



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

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# TxDMV Board Projects & Operations Committee Meeting

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

**AGENDA**  
**PROJECTS AND OPERATIONS COMMITTEE**  
**TEXAS DEPARTMENT OF MOTOR VEHICLES**  
**4000 JACKSON AVE., BUILDING 1, LONE STAR CONFERENCE ROOM**  
**AUSTIN, TEXAS 78731**  
**WEDNESDAY, APRIL 10, 2024**  
**2:00 P.M.**

The presiding officer of the Projects and Operations Committee (Committee) will be physically present in the Lone Star Conference Room of Building 1, 4000 Jackson Avenue, Austin, Texas 78731. Some committee members may attend via videoconferencing.

Link to April 10, 2024, Committee Documents:  
<https://www.txdmv.gov/about-us/txdmv-board-meetings>

All agenda items are subject to possible discussion, questions, consideration, and action by the Committee. Agenda item numbers are assigned for ease of reference only and do not necessarily reflect the order of their consideration by the Committee. Presentations may be made by the identified staff, Committee member, or other personnel as needed. The Committee reserves the right to discuss any items in closed session where authorized by the Open Meetings Act. A quorum of the Board of the Texas Department of Motor Vehicles (Board) may be present at this meeting for discussion and gathering information. However, Board members who are not Committee members will not vote on any Committee agenda items, nor will any Board action be taken.

PAGE

1. **Roll Call and Establishment of Quorum**
2. **Pledges of Allegiance - U.S. and Texas**
3. **Comments and Announcements from Committee Chair, Committee Members, and Executive Director**

**BRIEFING AND ACTION ITEMS**

**4. Consideration and Possible Recommendation for Action to the Full Board and Briefings:**

- A. Enterprise Projects (BRIEFING ONLY)
  - i. [Camp Hubbard Renewal Project](#) – Dorothy Spearman and Glenna Bowman
  - ii. [House Bill \(HB\) 718 Implementation](#) - Roland Luna
  - iii. [Regional Service Center \(RSC\) Expansions, Moves, and Renovations](#) - Annette Quintero
    - RSC Expansions
    - Odessa Remodel
    - San Antonio Move

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- B. Technology Projects - (BRIEFING ONLY)
- i. [Registration and Title System \(RTS\) Replacement and Ecosystem Modernization](#) - Wendy Barron

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- ii. [Other Projects](#) – Wendy Barron
- Tax Assessor-Collectors (TAC) T1 Upgrade
  - Okta
  - Motor Carrier Credentialing System (MCCS) Rewrite
  - Texas International Registration Plan (TxIRP) System Upgrade

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- iii. [Credit Cards in the RSCs](#) - Chris Hayden

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- iv. [Accounts Receivables Project](#) - Eric Horn

### **CLOSED SESSION**

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** - Consultation with and advice from legal counsel regarding:

- pending or contemplated litigation, or a settlement offer;
- a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Government Code Chapter 551; or
- any item on this agenda.

**Section 551.076** - Deliberation Regarding Security Devices or Security Audits.

- the deployment, or specific occasions for implementation, of security personnel or devices; or
- a security audit.

**Section 551.089** - Deliberation Regarding Security Devices or Security Audits; Closed Meeting.

- security assessments or deployments relating to information resources technology;
- network security information as described by Section 2059.055(b); or
- the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices.

6. **Action Items from Closed Session**

7. **Public Comment**

8. **Adjournment**

The Committee will allow an open comment period to receive public comment on any agenda item or other matter that is under the jurisdiction of the Committee. No action will be taken on matters that are not part of the agenda for the meeting. For subjects that are not otherwise part of the agenda for the meeting, Committee members may

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respond in accordance with Government Code Section 551.042 and consider the feasibility of placing the matter on the agenda for a future meeting.

