 happy to answer any questions that you have.

2 MR. PREWITT: Are there any questions for Mr.  
3 Luna?

4 MS. GILLMAN: Sure. Thank you, Roland. It is  
5 a huge task, and I appreciate your methodical, logical  
6 introduction for me.

7 The first thing that you said was 100 percent  
8 webDEALER adoption by July 2025. Is there  
9 consideration -- and right now, I don't know how many  
10 dealers are on webDEALER --

11 MR. LUNA: We have about 20 percent, Member  
12 Gillman, of our transactions that are processed in  
13 webDEALER to date.

14 MS. GILLMAN: Okay. Is there -- is it wise, is  
15 it possible to force adoption early? To be ready to force  
16 the other 80 percent to go on now and, I guess, give them  
17 a chance to work out the kinks and education about the  
18 system, which is --

19 MR. LUNA: Yes, ma'am.

20 MS. GILLMAN: It is -- there are quirks.  
21 Quirks that are good, but if you are not experienced, you  
22 miss this box, and you forget --

23 MR. LUNA: Right.

24 MS. GILLMAN: You know, this is required. And  
25 you have to align the form just right.

1           It would give everybody more time. And it  
2 wouldn't be just a shocking introduction, July '25. Have  
3 you all thought about --

4           MR. LUNA: Yes, ma'am.

5           MS. GILLMAN: -- sort of forcing an adoption  
6 now?

7           MR. LUNA: We have been gently nudging. And I  
8 will explain how we have been nudging. The Vehicle Title  
9 and Registration Division has developed a robust training  
10 schedule that is both in-person and virtual training.

11           We have developed two different modules here at  
12 the Agency. One of them is tailored for dealers, where we  
13 are providing dealer one-on-one training. How do you sign  
14 up. How do you use the system. And we answer questions.

15  
16           We have also developed a separate module for  
17 tax assessor-collectors, because not all tax assessor-  
18 collectors are using webDEALER today.

19           MS. GILLMAN: What percent are using, out of  
20 the 254 counties?

21           MR. LUNA: I will have to get that information  
22 and get back to you. But we have a lower participation  
23 rate than we need.

24           MS. GILLMAN: Tammy, what is your best guess?

25           MS. McRAE: I am with Roland on that. I would

1 have to get back with you.

2 Of course, all of the larger counties are using  
3 it and have been using it --

4 MR. LUNA: Right.

5 MS. McRAE: -- but I don't know -- that the  
6 majority of the counties are rural and fall under 40,000.

7 And I have no clue on that.

8 MR. LUNA: So Member Gillman, what we are doing  
9 to address this concern that you are talking about is we  
10 have been providing training for two months now. And we  
11 have them every other week, in person, and virtually.

12 And in addition to providing the training both  
13 for tax assessor-collectors and for dealers, we are  
14 plotting this on a map so that we can see which areas we  
15 have saturated, and which areas we still need to provide  
16 training to. We will continue to provide this training  
17 all the way up through July 1st. But we hope that there  
18 is an adoption rate by most dealers well in advance of  
19 July 1st.

20 We are going to have some training  
21 opportunities for larger audiences. We have the tax  
22 assessor-collector conference that is coming up in June.  
23 We will be providing that to all 254 counties and their  
24 chief deputies.

25 We also have the Texas Independent Automobile

1 Dealers Association conference coming up in July, at which  
2 point we will be doing that in tandem with the DMV and a  
3 county where we will be providing this training to  
4 dealers. And if there any other dealers associations or  
5 any other regional events, we are happy to participate in  
6 those as well.

7 MS. GILLMAN: Sadly, because I go to the TIADA  
8 conferences -- but it is such a small number of dealers go  
9 to the conferences.

10 So what do you think about as you get renewals,  
11 license renewals, that you -- I wouldn't use the word  
12 force. But a dealer had the option as part of license  
13 renewal --

14 MR. LUNA: We would need to check with our  
15 General Counsel to see if that is a provision that can be  
16 enforced.

