

TEXAS DEPARTMENT OF MOTOR VEHICLES
PROJECTS AND OPERATIONS COMMITTEE
MEETING

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

Wednesday,
October 11, 2023

COMMITTEE MEMBERS:

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

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5. The Committee may enter into closed session under one or more of the provisions of the Texas Open Meetings Act, Government Code Chapter 551, including but not limited to: Section 551.071 Section 551.076 Section 551.089	none
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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'm pleased to open the Projects and
4 Operations Committee meeting of the Board of the Texas
5 Department of Motor Vehicles.

6 It is now 2:00 p.m., and I'm now calling the
7 committee meeting for October 11, 2023, to order. I want
8 to note for the record that the public notice of this
9 meeting, containing all items on the agenda, was filed with
10 the Office of Secretary of State on October 3, 2023.

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

15 I do want to welcome those who are with us for
16 today's committee meeting. Thanks for being here. If you
17 wish to address the committee or speak on an agenda item
18 during today's meeting, please complete a speaker's sheet
19 at the registration table or send an email to
20 GCO_General@TxDMV.gov.

21 Please identify in your email the specific item
22 you're interested in commenting on, your name and your
23 address, and whether you are representing anyone or
24 speaking for yourself. If your comment does not pertain
25 to a specific agenda item, we will take your comment

1 during the general public comment portion of the 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 for one minute, and then red
7 when your 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 this 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 please ask the chairman for permission to speak and be
19 sure to get recognized before speaking.

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

22 Before we begin today, I'd like to remind all
23 presenters and those in attendance of the rules of conduct
24 at our committee meetings. In the department's
25 administrative rule, I have the authority to supervise the

1 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 timing or
4 presentation rules I just discussed.

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

10 There is a new Board member present, Mr. Darren
11 Schlosser. If you'll stand, Darren. Good to have you
12 here.

13 (Applause.)

14 MR. PREWITT: He will be a future member of the
15 Projects and Operations Committee, so he's here today
16 observing and getting ready to critique our performance
17 after we're done, so thank you for that.

18 (General laughter.)

19 MR. PREWITT: Other members here at the meeting
20 that are committee members, please respond verbally when I
21 call your name.

22 Member Alvarado?

23 MR. ALVARADO: Here.

24 MR. PREWITT: Vice Chair McRae?

25 MS. McRAE: Here.

1 MR. PREWITT: Member Scott?

2 MR. SCOTT: Here.

3 MR. PREWITT: And let the record reflect that
4 I, John Prewitt, am here too. We have a quorum. Also let
5 the record reflect that Member Gillman is absent today.

6 Next we have the pledge of allegiance. I'm
7 going to ask Vice Chair McRae to lead us in the U.S. Pledge
8 and Member Scott to lead us in the Texas Pledge.

9 (The Pledges of Allegiance - U.S. and Texas,
10 were recited.)

11 MR. PREWITT: Thank you all.

12 Next we have agenda item 3, Comments and
13 announcements from the committee chair, committee members,
14 and executive director.

15 I don't have any comments for today's meeting.

16 Mr. Avitia, do you have any comments?

17 MR. AVITIA: Chairman, thank you. No comments
18 for today.

19 MR. PREWITT: Any committee members, other
20 than -- Tammy, do you want to say a cheer for your
21 hometown team?

22 MS. McRAE: I do. Go 'Stros!

23 MR. PREWITT: There you go. Always good to
24 have good spirit in the room. Thank you.

25 Let's move on to agenda item 4.A, which is the

1 Camp Hubbard renewal project. This is a briefing only,
2 and I'd like to turn it over to Glenna Bowman for
3 presentation.

4 Thank you, Glenna.

5 MS. BOWMAN: Good afternoon, Chairman Prewitt,
6 committee members. For the record, my name is Glenna
7 Bowman. I'm the CFO for TxDMV.

8 Today I'm going to talk about Camp Hubbard
9 renewal. We are moving down the track, so we're very
10 excited.

11 As you know, the legislature appropriated \$143
12 million for the project during FY 2024, and they
13 authorized the Texas Public Finance Authority to issue
14 revenue bonds or other financing obligations to provide
15 the money to be able to do this.

16 In July we did report to the Board that our
17 contracted vendor, Marmon Mok, had presented us with 65
18 percent construction documents, which we reviewed and
19 provided feedback to them. And now, as of September 29,
20 we have 95 percent construction documents. We are in the
21 process of reviewing those, and the 100 percent documents
22 will follow, hopefully, in mid November. So we're on
23 track. That's the schedule that we had planned.

24 We are also currently in phase zero
25 construction. There is some preliminary work that we need

1 to do in our Camp Hubbard Building 6. We need to move the
2 data center out of CH-5 which is going to be demolished,
3 and we need to move it into CH-6.

4 That's kind of before we get to the big
5 construction project. And so we are in the process of
6 working on that -- and our IT folks, Wendy will have all
7 kinds of updates for you in a minute -- along with Texas
8 Facilities Commission and Marmon Mok, working to make sure
9 that all of those pieces fall in place so that those are
10 done as quickly as possible.

11 Financing activities, the Public Finance
12 Authority is in the process of procuring bond counsel so
13 that they can get all of the necessary documents ready.
14 We're working with our General Counsel's Office so that we
15 can send documents to the Office of the Attorney General.

16 They have to approve those before the financing can
17 actually be procured and TPFA can send money to TxDMV to
18 move forward.

19 Finally, the last item that I have is we have
20 internally hired a project manager to focus completely
21 solely on the Camp Hubbard renewal project. It's such a
22 large project and we want to make sure we have dedicated
23 resources for that. And I'm excited that that dedicated
24 resource is Dorothy Spearman, who actually has been
25 working on this project for the last couple of years for

1 Texas Facilities Commission.

2 She's moving over here. They have a new
3 project manager at the Texas Facilities Commission, Bill
4 Muñoz, who is also highly qualified, so I'm excited that
5 we're going to have that kind of focused attention on the
6 project from people that have many, many years of
7 experience doing this kind of project.

8 And those are the high points that I have and
9 I'm happy to answer any questions that you may have.

10 MR. PREWITT: Are there any questions?

11 (No response.)

12 MR. PREWITT: Well, seeing none, thank you, Ms.
13 Bowman.

14 MS. BOWMAN: Okay. Thank you so much.

15 MR. PREWITT: Next we will be discussing the HB
16 718 implementation. This also is a briefing only, and I
17 will turn it over to Roland Luna, Sr., to make a
18 presentation.

19 MR. LUNA: Hello, Chairman Prewitt, committee
20 members. Roland Luna, Sr., deputy executive director.

21 Today I'm going to be providing an overview of
22 HB 718, and some of the upcoming changes, operational
23 impacts, and some considerations that we have as an
24 agency. I will also provide an overview of the
25 implementation plan that we've developed thus far as an

1 agency, and lastly, I will provide a summary of some of
2 the key planned activities and deliverables over the next
3 year and a half.

4 There's been many questions about what 718 is.

5 And as we approach this implementation plan, we thought
6 it would be important to provide some base level knowledge
7 of what the bill actually changes for our agency.

8 It was passed during this last legislative
9 session and it eliminates buyer's tags. It also requires
10 that dealers issue metal plates at the time of purchase.
11 It requires the agency to develop and create and implement
12 three different plate types, and I'm going to discuss
13 those even further along in the presentation.

14 It requires all dealerships to use webDEALER to
15 submit transactions. It requires the license plate issued
16 to the vehicle that the license plate shall remain with
17 the vehicle even if the vehicle is traded in.