If you would like to comment on any agenda item (including an open comment under the agenda item for Public Comment), you must complete a speaker's form at the registration table prior to the agenda item being taken up by the Committee or send an email to [GCO\\_General@txdmv.gov](mailto:GCO_General@txdmv.gov) to register by providing the required information prior to the agenda item being taken up by the Committee:

1. a completed [Public Comment Registration Form](#); or
2. the following information:
  - a. the agenda item you wish to comment on;
  - b. your name;
  - c. your address (optional), including your city, state, and zip code; and
  - d. who you are representing.

Public comment will only be accepted in person. Each speaker will be limited to three minutes, and time allotted to one speaker may not be reassigned to another speaker.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify the department as far in advance as possible, but no less than two days in advance, so that appropriate arrangements can be made. Contact Carrie Fortner by telephone at (512) 465-3044.

I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements.

CERTIFYING OFFICIAL: Laura Moriaty, General Counsel, (512) 465-5665.

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To: Projects & Operations Committee, Texas Department of Motor Vehicles Board  
 From: Dorothy Spearman, Project Manager  
 Agenda Item: 4.A.i  
 Subject: Enterprise Projects - Camp Hubbard Renewal Project

PURPOSE AND EXECUTIVE SUMMARY

Briefing Only.

FINANCIAL IMPACT

N/A

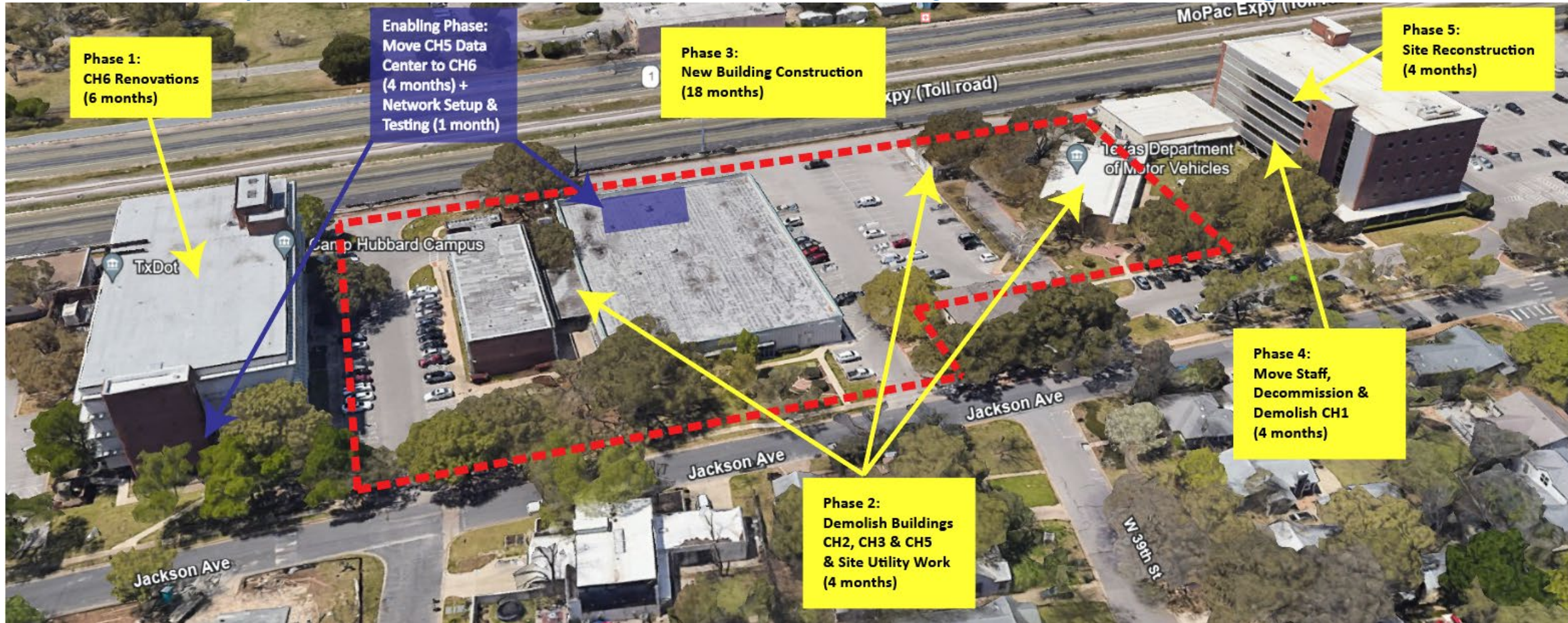
BACKGROUND AND DISCUSSION

- **TPFA financing:** TPFA and TxDMV have reached consensus on the Lease Agreement contract terms. The Office of the Attorney General will issue an opinion on the final documents by mid-April. Once all parties have executed the contracts, TPFA will begin staging the bond sales.
- **Design:** The campus renewal master planning, design, and construction documentation was completed by Marmon Mok Architecture in late 2023.