17 MS. GILLMAN: And then, say -- and then, part  
18 two would be have the tax assessor-collectors just not  
19 able to process unless you use webDEALER.

20 MS. McRAE: Not able to process, what? Dealer  
21 transactions? I don't think, statutorily, we can do that.

22 MS. GILLMAN: Well, it is July '25.

23 MS. McRAE: Right. Right. But I don't -- I  
24 don't know.

25 MS. GILLMAN: Looking over here. I am just



1 trying to think of ways.

2 MS. McRAE: I think though --

3 MS. GILLMAN: I think that we can push this so  
4 there is not a crash on July 1, 2025.

5 MS. McRAE: Well, I think Roland and his team  
6 are doing a good job. And as I note that during our  
7 conference, which is in June, we hope to ask the tax  
8 assessors to make a bigger push within the tax assessors  
9 association.

10 But like, my plan is to -- I am going to get  
11 DMV on it. We are going to do a big rollout for our  
12 dealers. And I know that other counties are doing that as  
13 well.

14 So there is going to be a more aggressive  
15 approach as we get a little closer. I think you will  
16 be -- I think you will see that by a lot of counties.

17 MR. LUNA: And Member Gillman, we also have one  
18 other consideration that I think is a real opportunity for  
19 us.

20 Two years ago, at the tax assessor-collector  
21 conference, there were 51 new tax assessor-collectors.  
22 This year, we are expecting over 60 new elected tax  
23 assessor-collectors. That is an excellent opportunity for  
24 us to help educate, create some good habits in webDEALER.

25 And we want to try to take advantage of those

1 opportunities, in advance of them taking office.

2 MS. GILLMAN: Well, good luck. We are rooting  
3 for you. We are on your team.

4 MR. LUNA: Thank you.

5 MR. PREWITT: Very well. Great job, Roland.  
6 Thank you.

7 MR. LUNA: Yes, sir.

8 MR. PREWITT: Okay. We will now move on to  
9 Agenda Item 4A, subsection 3. And I will turn it over to  
10 Annette Quintero.

11 MS. QUINTERO: Good afternoon. Thank you.  
12 Good afternoon, Member Prewitt, Executive Director Daniel  
13 Avitia, and Committee members.

14 My name is Annette Quintero. I am the director  
15 of Vehicle Title and Registration Division. Today, I am  
16 providing an update on the RSC expansion, moves, and  
17 renovation projects.

18 As you know, the Department received \$2.8  
19 million and six full-time employees to open two new  
20 additional Regional Service Centers, one in Dallas and one  
21 in Houston. We completed our statewide service mapping  
22 exercise that helped us determine the most suitable  
23 location of both of these new offices. These efforts  
24 included working with the Texas Facilities Commission to  
25 evaluate space, leasing options, and lease requirements.

1           The initial request for proposal for each  
2 location has been submitted to TFC and is undergoing the  
3 review process for posting at TFC. We expect the RFP to  
4 be posted around mid-April -- so here in the next couple  
5 of days.

6           While pending the posting of the RFP in Dallas,  
7 TFC provided a site for us to review in South Dallas, near  
8 Redbird Mall. For those of you familiar with the area,  
9 the location has shown some promising features. We are  
10 now pending pricing and leasing information from the  
11 landlord.

12           We have not had the same luck in Houston. And  
13 we will await the results of the RFP.

14           Remodel and relocation projects are also  
15 currently underway and making improvements in Odessa and  
16 San Antonio.

17           The Odessa remodel project is designed to  
18 remodel the interior of the current office, which is in a  
19 TxDOT facility. While the interior of our existing  
20 location is being remodeled, our staff will be moved into  
21 a temporary office location, a portable building that is  
22 currently located in that parking lot. Our IT team and  
23 security team are working together to ensure proper  
24 cabling, cameras, and security access are installed in and  
25 around the portable building. We recently received three

1 bids for the work needed in the brick and mortar location,  
2 and expect to have those bids reviewed in the next 30  
3 days.