18 There are some significant dates with HB 718
19 that are important that we mention today. The first is
20 that we are required to have rules developed by December 1
21 of 2024. The bill is fully operational by July 1 of 2025.

22 So as you can see from those dates, there are a number of
23 activities that we have to complete as an agency prior to
24 both December 1 of '24 and July 1 of '25.

25 There are six different paper tags and time

1 permits that were eliminated as part of HB 718. And you
2 see various types of time permits and paper plates on
3 roadways right now, and unless you look very closely, it's
4 hard to distinguish what those plate types are. And I
5 want to talk about the six that are going to be
6 eliminated.

7 The first one that's going to be eliminated is
8 the buyer's tag. When you go to buy a new vehicle, that
9 is the type of paper tag that is affixed to the vehicle.

10 The second is the internet down tags. In the
11 event that webDEALER or one of our systems are down, the
12 internet down tags can be used in lieu of the buyer's tag.

13 That is also being eliminated.

14 The third is a one-trip permit. If you have
15 the need for a temporary registration to operate a vehicle
16 on a roadway for one trip, you can go to your tax
17 assessor-collector's office and obtain that permit. That
18 is going away as well. Today there is no inspection
19 requirement for a one-trip permit, however, there is an
20 inspection requirement today for the 30-day permits, and
21 that's the other tag type that's going away.

22 30-day permits are currently required to have
23 an inspection and you have to present a driver's license,
24 proof of financial responsibility. You have to fill out
25 the application, it has to be verified by the tax

1 assessor-collector's office and then provided to the
2 customer. That tag type is going away.

3 And then the other two tag types that are going
4 away are the dealer-agent tag and the vehicle specific tag
5 that are used for demos, that are used for dealer-to-
6 dealer transfers as well. Both of those tag types are
7 going away as well.

8 So in total, there are six different time
9 permits and temporary tags that are being eliminated as of
10 July 1 of 2025.

11 The new plate types that we're required to
12 create and design as an agency are a plate type for
13 out-of-state purchasers. So if you live in Louisiana or
14 Oklahoma, you come to Texas -- just because we're
15 better -- and you buy a vehicle here and you decide to go
16 to your home state, in the past we would affix a buyer's
17 tag to that vehicle. In the future, July 1 of 2025 moving
18 forward, we have a special registration plate that is
19 temporary that is going to be valid for 60 days for those
20 customers that reside out of the State of Texas.

21 The other plate type that we will create is to
22 replace 30-day permits and one-trip. And the thought
23 process with the creation of this new plate type, this
24 other temporary registration, is to eliminate one-trip and
25 30-day paper plates being out on the roadway. So we will

1 create one tag type to satisfy two different purposes,
2 either one-trip or 30-day permits.

3 And I'm sure there's going to be some questions
4 about, well, how do you verify the validity of the plate?

5 Law enforcement will still have the ability to run the
6 alphanumeric sequence and determine whether or not the
7 registration is valid on July 1 of 2025 and moving
8 forward.

9 The last plate type that we will create is a
10 new metal dealer plate, and this will replace the
11 dealer/agent and the vehicle specific tag. This plate
12 will be used by dealers for demos, for service, and there
13 will be a one-time charge of \$10 per plate. And we are
14 still working through the logistics and rule development
15 associated with the cost with these plates.

16 Our implementation plan. As we looked at the
17 robust approach that needs to be taken for implementation
18 of 718, there's a lot of moving parts. We have a lot of
19 stakeholders, there's a lot of changes.

20 So how do we create an implementation plan in
21 such a way where we're coordinated, where we have some
22 methodology, where we can streamline communication? We
23 thought that we would create committees internally, and
24 what we have done is we have created five committees
25 internally.

1 The first committee that we created is the
2 Technology Committee. That committee is chaired by Romeo
3 McCain, who is a registration services manager, and Jeff
4 Armstrong, who is our application development director in
5 IT. We have a Compliance Committee. That Compliance
6 Committee is chaired by Charlie Escobedo, who is the
7 compliance manager in the Enforcement Division.

8 We have the Regulatory Affairs Committee, which
9 is chaired by Deputy General Counsel Ashley Healy. The
10 Executive Advisory Committee is a committee that is
11 comprised of our division directors from across the agency
12 to help each of the committees develop ideas, serve as a
13 think tank, and help when a committee reaches an impasse,
14 either with a decision or with a solution and they need to
15 bounce some ideas off another committee. This internal
16 Executive Advisory Committee will assist those committees
17 as needed.

18 And then being extremely proactive, we already
19 have one external committee that has been created to help
20 the agency with implementation of 718, and that was
21 created by the current Tax Assessor-Collector Association
22 president, Kevin Kieschnick. And he looked at small,
23 medium and large counties. And our very own Vice Chair
24 McRae is serving on that committee as well.

25 So as we're working through one of the

1 committees -- and I'll give you an example if we are
2 working through -- if we are working through the
3 Technology Committee and they're evaluating inventory
4 management systems and we have some questions from the tax
5 assessor-collector community about how inventory is going
6 to be operationalized, we can bounce those ideas off the
7 tax assessor-collector community real time. And all of
8 the contact information, email addresses, things of that
9 nature, have been shared with each of the committee chairs
10 and they've been empowered to reach out to the tax
11 assessor-collector group that has been created by
12 President Kevin Kieschnick, as needed.

13 Committee composition. We wanted to be
14 extremely inclusive and we wanted to be very thoughtful
15 about our committee assignments internally. Many times
16 when you're implementing a bill of this magnitude, there
17 may be a propensity for communication breakdown. And what
18 we wanted to do is make sure that we had a cross-
19 pollination of divisions that were represented, not only
20 in business but in support areas as well, to make sure
21 that we were communicating properly and that we weren't
22 missing anything along the way from an implementation
23 status.

24 The other thing that we wanted to ensure that
25 we did with committee composition is create a forum where

1 we could share ideas, share concepts, and continue to
2 streamline our communication internally.

3 And then the last thing that we wanted to do is
4 make sure that we're coordinated. While I gave the
5 example earlier about an inventory management system, we
6 know that an inventory management system is going to touch
7 all of our stakeholders. It's going to touch tax
8 assessor-collectors, dealers, it's going to touch our
9 staff members. It's going to touch law enforcement, it's
10 going to touch a consumer.

11 So how we need to develop the requirements and
12 the needs with an inventory management system is with
13 coordination and communication. And that's why we wanted
14 to be very thoughtful about the committee composition.

15 The committees' responsibility. Each one of
16 the committees is responsible for developing the
17 activities, deliverables and associated timeline with each
18 one of their committee assignments. And I'll give you an
19 example. Our Regulatory Affairs Committee, which is
20 chaired by Deputy General Counsel Ashley Healy, they have
21 developed an implementation plan for the rules themselves.

22 And going back to an earlier piece of the
23 presentation, rules have to be completed and adopted by
24 December 1 of 2024. So using that and working backwards
25 to develop a plan, Ms. Healy and her committee have

1 developed all of the activities and deliverables along the
2 way, the things that we need to do: outreach with
3 stakeholders, advisory committee engagement, and making
4 sure that we complete all of those tasks along the way so
5 that we meet the December 1, 2024, deadline.

6 In summary, I want to talk about some of the
7 notable activities that we still have to do, that we're
8 still working through the plan. And we still have a lot
9 of questions; we don't have all the answers today.