- **Data Center Enabling Project:** Installation of a new fiber cable backbone and build out of the new data center in CH6 is underway. This independent enabling project is scheduled to be completed by August.
- **Building Decommissioning:**
  - CH2 cafeteria services ended and the vendor is removing their equipment.
  - CH3 has been vacated and Austin Energy has been contracted to remove electric services.
  - CH5 divisions are moving to temporary offices on the 5<sup>th</sup> floor of CH6. ITSD will maintain data center and warehouse operations in the building until their CH6 spaces are ready this summer.
- **Construction Phase:** TFC posted a solicitation for a Construction Manager at Risk (CMR) March 28, 2024. Contracting is anticipated to be complete in early May with issuance of a Notice to Proceed to follow by June 1.
  - **CH6 Renovations:** The 1958 building will undergo interior and façade improvements to improve the efficiency and reliability of various systems. Four divisions will have permanent offices in the renovated spaces with the remaining space serving as flex space for the department’s future needs.
  - **Demolition A:** Buildings CH2, CH3 and CH5 will be demolished upon successful transfer of IT network operations to the new CH6 data center. Along with associated underground utility work, this phase is estimated to take four months.
  - **New Building Construction:** From foundations to furniture installation, the new building is expected to be constructed within 18 months.
  - **Demolition B:** Once staff and operations are settled into the new headquarters, the old CH1 will be decommissioned and demolished. Four months is the expected time required for this phase.
  - **Site Work:** Final site improvements and parking lot expansion in the footprint of old CH1 will take three months, wrapping up in late 2026.

# Camp Hubbard Renewal – Campus Design



# Camp Hubbard Renewal Project Phasing



2024		2025		2026		2027
Data Center Build Out & Move	Phase 2: Demo	Phase 3: New Building Construction		Phase 4		Phase 5
Phases 1: CH6 Renovations						