4 The San Antonio Regional Service Center  
5 location is being relocated to a location in the Rolling  
6 Oaks Mall. We have conducted a walkthrough of the new  
7 location, finalized interior design selections, and  
8 exterior, secured parking location and construction.

9 The secure access for employee access directly  
10 into the office suite -- in March, Drash Contracting was  
11 awarded the contract for this renovation project. And we  
12 estimate this project will complete -- the construction of  
13 this project will complete in late summer or early fall.

14 That concludes my update. Any questions?

15 MR. PREWITT: Questions?

16 (No response.)

17 MS. QUINTERO: Thank you.

18 MR. PREWITT: Thank you so much. All right.

19 Let's move on to Agenda Item 4B, technology  
20 projects, which is a briefing only as well, as Agenda  
21 4B(1), Registration and Title and system replacement and  
22 ecosystem modernization.

23 Ms. Wendy Barron.

24 MS. BARRON: Good afternoon, Chairman Prewitt,  
25 Committee members, Director Avitia. For the record, I am

1 Wendy Barron, Chief Information Officer for the Texas  
2 Department of Motor Vehicles.

3 I am here today to brief the Committee on both  
4 4B(1) and (2). There are several major technology  
5 projects I am going to be going through. And these are  
6 briefing items only, and we do not have any  
7 recommendations today.

8 So, starting with 4B(1), this is the  
9 registration and title system replacement and ecosystem  
10 modernization. Phase 1 of this project is well underway.

11 The intent of this phase is to begin the initiation and  
12 planning modules of the project.

13 And it is going to include updates to the  
14 existing systems, assessment of the existing RTS  
15 ecosystem, and development of a transition plan. And  
16 then, assessment and evaluation of available technology  
17 solutions, development of the quality assurance team  
18 documentation, and the initial development of procurement  
19 documents.

20 So we have begun. The overall health of the  
21 project is green. We are moving forward. We continue  
22 working on the updates to the existing systems and we're  
23 well underway with that.

24 We have initiated the internal assessment with  
25 the technology solutions services vendor, Deloitte. We

1 have begun discovery sessions with them, and they are  
2 gathering information. And we anticipate a final report  
3 from them in November.

4 We are also procuring -- in the middle of the  
5 procurement for the external assessment. The solicitation  
6 is currently open, and vendors are submitting bids. They  
7 will be wrapping up later this month. We will assess and  
8 select a vendor, and then hopefully get that assessment  
9 initiated and rolling very soon.

10 We are also working on developing the quality  
11 assurance team documents. That is a set of required  
12 documentation that we do need to put together and then  
13 submit to the quality assurance team as part of our  
14 Legislative Appropriations Request. The quality assurance  
15 team is a designated -- a statutorily designated review  
16 board of large scale technology projects. It includes the  
17 Department of Information Resources, the Legislative  
18 Budget Board, the CPA, and the State Auditors Office.

19 So a panel of individuals from each of those  
20 agencies sits on that Board and reviews kind of all the  
21 large scale technology projects. So we are working on  
22 that documentation as well.

23 And that concludes my update for Item 4B(1).  
24 And I can answer any questions you may have.

25 MR. PREWITT: Any questions?

1 MS. GILLMAN: I just have one. Did you say  
2 that -- I know you are doing updates.

3 MS. BARRON: Yes, ma'am.

4 MS. GILLMAN: But then I didn't -- I got  
5 confused when you said we need to select to a vendor.  
6 Does that mean --

7 MS. BARRON: The vendor is the vendor that will  
8 conduct the external assessment of options for moving  
9 forward. So, for example, in looking at other state DMVs  
10 or other large scale government agencies, what are they  
11 doing with their modernization efforts? What future  
12 products -- what may we transition into.