10 We will engage all of our stakeholder groups
11 individually, tax assessor-collectors, law enforcement,
12 the dealer community, and other pieces and facets of the
13 motor vehicle industry. We will need to procure and
14 integrate a new inventory management system that is
15 permissions-based, that can be a building block for RTS
16 replacement in the future. We want to be very thoughtful
17 about the application that we procure in the future. We
18 need to develop our rules.

19 We need to design the plates with security and
20 fraud prevention in mind. We need to develop policies and
21 procedures for our compliance section who is going to be
22 tasked with the compliance inspections of the dealers.
23 And then we need to make sure that the inventory
24 management system that is procured and implemented, that
25 it interfaces properly with our existing applications and

1 programs for a seamless transaction.

2 Those are just as summary of some of the major
3 activities and deliverables that we have. I know that was
4 a lot of information, but if there's any questions that
5 you have about our implementation plan thus far, I'm happy
6 to take those.

7 MR. PREWITT: Are there any questions?

8 MS. McRAE: I just have comment, Chairman.

9 Speaking on behalf of the Tax Assessor-
10 Collectors Association, we appreciate the collaboration
11 with y'all and we look forward to kind of working and
12 hashing through this process as we go. So thank you.

13 MR. LUNA: Yes, ma'am.

14 MR. PREWITT: Roland, I had a question. You
15 mentioned the six tags that you're phasing out are going
16 to be eliminated by June of '25. Is that right?

17 MR. LUNA: By July 1 of 2025.

18 MR. PREWITT: July 1, '25?

19 MR. LUNA: Yes, sir.

20 MR. PREWITT: And then we have to be
21 operational in full by December of '25. Is that right?

22 MR. LUNA: On December 1 of 2024, we have to
23 adopt our rules, and by July 1 of 2025, HB 718 has to be
24 fully operational. And what's interesting about the
25 implementation date is that we would have already

1 completed another regular session by then.

2 MR. PREWITT: Gotcha, understood.

3 And then on the inventory management, I'm
4 assuming that takes into account the TDC production of the
5 plates and all that stuff as well.

6 MR. LUNA: Yes, sir, and that's why with our
7 license plate design and manufacturing committee, we
8 wanted to be very thoughtful about that. And one of the
9 deliverables that that committee has is to identify the
10 right size amount for each dealer, what methodology, what
11 formula do we need to use for X dealership when we provide
12 that initial allotment of general issue plates.

13 That's why we think that Stefan Krisch is an
14 excellent person to serve as the committee chair. He
15 currently serves as the registration services director and
16 he's responsible for registration and manufacturing now,
17 so it makes business sense for him to chair that
18 committee. And we did the same with each of our other
19 committee chair assignments.

20 MR. PREWITT: Fantastic. Good.

21 Tammy.

22 MS. McRAE: Your question prompted another
23 based on your answer. With the allocation of the plates
24 to the dealers, would y'all use a formula similar to the
25 one y'all used for their buyer's tags?

1 MR. LUNA: Excellent question. That's our
2 starting point, absolutely.

3 MS. McRAE: Okay.

4 MR. LUNA: And the other part of that is we
5 have real data now over the last two years for what has
6 been assigned.

7 MS. McRAE: Right. That's key. Thank you.

8 MR. LUNA: Yes, ma'am.

9 MR. PREWITT: Any other questions or comments?

10 (No response.)

11 MR. PREWITT: Thank you, Mr. Luna. Great
12 presentation.

13 MR. LUNA: Yes, sir.

14 MR. PREWITT: And thanks to the staff. I think
15 as an agency we did an outstanding job with the paper
16 plates, only to be told one session later that we don't
17 use them anymore, so to rebound from that and to embrace
18 this is wonderful. Thank you.

19 The next agenda item is agenda item 4.A.3,
20 which is the regional service center expansions, moves and
21 renovations. And I'll turn it over to Annette Quintero.

22 MS. QUINTERO: Good afternoon, Member Prewitt,
23 Executive Director Daniel Avitia and committee members.
24 My name is Annette Quintero. I am the director of the
25 Vehicle Titles and Registration Division.

1 I'm particularly excited to share insights into
2 several of our projects aimed at enhancing our customer
3 service delivery. We are currently in the beginning
4 phases of the expansion projects for the Dallas and
5 Houston service centers. These projects will introduce
6 two additional TxDMV offices strategically positioned to
7 effectively reduce the existing customer volume in both
8 Dallas and Houston. This will mark the first expansion of
9 our service center footprint in at least the last decade.

10 We are pleased to report that just 40 days into
11 the new fiscal year we've already achieved significant
12 milestones. We've finalized the planning phase of the
13 project outlining major milestones, establishing timelines
14 for each objective, and incorporating any mandated
15 functions.

16 This project has been divided into five phases,
17 some of which will run concurrently: Phase 1, service
18 mapping, acquiring property and execution of leases; Phase
19 2, staffing; Phase 3, property buildout; Phase 4,
20 financial considerations; Phase 5, preparation for grand
21 opening by January 1, 2025.

22 The required general space allocation request
23 was submitted to the Texas Facilities Commission on
24 September 19, 2023. Since then the Facilities Commission
25 has assigned a TFC planner to our project and we have

1 initiated information sharing sessions.

2 We have provided our Human Resources Department
3 with job postings for the six customer service
4 representative positions designated for these offices. We
5 anticipate these postings will be live within a week.
6 Once the hiring process is complete, our focus will be on
7 swiftly onboarding and training these individuals. In the
8 interim, they will work at the existing Dallas and Houston
9 locations until their new offices are operational.

10 A pivotal step in the early stages of this
11 project is service mapping. Utilizing geographic imagery
12 and mapping technology, we're plotting population
13 distribution using transaction data by zip code. This
14 visual representation allows us to pinpoint areas with
15 denser populations of customers which will help guide our
16 real estate search. We anticipate concluding the service
17 mapping phase by October 31, 2023.

18 These foundational efforts are crucial in
19 propelling these projects forward effectively and
20 strategically.

21 In addition to the expansion projects, VTR is
22 currently also overseeing two other significant projects,
23 a renovation and relocation effort. As of August 31,
24 2023, we secured a new lease at the Rolling Oaks Mall in
25 San Antonio. Our existing San Antonio Regional Service

1 Center no longer meets our growing needs. Both our team
2 and customers require more room and there is a pressing
3 demand for increased parking capacity to continue our
4 support of the work being done to conduct 68-A
5 inspections.

6 Our final, yet equally significant, renovation
7 project is underway in Midland-Odessa. This property is
8 co-located in a TxDOT facility. We're currently working
9 with TxDOT to finalize an interagency cooperation
10 contract.

11 Our discussions have been constructive,
12 yielding positive agreements. This project is anticipated
13 to enhance customer traffic flow and offer our staff more
14 spacious working conditions.

15 This concludes my remarks and I'm available for
16 questions.

17 MR. PREWITT: Are there any questions or
18 comments?

19 (No response.)

20 MR. PREWITT: Seeing none, thank you, Ms.
21 Quintero.

22 MS. QUINTERO: Thank you.

23 MR. PREWITT: Next up we have agenda item 4.B,
24 Ms. Wendy Barron. A lot on her plate right now.

25 MS. BARRON: Good afternoon, Chairman Prewitt,

1 members of the committee, Daniel. For the record, I am
2 Wendy Barron, chief information officer for the TxDMV.

3 I'm here today to brief the committee about
4 items 4.B.i, ii and iii. These include several of our
5 information technology projects that are currently in
6 process. This is not all of the projects but the big
7 ones. This is a briefing item only; there are no
8 recommendations being presented today, and these items can
9 be found starting on page 10 of your materials.