# Site Logistics – Phase 2





# Site Logistics – Phase 3



# Site Logistics – Phases 4 & 5



# CH6 New South Entrance Design

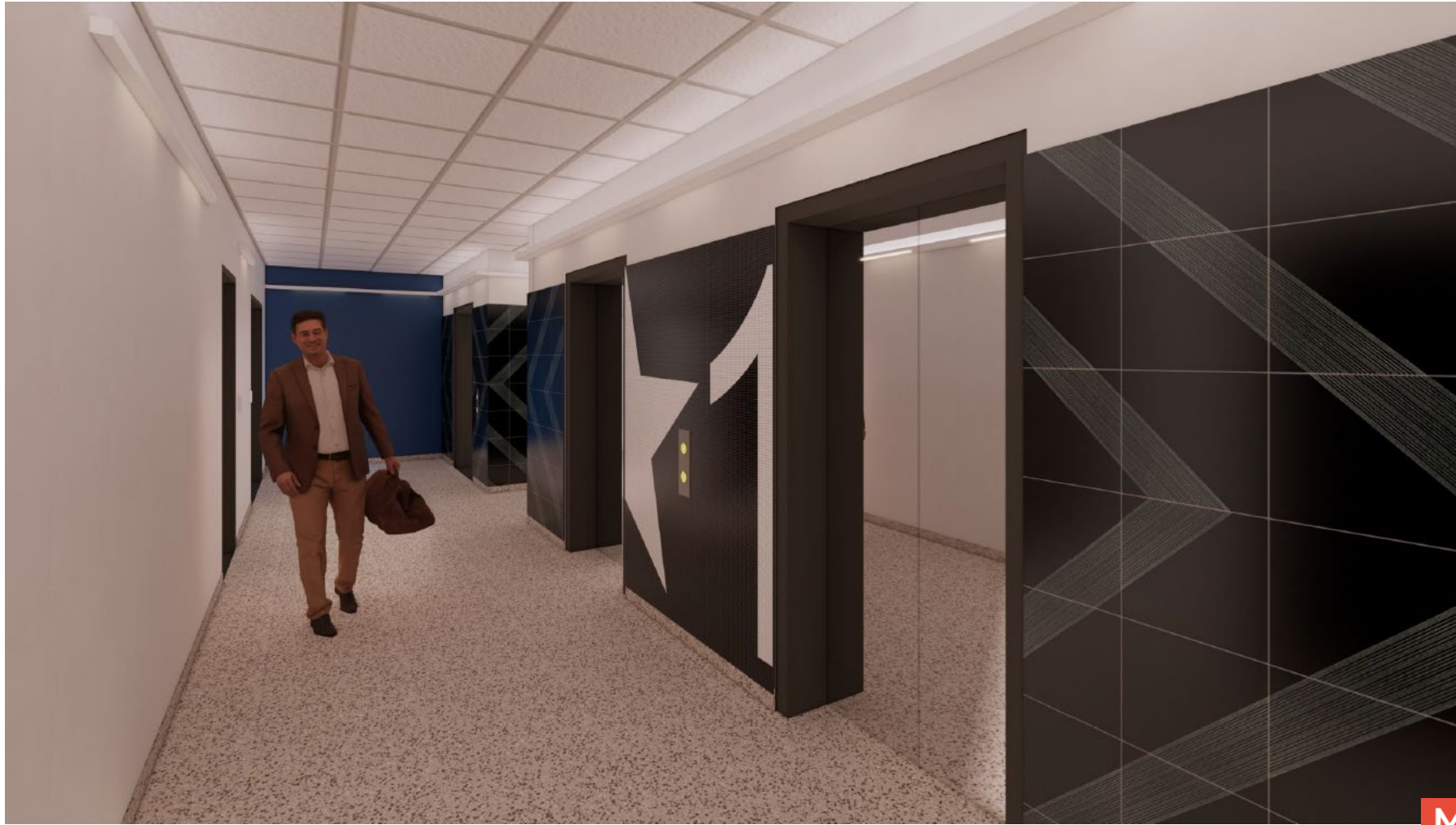


# CH6 Renovated Lobby Design

MarmonMok  
ARCHITECTURE



# CH6 Elevator Lobby Design



**MarmonMok**  
ARCHITECTURE



Texas Department of Motor Vehicles

# Birds Eye View of Walkway to CH6



**MarmonMok**  
ARCHITECTURE



# New Building Entrance Looking South to CH6

**MarmonMok**  
ARCHITECTURE



# New Building Entrance





Committee Meeting Date: 4/10/2024  
BRIEFING ITEM

To: Projects & Operations Committee, Texas Department of Motor Vehicles Board  
From: Roland Luna, Deputy Executive Director  
Agenda Item: 4.A.ii  
Subject: Enterprise Projects – House Bill (HB) 718 Implementation

### RECOMMENDATION

Briefing Only.