13 The updates that we are doing now is just  
14 getting the current systems in the best shape possible, so  
15 that we can transition off of them. You know, when you do  
16 a modernization effort like this, you have got to make  
17 sure that everything you have, one, is going to make it to  
18 the end, right. Because you still have to --

19 MS. GILLMAN: So doing updates to the existing  
20 system --

21 MS. BARRON: Yes, ma'am.

22 MS. GILLMAN: But we haven't chosen where we  
23 are going to go.

24 MS. BARRON: That is exactly right.

25 MS. GILLMAN: Okay.

1 MS. BARRON: And so the vendor --

2 MS. GILLMAN: When do you think we will have a  
3 vendor chosen?

4 MS. BARRON: To help to build a system out?

5 MS. GILLMAN: Not to assess. But chosen,  
6 selected --

7 MS. BARRON: Next biennium. That will be  
8 determined next biennium. Part of what we are doing as  
9 part of our Legislative Appropriations Request is  
10 requesting the funding to pay that vendor, you know --

11 MS. GILLMAN: Yes.

12 MS. BARRON: So this biennium, this next year  
13 and a half is really about figuring out where we are going  
14 to go so that we can put a solicitation out on the street.

15 MS. GILLMAN: Okay. Thank you very much.

16 MS. BARRON: You are welcome.

17 MR. PREWITT: Very good. Any other questions?

18

19 (No response.)

20 MR. PREWITT: Okay. If not, then Wendy if you  
21 will please go on with Agenda Item 4B(2).

22 MS. BARRON: Absolutely.

23 So Item 4B(2) is some of the other technology  
24 projects that we are working on here at the DMV.

25 The first of those is the Tax



1 Assessor-Collector T1 Upgrade project. Just to refresh  
2 your memory, this is the project to move the county  
3 locations -- the internet services that we provide to the  
4 county locations off of the older T1 technology onto Metro  
5 Ethernet technology or some other modern technology  
6 available in those areas.

7 The project is in green status at this time.  
8 We have completed the first phase, which was submitting  
9 all of the sites that had full ownership of AT&T to the  
10 site, submitting the work.

11 Phase 2 is installing the new network hardware  
12 to switch those sites off of the T1 onto the  
13 newly-installed Metro Ethernet. We're 93 percent complete  
14 with that component. The last 7 percent, there are some  
15 site issues.

16 Either cabling wasn't quite what it needed to  
17 be in the building, where -- having to run some new cables  
18 or there is just some construction needs. It is not just  
19 move it from this box to that box. We are having to do a  
20 little bit more on those sites.

21 So it is just taking a little bit longer. But  
22 we continue to work through those blockers and are getting  
23 that completed.

24 The phases 3 and 4 are about the kind of other  
25 half that don't have direct -- AT&T doesn't own the line

1 all the way to the office. These are the sites that have  
2 some kind of other vendor that owns what we call the last  
3 mile. So there are -- so we have submitted all the  
4 tickets through the DIR process to request upgrades.

5 And now we are getting quotes in for those  
6 sites. And some of these locations, the construction  
7 costs are prohibitive. It is not going to be a location  
8 where we can move to Metro Ethernet. For those sites, we  
9 are kind of pushing them into that last phase.

10 But those sites that costs aren't prohibitive,  
11 we are moving forward. These are taking a little bit  
12 longer than the first group did. Obviously, because there  
13 is the middle man. There is that last-mile provider and  
14 they don't work on AT&T's schedule.

15 So we are -- but we continue to work through.  
16 Those 39 of the 98 that we have in this group are moving  
17 forward. And things are going well. The remaining sites  
18 are the ones that are kind of the last group.

19 And so my team has done some research on  
20 alternatives to Metro Ethernet that are more cost  
21 effective. This includes broadband, potentially  
22 satellite. You know, we are looking at -- we have had  
23 conversations with multiple different vendors.