10 So item 4.B.i is the RTS, Registration and
11 Title System replacement and ecosystem modernization.
12 This is the first project I'm going to talk about. And in
13 my briefing on this item I'm going to provide an overview
14 of what the project is, a highlight of activities
15 currently in progress, our immediate next steps, and a
16 projected timeline of high level milestones for the
17 remainder of the biennium.

18 For overview, so just as a refresher, the
19 department submitted an exceptional item request in our
20 legislative appropriations request last year for the
21 fiscal year '24 and '25, and the intent of this project is
22 to begin the initiating and planning phases of the larger
23 RTS replacement and ecosystem modernization project.
24 During these phases the department is going to be
25 executing several activities.

1 The first activity, and something that we
2 actually started several months ago and is a significant
3 part of this initiation effort, is to ensure that the
4 current systems are fully optimized and upgraded so that
5 they will remain operational to fully support our
6 customers throughout the duration of the modernization
7 effort. This is not a small project and we need to make
8 sure that the current systems make it to the end. There
9 are several different initiatives occurring at this time
10 and each of them are going to maximize the longevity of
11 the existing RTS environment.

12 The department is also going to partner with
13 the Department of Information Resources technology
14 solutions services vendor, Deloitte, to conduct an
15 internal assessment. This internal assessment is going to
16 be an as-is evaluation of current systems. It's also
17 going to include a recommendation on implementation plans
18 that complement the full replacement of the system over a
19 period of time to be determined. This plan will include
20 recommendations of how best to migrate the RTS ecosystem
21 components in phases that would allow for minimal
22 disruption to our customers.

23 We will also be conducting an external
24 assessment. Again, we are going to be partnering with a
25 DIR contracted vendor. And the intent of the external

1 assessment is to conduct a market analysis to evaluate
2 products and solutions that are currently in place or
3 being implemented at other government agencies, other
4 departments of motor vehicles or departments of
5 transportation across the country. This market analysis
6 will hopefully yield recommendations as to the optimal
7 products and/or services to be used in the implementation
8 of our RTS replacement and ecosystem modernization
9 project.

10 During this biennium we are also going to be
11 developing the quality assurance team, or QAT, documents
12 necessary to be submitted as part of our LAR package that
13 will be submitted next summer. These documents are going
14 to provide the business case and justification as to why
15 it is necessary for us to implement this project, and they
16 are actually statutorily required to be submitted as part
17 of our legislative appropriations request.

18 And finally, towards the end of this biennium
19 we will begin developing the procurement documentation
20 that we will use to solicit the vendors that will execute
21 the project for the biennium.

22 So what do we have going on right now? The IT
23 Division, Information Technology Services Division is
24 currently implementing several system upgrades, including
25 server upgrades and decommissioning, upgrading our DB2

1 database, and planning future system upgrades. It's a
2 very interconnected system with many, many parts and so
3 there's a lot of planning that is involved to make sure we
4 do things in the right order so that we don't break
5 something else.

6 We are also developing the statement of work
7 for external assessment and the demand description for the
8 internal assessment. Those are actually currently under
9 review and we're in the process of hiring the contract
10 project manager that will lead the project and oversee the
11 QAT documentation development.

12 So in the next couple of months we are going to
13 continue the systems upgrades. This is actually going to
14 continue through the end of the biennium. There's a lot
15 of work to be done there.

16 We will also submit the demand ticket for the
17 internal assessment in DIR's shared technology services
18 portal for that engagement. We don't actually submit like
19 a statement of work in the traditional sense, we will have
20 a milestones and deliverable document, but that will be
21 part of the submission of the demand ticket.

22 And then we're also going to be submitting the
23 statement of work for the external assessment to DIR for
24 their review and then putting that out to the vendors for
25 bid, and we will also extend an offer to the contract

1 project manager.

2 So some of these items we've already completed
3 on this timeline. We are past some of these dates, but as
4 mentioned previously, we're working through the
5 procurement process on the two assessments and we
6 anticipate initiating both in November. We also will
7 initiate the QAT documentation development in November as
8 well.

9 We expect to be wrapping up the key components
10 of the internal and external assessments by April to
11 ensure sufficient time to include the information in our
12 exceptional item request. Certain parts of those
13 assessments will probably continue beyond April, but
14 there's going to be specific components that we need to be
15 able to develop our LAR request, and so we are setting out
16 those expectations in that demand documentation and the
17 statement of work.

18 We will initiate development of the procurement
19 assistance statement of work. So this is something new
20 that DIR recommends that agencies do for large projects is
21 to bring on a vendor to help us develop that procurement
22 and help us run that procurement. And that's something
23 that DIR has started doing with their large scale
24 procurements, and so we did plan for that in our
25 exceptional item request.

1 And that will start the latter part of the
2 biennium. So we'll get that procurement geared up and
3 ready to go to bring that vendor on next fiscal year.

4 We will also begin in the spring drafting our
5 exceptional item request for Phase 2 and finalizing the
6 QAT documentation, with a target of having that done, a
7 good solid draft by May so that we can present that
8 information to the Board and get it approved and submitted
9 in August when the LAR is due.

10 As I mentioned, in October we will initiate the
11 procurement documentation with that vendor and intend to
12 finalize those documents by the end of FY '25 so that
13 hopefully in September of '25, pending approval of the
14 funding from the legislature, we would begin the execution
15 phase of the RTS replacement and modernization project.

16 I can answer any questions if you have them.

17 MR. PREWITT: Do any committee members have any
18 questions?

19 (No response.)

20 MR. PREWITT: So just briefly, on the issue of
21 cybersecurity, does it impact any of these new elements of
22 the new projects you're working on as far as there's
23 design going into them where we make sure we have a
24 fortress mentality on that?

25 MS. BARRON: Absolutely. And in fact,

1 procurement requirements in statute now, it's built into
2 the procurement process, so we are not allowed to contract
3 with any vendor that does not meet what's called TX-RAMP
4 certification. If you've heard of FedRAMP, it's kind of a
5 similar certification in that the vendors have to meet
6 certain security protocols and requirements to be
7 acceptable as a vendor.

8 And so even at the contracting stage,
9 cybersecurity is front and center, so absolutely 100
10 percent that is front of mind in everything that we're
11 doing. And some of the upgrades that we're doing,
12 implementations that we're doing this biennium -- for
13 example, OCTA is implementing more stringent
14 cybersecurity, multi-factor authentication, things like
15 that. So it's an ongoing work in progress.

16 MR. PREWITT: Right. It's necessary.

17 MS. BARRON: Yes.

18 MR. PREWITT: Secondly, on the idea of Internal
19 Audit, where eventually they'll audit the process, are we
20 giving thought to that going into it as to how that works
21 with Internal Audit as far as making it more, I guess,
22 approachable or doable? Are we talking to Salem at all on
23 any of this, or is that just something we'll just figure
24 out as we go along?

25 MS. BARRON: No. Salem is certainly involved

1 in the process and he attends the governance team and is
2 part of conversations, for sure.

3 MR. PREWITT: Wonderful.

4 MS. BARRON: And I will also say the goal of
5 this modernization is to make things more transparent,
6 seamless, efficient so that information can be gleaned
7 from the systems readily, that processes are in place. So
8 certainly he will be involved as well.

9 MR. PREWITT: Executive Director Avitia.

10 MR. AVITIA: Chairman, thank you.

11 Let Member Scott go first.

12 MR. SCOTT: I was just wondered if other states
13 have reason to access our titling system. Is there any
14 interchange of information?