### PURPOSE AND EXECUTIVE SUMMARY

TxDMV developed an implementation plan for House Bill 718, which eliminates various temporary tags and timed permits. Staff will provide an overview of the statutory changes, operational impacts, operational considerations, and coordination with stakeholders.

### FINANCIAL IMPACT

For the implementation of HB 718, TxDMV was appropriated \$35 million for the 2024-2025 biennium with 2.0 FTEs in 2024 and 42.0 FTEs in 2025. For the last three years in the fiscal note published by the Legislative Budget Board (LBB), the cost to TxDMV Fund (0010), is \$26,408,666 and 44.0 FTEs. TxDMV will have the opportunity to request the funds for 2026-2028 in future Legislative Appropriations Requests (LARs).

### BACKGROUND AND DISCUSSION

TxDMV began working on the implementation of HB718 by creating various committees to assist with different components of the legislation. Five (5) committees were formed to structure and manage the implementation of HB 718. Each committee is tasked with clearly defined goals to make the implementation of HB 718 seamless and efficient across the TxDMV. A chair was appointed to each committee to organize the committee's goals, tasks, and coordinate cross-committee efforts.

Committees include Technology, License Plate Design & Manufacturing, Compliance, Regulatory Affairs, and Executive Advisory.

The Technology Committee is responsible for the acquisition of a new Inventory Management System (IMS) and is chaired by ITSD Application Services Director, Jeffrey Armstrong and VTR Registration Services Manager, Romeo McCain. The License Plate Design & Manufacturing Committee is responsible for designing the new plates, determining security, distribution, and manufacturing of inventory needed. This committee is chaired by VTR's Registration Services Section Director, Stefan Krisch. The Regulatory Affairs Committee's responsibilities are centered around rule development, rule proposal, and adoption. The Regulatory Affairs Committee Chair is Deputy General Counsel, Ashley Healy. The Compliance Committee is responsible for developing compliance policies and procedures around system requirements, manufacturing, TACs, and security. Enforcement Division, Field Services Manager, Charlie Escobedo is the committee chair. Lastly, an Executive Advisory Committee was formed consisting of senior executive management to advise and guide the committee chairs in decision-making and address items elevated for their review.

The HB 718 implementation committees have received demonstrations from various companies that specialize in inventory management system solutions and connected with various state DMV offices throughout the nation. TxDMV has also developed and presented draft rules before the Vehicle Titles and Registration, Motor Vehicle Industry, and Customer Service and Protection advisory committees. Advisory committees provided various stakeholders with the opportunity to ask questions about the rules. TxDMV staff have also completed the initial designs for the three (3) new plate types; temporary registration plate, dealer demo plate, and the out-of-state buyer plate. Additional testing is underway to ensure the plate designs are consistent with department license plate manufacturing and safety standards. Department staff have also participated in several dealer events with the Texas Independent Automobile Dealers Association and focused on providing dealers with an understanding of HB 718's requirements. Dealers are required to submit transactions via webDEALER on July 1, 2025. Staff have developed a robust training schedule to teach dealers how to sign up for webDEALER and how to use the application, some of which have included joint training sessions in conjunction with tax assessor-collectors. The webDEALER training is provided in-person and virtually, and staff have provided training to more than 400 dealers.

**To:** Projects & Operations Committee, Texas Department of Motor Vehicles Board  
**From:** Annette Quintero, Vehicle Titles & Registration Division Director  
**Agenda Item:** 4.A.iii  
**Subject:** Enterprise Projects – Regional Service Center (RSC) Expansions, Moves, and Renovations

### RECOMMENDATION

Briefing Only.

### PURPOSE AND EXECUTIVE SUMMARY

The Texas Department of Motor Vehicles (TxDMV) Vehicle Titles and Registration (VTR) Division continues to actively work on the Regional Service Center (RSC) expansions, moves, and renovation projects.