24 We have gotten it down to some final options.  
25 We are getting that finalized. And so, we will start

1 moving forwards with this last group soon. And so then --  
2 so that is where we are on that project.

3 Any questions before I move on to the next?

4 MS. McRAE: I hope I am in that 38 percent or  
5 that --

6 MS. BARRON: Yes. If you are in a bigger  
7 location, you tend to be on the happy path of getting  
8 things done. It is those really remote sites that are the  
9 challenges.

10 So moving on to the motor carrier and  
11 credentialing system rewrite. Just to refresh your  
12 memory, this is an effort to replace the legacy M CCS  
13 system with a new modern, reliable application.

14 The project is currently still in the  
15 procurement phase. We had to go through some hoops as far  
16 as procurement goes, going through the process.

17 We submitted bids through the DIR to  
18 TIR-contracted vendors. We did not get quality bids from  
19 vendors. So now we are going with a request for proposal.

20 That draft is currently under review  
21 internally. And we are hopeful to get it out and get the  
22 solicitation out too. The project is in yellow status  
23 right now because of the delays in the procurement  
24 process.

25 And so, but we're -- scope hasn't changed. We

1 are still -- we haven't spent any money yet, so we are  
2 still on budget. But you know, we are -- you know, this  
3 is one of those projects that there is a lot of things  
4 going on. And a lot of review needed by legal,  
5 especially with procurement, you know, with some of the  
6 other big projects going on.

7 So we have had to kind of shuffle some things  
8 around. And so -- but we are working to get this wrapped  
9 us so that we can get it out for solicitation.

10 Any questions?

11 (No response.)

12 MS. BARRON: The Texas International  
13 Registration Program upgrade is moving at a very quick  
14 pace. We are about 88 percent complete with the project.

15 That's a little bit of change that is in your notes.

16 We had some -- we've moved even farther down  
17 the line since I last -- since I put together the Board  
18 materials. This project is on track to be wrapped up by  
19 the end of August. And so we will have a brand new  
20 system.

21 And we are rebranding, renaming this system.  
22 It will be called eFLEET. And we are really excited about  
23 the progress that has been made and excited to get this  
24 project wrapped up.

25 And we -- you know, this project was partially

1 funded by a federal grant power. So we were able to take  
2 advantage of that. And we are really excited to have it  
3 wrap up soon.

4 And then finally, this next project is a new  
5 project for this Committee. I know I have talked to you  
6 about this a little bit at some of our Board closed  
7 sessions.

8 But we are implementing Okta enterprise wide.  
9 And so Okta is an access and identity management tool.  
10 The biggest thing that it provides is multifactor  
11 authentication. But it also provides the ability for  
12 single sign-on, and some other administrative tools -- I  
13 will say for my folks -- that make things easier, faster,  
14 better, in terms of access and identity management.

15 So this -- we are really excited about this  
16 project. It is going to replace some of our older access  
17 and identity management technologies. It is also going to  
18 get us up to speed and compliance with some of the  
19 security requirements that we have to have in place.

20 And so we will -- we have got about twelve  
21 different systems we are going to be implementing this on.

22 The biggest one is our active directory. So staff will  
23 now use multifactor authentication to simply log in to  
24 their computers.

25 But it will enable that once they log in, then

1 the systems that they need to access -- they will already  
2 have access to those systems. They don't have to log in  
3 again with the single sign-on features.

4 We are also implementing Okta on WebDEALER.  
5 That is a little bit longer initiative because the way the  
6 access and identity management was designed on webDEALER,  
7 we basically have to rewrite it. But that is part of the  
8 plan and the work that we are doing to get Okta fully  
9 implemented.

10 And this concludes my presentation. I can  
11 answer any questions you may have.

12 MR. PREWITT: Any questions?

13 (No response.)