15 MS. BARRON: So I may need to get Annette up
16 here, but we do have the American Association of Motor
17 Vehicle Administrators has interstate information systems
18 that we leverage and we use and we push our data into
19 those systems. And conversely, we can access data in
20 those systems that other states also pull down or push up.

21 MR. SCOTT: Okay. That just adds another layer
22 of complexity.

23 MS. BARRON: I mean, what I will say, too, is
24 data is a very big part of this project. One of the
25 things we've done in the last year and a half is establish

1 a data management office. And our data management
2 officer, Tammy Powell, is working very hard to really get
3 a handle on data governance and data management.

4 We want to make sure that we have our data
5 catalogue organized. We know what we can and cannot
6 release, so that when it comes to making data available
7 that we know what we have, we know what we can share, we
8 know what we can't share or we can share in limited
9 capacity, and that we can be more open and transparent
10 with our data within the bounds of the legal and statutory
11 requirements.

12 MR. SCOTT: Well, I know that there's a lot, we
13 have to get funding and all that sort of stuff, but I'm
14 curious, if everything stayed on a timeline, when would we
15 be operational with the new RTS?

16 MS. BARRON: It will be done in phases.
17 Application development has changed a lot in the last 30
18 years and the way that the development will work is that
19 things will be rolled in phases. We'll do things in kind
20 of chunks.

21 So it's going to take several years to get this
22 completed, I would say probably three to five years on the
23 execution because it's just so large. I mean it's
24 everything that we do. Right? But I would anticipate the
25 components or modules will be available sooner rather than

1 later.

2 The whole thing won't be completed for several
3 years but there will be pieces that will be ready soon,
4 you know, from the beginning.

5 MR. SCOTT: So it almost sounds like 2030 or
6 2029, something like that.

7 MS. BARRON: Yes.

8 MR. SCOTT: Okay. Thank you.

9 MR. PREWITT: Executive Director.

10 MR. AVITIA: Yes. Chairman Prewitt, thank you
11 for the opportunity to answer a couple of questions
12 alongside Wendy here, and Wendy did a great job laying out
13 the information.

14 A project of this magnitude, Chairman and
15 members, takes some agencies 10 to 20 years to implement.

16 So a three- to five-year implementation period is very
17 aggressive, but we will do our best to make sure that we
18 do implement within that time frame.

19 The other component I wanted to mention --
20 going back to your question, Member Prewitt, about
21 Internal Audit's involvement. Salem has already had
22 several great recommendations that he has presented to
23 myself and to Wendy and others on the governance team.
24 And Salem or his designee will always have a seat at the
25 table so that as he reviews processes for us, we can

1 incorporate efficiency wherever we can.

2 MR. PREWITT: That's wonderful news.

3 Wendy, great job, and I will note for the
4 record that Vice Chair McRae is smiling widely, knowing
5 the RTS is going to be redone.

6 (General laughter.)

7 MR. PREWITT: With that, let's move to agenda
8 item 4.B.ii, which is the Camp Hubbard renewal project.
9 Wendy.

10 MS. BARRON: Yes, sir. Again for the record,
11 Wendy Barron, chief information officer, DMV.

12 The next item, as the chairman mentioned, is
13 4.B.ii, which is the Camp Hubbard renewal project IT
14 projects. Materials on this item can be found on page 18
15 in your board book.

16 In conjunction with the larger Camp Hubbard
17 construction project, IT is managing two technology
18 projects to ensure seamless technology communications for
19 the department during this transition. As Glenna
20 mentioned, our current data center, our current network
21 infrastructure, telephonic infrastructure is in Building
22 5. And Building 5 is going to be torn down in a few
23 months, so we need to move that equipment, that
24 infrastructure into Building 6 which is currently being
25 remodeled, prepared, the new data center being

1 constructed. And so we've broken out and we have two
2 projects to migrate this equipment.

3 So first the network migration and core network
4 buildout. The core network infrastructure, the DMV is
5 going to be migrated from Camp Hubbard 5 to Building 6.
6 It's going to be completed in the spring before Building 5
7 is slated to be torn down, I think around May.

8 We'll actually be out in March so that we have
9 plenty of time to physically move the people. And we are
10 partnering with our telecommunication vendors to develop
11 the migration plan and buildout strategy for the core
12 network infrastructure.

13 We are taking this as an opportunity to clean
14 some things up. When the DMV was first established as an
15 agency and separated from TxDOT, since we were co-located
16 with TxDOT it was kind of awkward from a network
17 standpoint and how we were separated. So since we are
18 building new infrastructure and a new building, we're
19 using this as an opportunity to kind of reestablish,
20 simplify and redo our network infrastructure the right way
21 and build that out in Building 6. We're currently working
22 on the statement of work and negotiating those terms with
23 the vendor.

24 We're also assessing WiFi options. So for your
25 awareness, we are planning to be pretty much a fully WiFi

1 enabled campus. We're not going to hardwire connections
2 to every cube and every office; the plan is to go
3 wireless.

4 And so we're assessing and evaluating vendors
5 right now to find the product that will work best for the
6 agency. We have to have a building to get that installed,
7 so that's going to be a little bit, but we're doing that
8 research right now.

9 Also, we're going to be moving the telephones.

10 So like the network infrastructure, we've got to get the
11 phones out of Building 5. But instead of moving the
12 hardware that's on premise right now to another building,
13 we're going to move it to the cloud. And so that's going
14 to help with continuity of operations and stability for
15 our phones and our call center.

16 And so the core telephones, the basic phone
17 that everybody uses is actually going to be converted to a
18 Teams-based phone. So right now people have a Cisco soft
19 phone, they have a hard phone on their desk, and then
20 they're using Teams, and so the idea would be that
21 everything gets consolidated in Teams. Hard phones will
22 still be available, but just trying to centralize to one
23 product for our business customers.

24 We are also going to be migrating the call
25 center to the cloud as well. We're going to break it out

1 into two phases. The first phase is going to be completed
2 in the spring of 2024, again to be out of Building 5
3 before the demolition. This is going to be basically a
4 cutover of basic minimum functionality to keep the call
5 center operational.

6 But there's a second phase that we're going to
7 be doing to provide some enhancements, some improvements
8 to the call center technology now that we're moving into a
9 cloud-based technology stack. There's more features,
10 there's more efficiencies that can be implemented. It's
11 just a more robust product than what we have right now.

12 So we want to work with our business partners
13 to implement some of those technologies, but those are
14 enhancements. So we're going to do those after we get out
15 of Building 5 and we'll get those enhancements in place,
16 anticipate wrapping up well before the end of the
17 biennium.

18 And so, again, we're working with our vendor
19 partners right now. Because this is a telecommunications
20 contract, we can work directly with one vendor and
21 negotiate those terms directly and then sign a statement
22 of work and move forward.

23 And I'm glad to answer any questions that you
24 may have.

25 MR. PREWITT: Member Scott.

1 MR. SCOTT: On the migration of the call
2 center, I understand the equipment and the cloud, the
3 people are in 5 now?

4 MS. BARRON: The people, actually a lot of the
5 folks are remote. And CRD is actually in this building,
6 the Consumer Relations Division is actually in Building 1.
7 So the folks that are onsite are in this building, but
8 the equipment, the server equipment is in Building 5.

9 And actually in Building 4, that little
10 historical building, there's some phone equipment in there
11 as well.

12 MR. SCOTT: The people that we have now in the
13 call center that are remote, were those people remote
14 prior to COVID and all that?

15 MS. BARRON: I'm not sure about CRD, so I think
16 Amanda is going to come up here. I know for Motor
17 Carrier, yes, a lot of those folks were remote, but I'll
18 let Jimmy and Amanda speak to their call centers.