### FINANCIAL IMPACT

N/A

### BACKGROUND AND DISCUSSION

VTR's efforts on the RSC expansion projects also known as the Long-Range Facilities Plan (LRFP) is a project in response to the request from the Legislative Budget Board for a 10-year plan for VTR's Regional Services Section (RSS). This endeavor is a multi-year initiative focused on maximizing regional service center efficiencies to meet customer demands. Currently, VTR is reviewing information gathered from each of the 16 RSCs to assess their needs to recommend improvements across the state. The TxDMV's recommendations for the Long-Range Facilities Plan are due by December 1, 2024.

Furthermore, VTR received funding during the 88<sup>th</sup> Legislative Session to open additional service centers in the Dallas and Houston areas to accommodate the growing service demands of customers. TxDMV was appropriated \$2.8 million and 6 total FTEs for a second RSC in Dallas and Houston.

VTR has completed a statewide service mapping to determine the best course of action regarding the most suitable location. These efforts include working with the Texas Facilities Commission (TFC) to evaluate space, leasing options, and lease requirements. The initial Request for Proposals (RFP) for each location has been submitted to TFC and is undergoing the review process for posting by TFC. The estimated posting date for the RFP, based on TFC's routine review and posting timeline is April 30, 2024.

Remodel and relocation projects are also currently underway to make improvements in Odessa and San Antonio. The Odessa remodel project is designed to remodel the interior of the current office space in a Texas Department of Transportation (TxDOT) building. The San Antonio RSC is being relocated to allow for increased services to the region to accommodate future growth.

**To:** Projects & Operations Committee, Texas Department of Motor Vehicles Board  
**From:** Wendy Barron, Chief Information Officer  
**Agenda Item:** 4.B.i  
**Subject:** Technology Projects – Registration and Title System (RTS) Replacement and Ecosystem Modernization

### **RECOMMENDATION**

Briefing Only.

### **PURPOSE AND EXECUTIVE SUMMARY**

To provide an update on the status of the RTS Replacement and Ecosystem Modernization project.

### **FINANCIAL IMPACT**

N/A

### **BACKGROUND AND DISCUSSION**

#### **RTS Replacement and Modernization**

RTS was originally designed and built by the Texas Department of Transportation in the mid-1990s to process vehicle registration and title transactions. RTS has undergone continuous rebuilding, upgrades, and process improvements over time to maintain primary system functionality. While the system is stabilized for continued near-term use, advancements in technology and application development, as well as the workload demands of a growing state, are rendering this system obsolete. In the years since RTS was placed in service, the cost of maintaining the system has increased while the department's ability to adapt and change its use to better serve the evolving needs of the motoring public and state regulatory structures has decreased. For these reasons, the department must begin the process of replacing RTS and its associated applications.

Phase One will include the following major deliverables and be completed by the end of the 2024-2025 fiscal biennium:

- Updates to existing systems.
- Assessment of the existing RTS ecosystem and development of a transition plan.
- Assessment and evaluation of available technology solutions.
- Documentation for Quality Assurance Team (QAT) review and approval.
- Development of procurement documents.

Phase Two is expected to begin in fiscal year 2026 and will include implementation and buildout of the replacement ecosystem following the plans developed in Phase One.

#### **Project Status:**

- Software updates of existing systems have been started and are in progress.
- The Internal Assessment has been initiated. The project vendor, Deloitte, is gathering information.
- The procurement solicitation for the External Assessment has been sent to Department of Information Resources vendors. Bids are due back to the TxDMV in early April.

- The contract project manager is facilitating work sessions and developing the Quality Assurance Team documentation.

Project End Date: Phase One end date Aug 2025

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**To:** Projects & Operations Committee, Texas Department of Motor Vehicles Board  
**From:** Wendy Barron, Chief Information Officer  
**Agenda Item:** 4.B.ii  
**Subject:** Technology Projects - Other Projects

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**RECOMMENDATION**

Briefing Only.