14 MS. GILLMAN: That is a big job. Thank you  
15 very much. We are on your team.

16 MS. BARRON: Thank you.

17 MR. PREWITT: Great job.

18 MS. BARRON: Appreciate that.

19 MR. PREWITT: All right. Moving on. Next we  
20 are going to hear from Chris Hayden on Agenda Item 4B(3),  
21 which is the credit cards in the RSCs.

22 MR. HAYDEN: Good afternoon, Chair Prewitt,  
23 Projects and Operations committee members, and Director  
24 Avitia. For the record, I am Chris Hayden, the Deputy  
25 Chief Financial Officer for the Texas Department of Motor

1 Vehicles. And I am here to brief you on the status of the  
2 credit cards at Regional Services Centers project.

3 This project was funded through the automations  
4 system capital budget and has been in collaboration among  
5 other divisions, including Finance and Operations,  
6 Information Technology Service Division, the Motor Carrier  
7 Division, and Vehicle Titles and Registration Division.  
8 This to implement the over-the-counter credit card machine  
9 swipe devices at each one of the Regional Service Centers.

10 I am going to give you a couple of highlights.

11 TxDMV and the payment portal services onboarding in 2023  
12 through the Department of Information Resources, and its  
13 vendor, Tyler Technologies.

14 The payment credit card history. Our PCI  
15 compliance has been completed. And as a station, has been  
16 completed as well. Credit card devices and stands were  
17 purchased for all the Regional Service Center locations,  
18 and they have been received.

19 Testing and programmatic changes to both RTS  
20 and Texas IRP, and its new replacement name, has been  
21 successful and has earned approval from the Department of  
22 Information Resources. The final certification of testing  
23 from the Comptroller was also received.

24 To date, six RSCs have received and have  
25 installed credit cards and are operational for the public

1 to use. Those six RSCs are Austin, Houston, Dallas, Fort  
2 Worth, Corpus Christi, and Pharr. The remaining RSCs will  
3 be deployed at a rate of two per month.

4 And it will be completed by 8/31 of '24 with  
5 the exception of the San Antonio and Odessa RSCs. As  
6 mentioned earlier today, they are either being renovated  
7 or relocated. And we are going to wait to install those  
8 machines when the new RSCs are available and open for  
9 business.

10 And lastly also, as mentioned earlier today, we  
11 have new RSCs, one each in the Houston and Dallas area.  
12 And we will wait until those come online to install them  
13 for opening day in those two new locations.

14 This concludes my briefing. And I am available  
15 to answer any questions that you may have.

16 MR. PREWITT: Any questions for Mr. Hayden?

17 MS. GILLMAN: Thank goodness. It's time. This  
18 is doing credit cards instead of cash or a handwritten  
19 check?

20 MR. PREWITT: Right. It is a great  
21 improvement.

22 MS. GILLMAN: 2024.

23 MR. PREWITT: Thank you.

24 MR. HAYDEN: Thank you.

25 MR. PREWITT: All right. We will please move



1 on to Agenda Item 4B(4), which is the accounts receivable  
2 project briefing with Eric Horn.

3 Eric.

4 MR. HORN: Good afternoon, Mr. Chairman,  
5 Executive Director Avitia, members of the Committee. For  
6 the record, my name is Eric Horn, and I am the Director of  
7 Accounting Operations here for TxDMV.

8 Today, I will be briefing you on the progress  
9 of our accounts receivable system project. Materials that  
10 support my briefing can be found in your e-book on page  
11 25.

12 I last briefed this Committee on this project  
13 in October 2023, at which point TxDMV staff were engaged  
14 in contract negotiations with our selected vendors to  
15 develop and implement the system, using Microsoft Dynamics  
16 365 Business Central as our platform. This platform was  
17 selected following our independent study conducted by  
18 Gartner in fiscal year 2022.

19 This was one of their recommended solutions  
20 based on our unique requirements and processes. This  
21 solution was also one of the demonstrations we received  
22 from vendors responding to our Request for Information, or  
23 RFI, in early fiscal year 2023.