19 MR. ARCHER: I'll let Amanda talk about hers.
20 I'm Jimmy Archer, for the record, director of the Motor
21 Carrier Division.

22 Prior to COVID we were about 48 percent remote,
23 and after COVID we're about 95 percent remote with our
24 call center agents themselves.

25 MR. SCOTT: We were at 48 percent and we're at

1 what now?

2 MR. PREWITT: Ninety-five.

3 MR. ARCHER: Prior to COVID it was about 48
4 percent, post-COVID about 95 percent, and those are our
5 call center agents.

6 MR. SCOTT: So most of those people are working
7 from home then, are they working in the RTS?

8 MR. ARCHER: Working from home.

9 MR. SCOTT: Working from home. Okay.

10 MR. ARCHER: They work in one of our three
11 systems, TxPROS, the Permitting and Routing Optimization
12 System, our Motor Carrier Credentialing System, or in the
13 Texas RPS.

14 MR. SCOTT: Okay. Thank you.

15 MS. COLLINS: Good afternoon. Amanda Collins
16 for the Consumer Relations Division. Good afternoon,
17 Chairman Prewitt, Executive Director Avitia, and committee
18 members.

19 For the Consumer Relations Division, prior to
20 COVID we were about 20 percent remote. Our customer
21 service representatives currently today are 100 percent
22 remote. We have 10 percent staff that consists of
23 management, coordinators, as well as the deputy director
24 and myself that currently report to Building 1.

25 MR. SCOTT: So if we go back to the 48 percent

1 prior to COVID and 95 percent after, do we have data, is
2 our response time, our wait time, our call holding time
3 and all that.

4 MR. ARCHER: Our hold time is under a minute,
5 it's usually about half a minute for the Motor Carrier
6 Division call center.

7 MR. SCOTT: Okay. And was it similar to what
8 it was prior to?

9 MR. ARCHER: Actually it might have been a
10 little bit more. We've actually been able to retain a
11 better quality staff by hiring remotely, because we can
12 hire people outside of Austin.

13 MR. SCOTT: All right. That's good news.
14 Thank you.

15 MS. QUINTERO: Good afternoon again. Annette
16 Quintero, VTR director.

17 I just wanted to add for context, one of the
18 things that has not changed post-COVID is our county
19 support. That's still done in person. Our RSC managers
20 still provide that county support locally. I just wanted
21 to provide that additional context.

22 MR. PREWITT: Any other comments, questions?

23 (No response.)

24 MR. PREWITT: All right. Well, with that,
25 Wendy, not that you don't have enough already, but would

1 you please talk to us about agenda item 4.B.iii, which is
2 the other projects you have going on?

3 MS. BARRON: Yes, sir. Again, Wendy Barron,
4 chief information officer, DMV.

5 Last group of projects, I have spoke about
6 these before, these are some ongoing projects, and I've
7 got some updates and some good news.

8 So the first one, the tax assessor-collector
9 TAC T1 upgrade project. So just a reminder, this is the
10 project that is replacing all of the older T1 technology
11 with newer Metro Ethernet or alternative equivalent
12 service to the counties. It's going to increase the
13 reliability of the network services for the TACs and
14 provide for also redundant network routing in the event a
15 primary route fails.

16 So the project is in green status. We have
17 completed Phase 1, so all of the 244 circuit orders in the
18 first group have been completed or they were canceled
19 because of either the office moved or there was some other
20 change in circumstances that Metro Ethernet was no longer
21 required at that location.

22 So all of those circuits have been installed.
23 We are moving into Phase 2 and it's about 18 percent
24 complete. That number is probably a little bit older,
25 we're probably closer to about 20 percent now.

1 The new equipment has been installed in about
2 42 of the 229 circuit locations from Phase 1. So what
3 that means is we've put the new routers in place that are
4 compatible with the Metro Ethernet and those offices are
5 now fully on Metro Ethernet and the T1 line has been shut
6 down. So we are working through that and hope to be
7 wrapped up with that effort for those first 240
8 locations -- probably around January hope to be complete.

9 And we are moving forward with Phase 3. This
10 is the last 251 locations that still need to be converted
11 off the T1 onto Metro Ethernet or some alternative equally
12 comparable solution. These are the ones where AT&T does
13 not own the line to the end so there's additional cost
14 possibly with conversion.

15 We've identified 153 locations to be part of
16 the first batch of locations that we're submitting tickets
17 for to get cost estimates on the Metro Ethernet
18 conversion. This includes 30 locations that we have
19 identified as chronic problem sites. We've been
20 monitoring very closely the sites that go down quite
21 frequently and are trying to prioritize those to get
22 converted as quickly as possible.

23 We are also looking at some alternative
24 technology solutions in the event Metro Ethernet is cost
25 prohibitive, and some of those solutions include broadband

1 or some other type of solution. So we do have some solid
2 leads and right now we're just working through the process
3 of getting the cost estimates from AT&T so we can decide
4 do we go with Metro Ethernet or do we look at the
5 alternative solution.

6 We anticipate it's probably going to take
7 another year to get through all of these sites. Some of
8 it is largely dependent on the carriers and their
9 timeline, unfortunately. I'd have it done tomorrow if I
10 could, and unfortunately, Tammy knows some of the
11 challenges we've got.

12 But we are moving forward as quickly as
13 possible with this project and I'm really pleased at where
14 we are right now.

15 MR. PREWITT: Very good.

16 Vice Chair McRae.

17 MS. McRAE: Wendy, let me go back. You said
18 there was approximately 251 locations left. How many
19 counties is that?

20 MS. BARRON: I do not know but I can get an
21 answer for you.

22 MS. McRAE: I'm just curious.

23 And to kind of put things into perspective for
24 this committee, there are some counties -- I had to reach
25 out to our executive director and deputy executive

1 director for a county that had been down over a week or
2 right at a week. They had reached out to me for help,
3 they had been unable to access RTS for a week. I,
4 unfortunately the day after I helped that county, went
5 down in one of my offices, and the problem, I've
6 learned -- I think we all say AT&T is the problem, but
7 some of the problem is the other carriers that actually
8 own the line or take the line from one point into your
9 building.

10 MS. BARRON: Yes.

11 MS. McRAE: So as an agency, I guess our
12 contract is with AT&T?

13 MS. BARRON: Correct.

14 MS. McRAE: And we have no control over those
15 other carriers?

16 MS. BARRON: Unfortunately, no.

17 MS. McRAE: Because that's a real problem for
18 our counties. I had an office that was down the day after
19 I called about this one county being down a week, and I'm
20 just talking about isolated cases here. It happens all
21 the time. And counties are down at a location for a day
22 or two days and it's at the end of the month, beginning of
23 the month when it's our absolute busiest time.

24 It really places a burden, and I know there's
25 really nothing, probably, that we can do, but I mean, it

1 puts us at a disadvantage with our customers. We can't
2 help them, we can't assist them.

3 MS. BARRON: It does. We continue to look,
4 like I said, evaluate alternative solutions. We've
5 prioritized what we consider those chronic sites that go
6 down quite frequently to try to get those converted as
7 soon as we possibly can. We're also looking at where
8 those sites are truly down for an extended amount of time,
9 trying to get them alternative routers that provide
10 cellular service.

11 Unfortunately, a lot of these locations are
12 remote so the cellular service is not all that great, but
13 sometimes not all that great is better than nothing. But
14 it is a challenge and we're kind of stuck between a rock
15 and a hard place because we're so dependent on the vendor
16 to provide the service and then put pressure on their sub
17 vendors who may or may not want to cooperate and kind of
18 work to their own timeline.