**PURPOSE AND EXECUTIVE SUMMARY**

To provide an update on the current active projects including project descriptions, status, budget, and end dates.

**FINANCIAL IMPACT**

N/A

**BACKGROUND AND DISCUSSION**

*Tax Assessor Collector (TAC) T1 Upgrade Project*

Current network circuit technology servicing most of the county tax assessor-collector (TAC) offices is outdated, using older T1 technology. This technology is not reliable, leading to frequent losses of connectivity for our TAC partners and impacting the department's and the TACs' ability to provide good customer service to our constituents. These types of circuits are being phased out by the major service providers, including TxDMV's vendor AT&T. This project will execute the upgrade of current T1 connections to metro-ethernet. This conversion will increase circuit reliability and increase network speeds for our county TAC partners. In conjunction with the fiber upgrade, the current routing and switching equipment at the county TAC locations will be upgraded to newer equipment with LTE (cellular) capabilities. A second networking route will be established in locations where cellular is available and reliable to act as a failover in the event the fiber route became disabled. The TAC T1 Upgrade Project is a multi-phased effort. The project is in its first phase with an objective to upgrade county offices from T1 circuits to AT&T Metro Ethernet for 286 AT&T in-region sites. Network routers and switches will also be upgraded for these offices as part of phase one. Subsequent phases will transition the remaining county offices.

Project Status:

Phase I/II -

- 93% Complete (222 locations as of 3/13)
- 7% Working through various blockers for site requirements.

Phase III/IV:

- 39 of 98 orders are progressing, some cancelled due to special construction needs. 14 are completed.

- 59 of 98 locations on hold due to pending equipment purchase and budget constraints. These locations are figured into the subsequent phases total number of locations.

#### Subsequent Phases:

- New quotes requested from vendors.
- 211 locations are evaluated for a different solution due to site requirements that counties are unable to meet, special construction cost, or monthly reoccurring cost that is too high.

The project overall health is green. The project is on time and within scope, schedule, and budget.

Project End Date: Phase One is completed, Phase Two end date no later than August 2024.

#### *Motor Carrier Credentialing System (MCCS) Rewrite*

The MCCS Rewrite project will replace the existing legacy MCCS system with a modern, reliable application supported by an external vendor. The project will reduce the operational risk to the department using improved technologies and ensure long-term support and operability.

#### Project Status:

- The SOW was completed and distributed to DIR vendors.
- Responses did not meet expectations.
- An Open Market Exemption request was requested and granted.
- Open Market Solicitation is being reviewed internally.
- Project overall health is yellow because of delays in the solicitation process that have impacted the schedule. The project is within scope and within budget.

Project End Date: August 2023 (schedule will be re-baselined when a vendor is selected and provides their schedule)

#### *Texas International Registration Program (TxIRP) Upgrade*

The TxIRP Upgrade project will improve the TxIRP online user experience and reduce Out-of-Service (OOS) fraud. The project will improve user experiences through website responsiveness for mobile devices, add automated financial capabilities, and improve reporting.

#### Project status:

- Project is in execution phase and application is 85% complete.
- The project overall health is green. The project is on time and within scope, schedule, and budget.

Project End Date: September 2024

#### *Okta Enterprise-Wide Integration*

The intent of this project is to implement multi-factor authentication and single sign-on for critical agency applications. This project will meet statutory security requirements and improve access and identity management at the TxDMV.

#### Project status:

- The vendor has been selected and the kick-off meeting is complete.
- Architecture workshops are complete for in scope applications.
- Requirements gathering sessions are complete.
- The project overall health is green. The project is on time and within scope, schedule, and budget.

Project End Date: September 2024

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**To:** Projects & Operations Committee, Texas Department of Motor Vehicles Board  
**From:** Chris Hayden, Deputy Chief Financial Officer  
**Agenda Item:** 4.B.iii  
**Subject:** Technology Projects - Credit Cards in the RSCs

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**RECOMMENDATION**

Briefing Only.