24 The procurement process, including contracts  
25 for the Microsoft licenses, as well as a

1 deliverables-based information technology services, or  
2 DBITS, contract for the implementation. I'm very happy to  
3 inform you that both contracts were finalized, and we  
4 received final approval from the Department of Information  
5 Resources to begin the project in mid-March.

6 We held a kickoff meeting with our  
7 implementation vendors on March 18th. The primary vendor,  
8 C&T Information Technologies, is an Austin-based company  
9 with many years of experience providing consulting  
10 services to Texas state agencies, including working with  
11 TxDMV previously on the motor carrier credentialing  
12 system, or MCCA.

13 C&T is joined by their subcontractor Nagarro,  
14 also an Austin-based company, with extensive experience  
15 providing consulting and support services to state and  
16 local governments, to include numerous Texas state  
17 agencies. Nagarro is a Microsoft Certified Gold Partner  
18 with experience implementing Microsoft Dynamics Business  
19 Central for private companies, as well as in the public  
20 sector.

21 The project is currently in the define and  
22 design phase, which is expected to last through the middle  
23 of May. TxDMV staff have been meeting with the vendors  
24 daily to discuss our current processes in depth and to  
25 ensure that all requirements are gathered and understood

1 fully.

2 The first deliverable for this project will  
3 include both functional and technical design documents,  
4 along with a very detailed project plan. Once this  
5 deliverable is completed and accepted by TxDMV, the  
6 development of the system will begin. We currently expect  
7 that phase to begin in early June.

8 We are currently on progress to have a fully  
9 functional production deployment of our AR system in  
10 January 2025. Post-deployment support will continue  
11 through April 2025, at which point project closing  
12 activities will occur.

13 This concludes my remarks. I am available for  
14 any questions you may have.

15 MR. PREWITT: Members, any questions?

16 (No response.)

17 MR. PREWITT: That is a pretty aggressive  
18 schedule.

19 MR. HORN: Yes, sir.

20 MR. PREWITT: Thank you, Eric.

21 MS. GILLMAN: Good job.

22 MR. HORN: Thank you.

23 MR. PREWITT: All right. Moving on. We will  
24 not -- to section five, we will not have a closed session  
25 today. So we are not taking up Agenda Items 5 or 6.

1 We will now move to Agenda Item 7, public  
2 comment.

3 Laura, are there any public comments?

4 MS. MORIATY: No, sir. There are no public  
5 comments.

6 MR. PREWITT: So again, there are no public  
7 comments.

8 We will move to Agenda Item 8, adjournment. Do  
9 I have a motion for adjournment?

10 MS. McRAE: I move that we adjourn.

11 MR. PREWITT: Do I have a second?

12 MS. GILLMAN: Second.

13 MR. PREWITT: We have a motion from Member  
14 McRae, a second from Member Gillman. And when I call your  
15 name, please state your vote for the record.

16 Member Alvarado.

17 MR. ALVARADO: Aye.

18 MR. PREWITT: Member Gillman.

19 MS. GILLMAN: Aye.

20 MR. PREWITT: Vice Chair McRae.

21 MS. McRAE: Aye.

22 MR. PREWITT: Member Schlosser.

23 MR. SCHLOSSER: Aye.

24 MR. PREWITT: And I, Chairman Prewitt vote aye.

25 Let the record reflect that the vote is unanimous.

1                   The meeting is adjourned. Thank you.  
2                   (Whereupon, at 2:34 p.m., the meeting was  
3 concluded.)

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C E R T I F I C A T E

MEETING OF: TxDMV Projects and Operations Committee  
LOCATION: Austin, Texas  
DATE: April 10, 2024

I do hereby certify that the foregoing pages, numbers 1 through 46, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Elizabeth Stoddard before the Texas Department of Motor Vehicles.

DATE: April 15, 2024

/s/ Carol Bourgeois  
(Transcriber)

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