19 MR. PREWITT: Have we ever contemplated -- and
20 it may be too expensive, but have we ever contemplated for
21 those remote counties to have satellite access, to use
22 satellite network or something like that?

23 MS. BARRON: Yes. We are looking at that as
24 one of the alternative solutions, for sure. Yes.

25 MR. PREWITT: Okay. And I know it's an added

1 expense too.

2 MS. BARRON: We're looking at all possible
3 solutions, all alternatives. We've got some good
4 prospects, I will say. And we're just trying to see if
5 the Metro Ethernet is the most -- ideally, the Metro
6 Ethernet is the most cost effective, administratively
7 effective path, and so we're trying to get that
8 information.

9 Unfortunately, the way the process works, you
10 have to submit a ticket to say, hey, I want to convert.
11 And then you have to wait until they do a cost analysis,
12 get that information back to us, and then we can determine
13 is the cost a lot, is it a little, and then make a final
14 decision. So that's being processed right now.

15 MR. PREWITT: Executive Director.

16 MR. AVITIA: Chairman Prewitt, thank you.

17 Just to add on to what Wendy was saying -- and
18 thank you, Wendy, for presenting that information -- Vice
19 Chair McRae, always appreciate you reaching out to us.
20 We're equally frustrated with the situation. But when
21 somebody like you or anybody reaches out to us, I think
22 you've seen that it's all hands on deck so that we can
23 make a difference and get them operational, applying
24 pressure ourselves where we can.

25 Even though we're limited with their

1 subcontractor, AT&T, that is, it's all hands on deck, and
2 I appreciate you reaching out to us and making us aware.

3 MS. McRAE: And, Chairman, is it okay if I
4 speak?

5 MR. PREWITT: Yes, ma'am.

6 MS. McRAE: I would like to add that the day
7 that I reached out, this county had been down a week. And
8 between the two of y'all, y'all were able to get them up
9 by the next day, and I know that was very much
10 appreciated. So thank you.

11 MR. PREWITT: Absolutely. Thank y'all. All
12 right.

13 MS. BARRON: So the next project is the TAC
14 workstation refresh, and I'm happy to report that this
15 project is complete. The project, in the time that it was
16 running, we installed 750 workstations, 650 printers, and
17 585 monitors for a total of 170 TAC offices that were
18 refreshed. In addition, during that time we also replaced
19 310 workstations, 116 printers, and 927 monitors through
20 our break fix activities in parallel with the project.
21 That encompassed a total of 50 additional offices that we
22 refreshed.

23 Moving forward, these refresh efforts are going
24 to be operationalized as normal IT operational activities.
25 We will be following the same communications and

1 implementation methodologies that were used during the
2 project. So from our customers' standpoint and from our
3 customers' experience, they're not going to see a
4 difference in the customer service that we provide in this
5 replacement, it's just how we manage the activities
6 internally will just shift to operational as opposed to
7 being managed as a project.

8 The next project is the MCCA rewrite project.
9 As a refresher, this is the project that will replace the
10 legacy system with a modern reliable applications
11 supported by an external vendor. The project is currently
12 in the procurement phase.

13 The statement of work was completed and
14 distributed to potential Department of Information
15 Resources contracted vendors. Unfortunately, their
16 responses did not meet our expectations and per the DIR
17 procurement process, we are now moving forward with an
18 open market procurement. We did request an open market
19 exception and were granted that exception by DIR.

20 The solicitation, as I mentioned, is going to
21 be posted to the open market to hopefully solicit vendors
22 that will meet our expectations and we can get this
23 project underway. The overall health of the project is
24 yellow because of the delays in the procurement process,
25 but the project is within scope and budget.

1 And finally, the last project I'm going to
2 brief you on is the Texas International Registration
3 Program, or the TxIRP rewrite project. Again, this is a
4 replacement project that's going to improve the online
5 user experience and help mitigate some fraud. The project
6 is currently in the execution phase and it is zooming
7 right along.

8 We are currently at 57 percent complete, we had
9 a meeting yesterday and I got that update. The project's
10 overall health is green. It's cruising right along, it's
11 on time, it's within scope and budget, and we anticipate
12 it will be completed well before it needs to be completed
13 when the grant money expires next year.

14 This completes my presentation and I'm
15 available to answer any additional questions you may have.

16 MR. PREWITT: Any additional questions? Member
17 Scott.

18 MR. SCOTT: Yes. I want to circle back just a
19 second with maybe Amanda or Jimmy where I was asking about
20 the remote workers. You said that the wait time is
21 better, had improved, or shorter. Can I follow up there?

22
23 Do we have any information about we're
24 answering the phone quicker, we're getting on the line
25 quicker, how is our score or whatever on the resolution of

1 the concern? When a person calls in to get something
2 done, is the fact that we don't have interaction between
3 agents right away affecting the resolution of the concern?

4 MS. COLLINS: Amanda Collins, director of
5 Consumer Relations, for the record.

6 In the Consumer Relations Division, we
7 currently oversee the customer satisfaction ratings for
8 the agency. We're at 93 percent for the month; we're
9 averaging about 92 percent for the year in terms of
10 customer satisfaction. We use that data to correlate that
11 with customers getting the answers and the services that
12 they need.

13 MR. SCOTT: Okay. And that 92 percent, how
14 does that compare in past years?

15 MS. COLLINS: Yes, sir. The average of 92
16 percent compares to fiscal year 2022 and if we go back to
17 prior about four years back from fiscal year 2019 to 2022,
18 the Texas Department of Motor Vehicles has averaged
19 between a 93 to 94 percent satisfaction score.

20 MR. SCOTT: Okay. Mr. Archer, did you have
21 something?

22 MR. ARCHER: I was going to ask if you had any
23 questions for me. Jimmy Archer, for the record, director
24 of the Motor Carrier Division.

25 Our satisfaction numbers are comparable to

1 those of CRD's.

2 MR. SCOTT: Of what?

3 MR. ARCHER: Are comparable to the Consumer
4 Relations Division.

5 MR. SCOTT: Okay. All right. Very good.
6 Appreciate it.

7 MR. PREWITT: Thank you, Member Scott.
8 Executive Director Avitia.

9 MR. AVITIA: Yes, Chairman. Thank you.

10 Member Scott, I just want to make clear for you
11 that these are two different divisions and they run two
12 different call center operations. And that's why you're
13 hearing from both Director Archer as well as the other
14 director from CRD.

15 MR. SCOTT: Thank you.

16 MR. AVITIA: Yes, sir. Thank you.

17 MR. PREWITT: Thanks, Wendy.

18 All right. It's now time to hear the long
19 awaited report on credit cards. Mr. Eric Horn, agenda
20 item 4.B.iv.

21 MR. HORN: Thank you. Good afternoon, Mr.
22 Chairman, Executive Director Avitia, members of the
23 committee. For the record, my name is Eric Horn. I'm the
24 director of Accounting Operations with TxDMV.

25 Today I will be briefing you on the progress of

1 our credit cards in the regional service centers.
2 Materials that support my briefing can be found on your
3 eBook on page 22.

4 Very happy to be here today to tell you that
5 our Austin location went live with credit card payment
6 option for our customers last Wednesday, October 4. In
7 our first week of operations, the customer adoption rate
8 with paying via credit card was approximately 23 percent
9 of all transactions tendered.

10 The implementation has been mostly smooth with
11 a few minor defects that we've identified within our
12 internal reports. Staff are already working on fixes to
13 that and we'll have those deployed soon. I want to note
14 that none of the minor defects that we've identified have
15 impacted our customers in any way.