**PURPOSE AND EXECUTIVE SUMMARY**

This item provides an update on the Credit Cards in the Regional Service Centers (RSCs) project.

**FINANCIAL IMPACT**

This project is sourced with funding in the Automation System capital budget for Fiscal Year (FY) 2023 and 2024.

**BACKGROUND AND DISCUSSION**

This project is a collaborative effort among the Finance and Operations (FAO) Division, Information Technology Services Division (ITSD), Motor Carrier Division (MCD) and the Vehicle Titles and Registration (VTR) Division to implement an over-the-counter credit card payment process at each of the 16 Regional Service Centers (RSC).

Highlights:

- TxDMV began the Texas.gov payment portal services onboarding process in FY23 through the Department of Information Resources (DIR) and its vendor, Tyler Technologies.
- Payment Card Industry (PCI) compliance and attestation has been completed.
- Credit card swipe devices and stands have been procured and received for each RSC location.
- Testing of programmatic changes to both RTS and TxIRP has been successful and has earned approval from DIR.
- Final certification testing with the Comptroller's office has been completed.
- 6 RSCs have gone live to date (Austin, Houston, Dallas, Ft. Worth, Corpus Christi, and Pharr).
- The remaining existing locations will be deployed by August 31, 2024, at a rate of two RSCs per month, except for the San Antonio and Midland/Odessa RSCs. These two offices are contingent on the remodel completion schedules. The additional RSCs in Dallas and Houston will be completed when the new offices are opened.



**Committee Meeting Date: 4/10/2024**  
**BRIEFING ITEM**

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**To:** Projects & Operations Committee, Texas Department of Motor Vehicles Board  
**From:** Eric Horn, Director of Accounting Operations  
**Agenda Item:** 4.B.iv  
**Subject:** Technology Projects - Accounts Receivables Project

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**RECOMMENDATION**

Briefing Only.

**PURPOSE AND EXECUTIVE SUMMARY**

This item provides an update on the Accounts Receivable system funded by the 87th Legislature.

**FINANCIAL IMPACT**

This project is funded with \$3.5 million in supplemental appropriations (HB 2, 87<sup>th</sup> Legislature, RS).

**BACKGROUND AND DISCUSSION**

The department received \$3.5 million in supplemental appropriations in HB2 of the 87th legislative session for the deployment of an Accounts Receivable (A/R) system to ensure revenue collections are tracked accurately and consistently across the department. TxDMV contracted with Gartner, Inc. in February 2022, to complete the first phase of the project, which was a study of the current decentralized process and to determine recommendations for available software that will best fit the department's needs. Additionally, Gartner recommended TxDMV pursue a Request for Information (RFI) with the vendor community to convey TxDMV's unique system requirements and to obtain more precise cost information for each solution. TxDMV completed the RFI process in September 2022 and elected to pursue an A/R system using the Microsoft Dynamics 365 Business Central platform.

Following the system platform selection, staff from the Finance and Operations (FAO) Division and Information Technology Services Division (ITSD) collaborated with the Department of Information Resources (DIR) to initiate the procurement process. The procurement process was divided into two steps: software licenses and a Deliverables-Based Information Technology Services (DBITS) contract for development and implementation. The procurement of the software licenses was completed in January 2024. TxDMV staff drafted a Statement of Work (SOW) for the implementation of an A/R system in accordance with DIR's process and began reviewing bids in May 2023. After negotiations with the selected vendor, DIR provided final approval for the project to begin in March 2024. A project kick-off meeting commenced on March 18, 2024.

The project is currently in the define and design phase, which is expected to last through May 2024. Following this phase, the vendor will develop the system over the rest of the calendar year. A production deployment of the new A/R system is expected in January 2025 with transition and project closing activities occurring through April 2025.



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