16 Rachel Vasquez, the manager of our Austin RSC
17 and who has been excellent to work with throughout this
18 project, has stated that feedback from customers, as well
19 as RSC staff has been very positive.

20 The successful implementation of a credit card
21 payment option is the culmination of years worth of
22 planning and a product of excellent coordination and
23 teamwork across multiple divisions here at TxDMV,
24 specifically staff from Finance and Operations, Vehicle
25 Titles and Registration, Motor Carrier and Information

1 Technology Services Division have worked together on this
2 project.

3 As I briefed this committee previously in June,
4 our implementation plan has always included a pilot
5 location at the Austin RSC location. We will take our
6 lessons learned from this implementation -- of which there
7 are many -- and apply them over the next couple of months
8 as we program and develop enhancements to RTS to onboard
9 the remaining 15 locations.

10 All programming has been completed for our
11 second point of sale system, TxIRP, which is used for
12 apportioned registration transactions. Our team will be
13 coordinating certification testing for TxIRP transactions
14 with the Comptroller's Office for the remaining 15
15 locations in the coming weeks, and that's expected to be
16 completed by the end of October. Certification testing
17 for RTS transactions will follow this TxIRP certification
18 process and that's expected to be completed for all
19 remaining locations by the middle of December of this
20 year.

21 As a reminder, all hardware related to this
22 project, to include swipe devices, stands and cables, have
23 already been procured and are on hand. Over the next few
24 months, this hardware will be delivered to each of the
25 remaining RSC locations and logistics of installing these

1 devices is currently being planned.

2 We anticipate deploying credit card
3 capabilities at the Houston RSC next, which is currently
4 planned for January of 2024. Following this successful
5 implementation, all remaining locations will be deployed
6 throughout the remainder of fiscal '24, with the exception
7 of our two new locations that Annette briefed on. When we
8 go live and operable with those two new locations, they
9 will include credit card transactions as well.

10 This concludes my remarks and I'm available for
11 any questions that you may have.

12 MR. PREWITT: Any questions for Mr. Horn?
13 Executive Director Avitia.

14 MR. AVITIA: Chairman Prewitt, thank you. For
15 the record, Daniel Avitia, executive director.

16 I want to thank Eric for his leadership on this
17 project. I know it's a weird thing to talk about
18 accepting credit cards in 2023, but jokingly, Eric
19 mentioned to me, he said, I know why nobody wanted this
20 project in ten years.

21 So, Eric, thank you for helping us get there
22 and make sure we are live with credit cards now.
23 Appreciate you.

24 MR. HORN: Thank you very much, sir, and thank
25 you and the executive staff for prioritizing this project,

1 giving us the resources we needed. And thank you very
2 much to my team across divisions, impossible to do without
3 them.

4 MR. PREWITT: Great teamwork.

5 Any other questions or comments?

6 (No response.)

7 MR. PREWITT: Good job.

8 All right. Now the next one we've been waiting
9 on, accounts receivable.

10 MR. HORN: Yes, sir. Once again for the
11 record, my name is Eric Horn, director of Accounting
12 Operations here at TxDMV.

13 I will be providing a progress update on our
14 accounts receivable system. Materials that support this
15 briefing can be found on page 23 of your eBook.

16 I last briefed this committee on this project
17 for AR in June of 2023, at which point TxDMV staff were
18 engaged in the evaluation process of bids received from
19 vendors for the implementation of an AR system using
20 Microsoft Dynamics 365 Business Central. We are now at
21 the point of finalizing the contracts with our selected
22 vendors for both the procurement of Microsoft licenses, as
23 well as the deliverables-based contract, or DBITS contract
24 through DIR for the implementation process.

25 Once both contracts have been signed by the

1 respective parties, DIR will review and provide a final
2 approval prior to work beginning. We anticipate beginning
3 the implementation of this project in the first quarter of
4 fiscal '24, so here in the next few months, with
5 completion targeted in early fiscal '25.

6 This concludes my remarks on this project and
7 I'm available for any questions you may have.

8 MR. PREWITT: Any questions or comments?
9 Member Scott.

10 MR. SCOTT: Thank you.

11 So I guess my understanding on this project, we
12 have multiple platforms or multiple systems that we run
13 our receivable stuff on?

14 MR. HORN: Yes, sir.

15 MR. SCOTT: And this would consolidate it
16 into --

17 MR. HORN: We're not going to eliminate all
18 systems currently. We have a limited scope of our
19 receivables on how we define them. But we are going to
20 eliminate a lot of redundancy and use of access databases
21 and Microsoft Excel sheets which were part of those
22 disparate systems in our reports.

23 We're also going to centralize a lot of the
24 activity within one single system. Yes, sir.

25 MR. SCOTT: So are other state agencies in the

1 same situation we are where they have multiple?

2 MR. HORN: Yes, sir. As part of this project
3 we had a study, a third-party vendor, Gartner, came in and
4 did a study of our accounts receivable process. Within
5 that study, we met with five partner agencies throughout
6 the State of Texas, each of which were in similar
7 situations with a decentralized process. Some did have an
8 accounts receivable system utilizing CAPPs, the
9 Centralized Accounting and Payroll Processing System,
10 others did not. So they were kind of looking to us as
11 well to take the lead on this and implement it.

12 MR. SCOTT: All right. Thank you.

13 MR. HORN: Yes, sir.

14 MR. PREWITT: All right. Any other comments or
15 questions?

16 (No response.)

17 MR. PREWITT: Thank you, Mr. Horn. Great job.

18 All right. Let's move on to agenda item 5, but
19 before we do that, I just have to commend Mr. Archer on
20 his wisdom. When asked by Member Scott about what the
21 statistics were, he just deferred to CRD, and I think it
22 was very smart, because anybody who can remember
23 statistics going back five years has my total respect.

24 So good job, team. Good job, Amanda and Jimmy.

25 Agenda item 5 is we have no closed session

1 today. We're not going to have one, so we'll move on to
2 agenda item 7, public comment.

3 Laura, are there any public comments today?

4 MS. MORIATY: Laura Moriaty, general counsel.

5 No, sir, no public comments.

6 MR. PREWITT: All right.

7 In that case, we're going to move on to agenda
8 item 8 which is adjournment. Unless we have further
9 business, I'd like to entertain a motion to adjourn.

10 MS. McRAE: I move that we adjourn.

11 MR. PREWITT: I have a motion from Vice Chair
12 McRae that we adjourn. Do I have a second?

13 MR. ALVARADO: Second.

14 MR. PREWITT: Second by Member Alvarado.

15 When I call your name, please state your vote
16 for the record.

17 Member Alvarado?

18 MR. ALVARADO: Aye.

19 MR. PREWITT: Vice Chair McRae?

20 MS. McRAE: Aye.

21 MR. PREWITT: Member Scott?

22 MR. SCOTT: Aye.

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

25 Let the record reflect the vote is unanimous,

1 the meeting is adjourned. Thank y'all.

2 (Whereupon, at 3:15 p.m., the meeting was
3 adjourned.)

C E R T I F I C A T E

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MEETING OF: TxDMV Projects and Operations Committee

LOCATION: Austin, Texas

DATE: October 11, 2023

I do hereby certify that the foregoing pages, numbers 1 through 61, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Department of Motor Vehicles.

DATE: October 18, 2023

/s/ Nancy H. King
(Transcriber)

On the Record Reporting
7703 N. Lamar Blvd., #515
Austin, Texas 78752